

#### MINISTRY OF PLANNING AND INVESMENT

PUBLIC PROCUREMENT AGENCY

## INNOVATION IN THE PUBLIC SECTOR

# THE NATIONAL BIDDING NETWORK SYSTEM

Presenter: Pham Thy Hung
Director of the National Online Bidding
Center

Hanoi, 22<sup>nd</sup> Dec 2022



## **Contents**

01 (The national bidding system

**O2** System operating model

**03** The situation of online bidding

04 Success factors

05 Issues need to improve



#### THE NATIONAL BIDDING SYSTEM



### **Concept of online bidding**

Online bidding, which applies information and communication technology to the interaction process between related parties, is an important component of e-government, includes investors/bid solicitors, contractors, performance management activities, such as investors, bid solicitors, contractors, supervisory agencies, state management agencies, service providers, and civil society organizations in **public procurement** and **contract performance** management, with the aim to improve the state management, effectively use the state budget, contribute to socio-economic development, reform administrative procedures, increase the publicity, transparency, competition and economic efficiency of the bidding work..

#### INITIATIVES IN IMPLEMENTING ONLINE BIDDING



#### INVESTIGATE AND SELECT TECHNOLOGICAL SOLUTIONS:

- ➤ Beginning early learning and researching international experiences in online bidding implementation (since 2005).
- Choosing the technology transfer model from the country with the most developed national bidding network system (Korea), adapting it to Vietnam's realities, and putting it into operation in 2009.
- ➤ Choosing the appropriate unit for the pilot implementation.

#### INITIATIVES IN IMPLEMENTING ONLINE BIDDING



#### IMPLEMENT ONLINE BIDDING

- ➤ Including in the Law and Decree on bidding the general principles of online bidding as a basis for implementation;
- ➤ Submitting to the Prime Minister for promulgation Decision No. 1402/QD-TTg dated July 13<sup>th</sup>, 2016 approving the master plan and roadmap for using online bidding from 2016 to 2025.
- ➤ Creating a suitable roadmap, encouraging and publishing monthly data on the application of online bidding to ministries, branches, and localities on a regular basis.
- ➤ Hiring resources from the private sector to develop the system and support users (Call Center).

#### INITIATIVES IN IMPLEMENTING ONLINE BIDDING

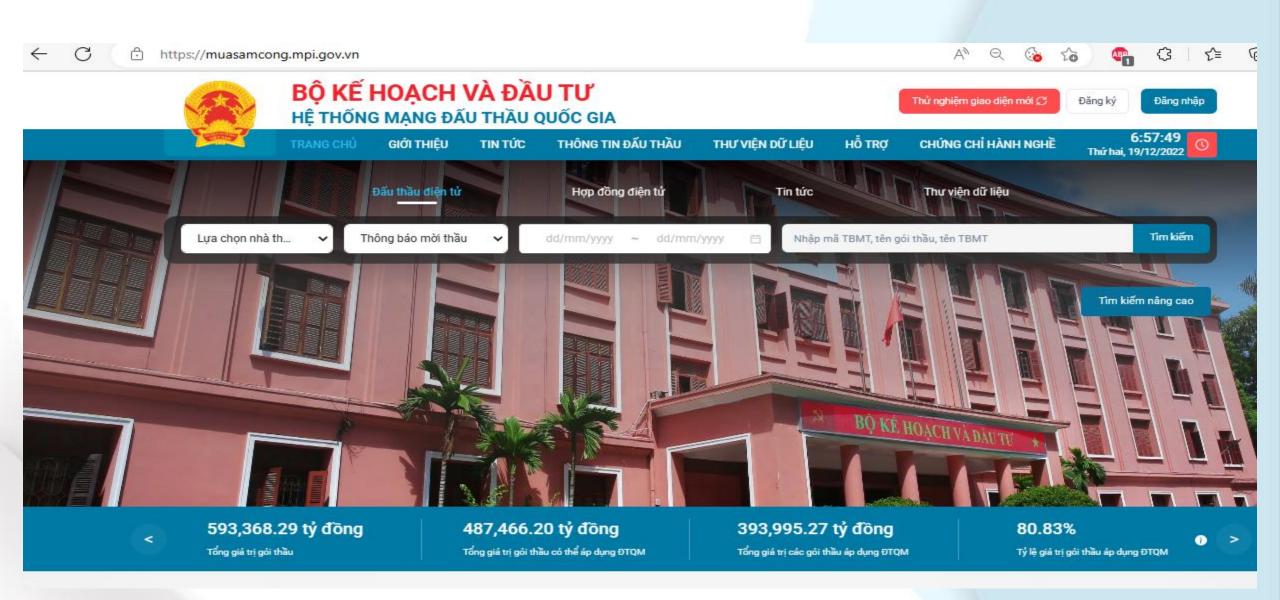


#### **CHANGE MANAGEMENT**

- ➤ Piloting application at 03 agencies: Hanoi People's Committee; EVN; VNPT before expanding the scope of application across the country.
- Synchronously implementing solutions: mass communication, social networks, seminar organization, training courses (on-the-job training), online bidding forums for the following entities: state management agencies on online bidding; Investors/bid solicitors; contractors.
- Computerizing step by step the bidding process according to fields, forms/methods for selecting contractors; bid invitation templates; and contract types. Listening to the reality and constantly adding new functions to improve efficiency.

#### THE NATIONAL BIDDING SYSTEM





#### THE NATIONAL BIDDING SYSTEM



#### Development milestones of the e-GP system

2009 2010 2015 Now 16/9/2022 2034

Receive transfer from KONEPS

Maintain, operate and pilot

Upgrade, expand, apply officially nationwide

New e-GP system under the PPP model

- 1. Portal
- 2. User Management
- 3. e-Bidding
- 4. Call Center
- 5. e-Payment
- 6. Supplier's Performance Management

There is no legal regulation to implement

- 1. Portal
- 2. User Management
- 3. e-Bidding
- 4. Call Center
- 5. e-Payment
- 6. Supplier's Performance Management
- 7. e-Document
- 8. e-Shopping Mall
- 9. e-Contract
- 10. e-Catalog
- 11. e-Guarantee



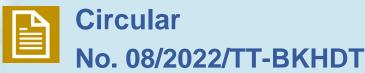
#### E-GP LEGAL FRAMEWORK



Bidding law No. 43/2013/QH13 (A60, A61, A79, A80)









Decree No. 63/2014/ND-CP (D84 – D88)



National Bidding Network







Circular No. 06/2021/TT-BKHDT

#### THE SITUATION OF ONLINE BIDDING-



Contents of implementing online bidding	The period 2009 -2015	2016	2017	2018	2019	2020	2021
Number of registered contractors	12.600	27.000	61.000	83.000	100.000	115.000	129.281
Number of registered bid solicitors	4.900	6.400	17.000	27.000	33.373	38.000	42.807
Number of online bidding packages	1.435	3.327	8.200	19.000	39.693	98.172	115.371
Number of tender notices published	181.545	80.413	93.000	104.000	123.418	129.089	135.699
Number of contractor selection plans published	57.201	46.898	68.973	150.000	154.743	164.837	176.411

#### **ONLINE BIDDING DATA FROM 2009-2021**

#### IMPLEMENTATION OF ONLINE BIDDING



Receive user registration



Hotline 1900.6126



Investor, bid solicitors, and contractor training

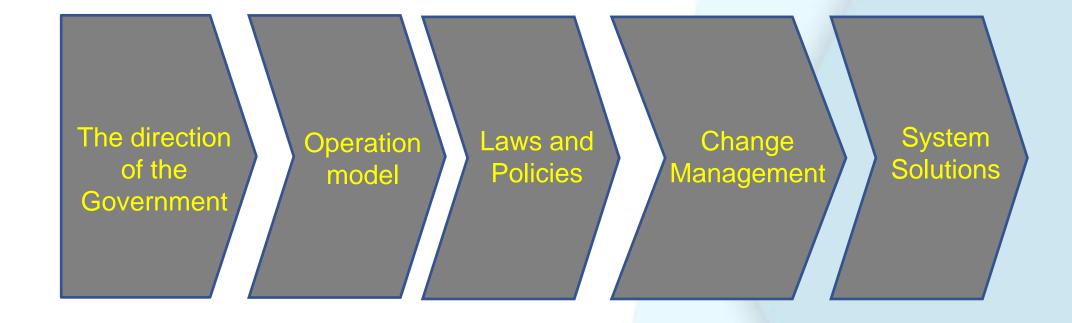


Communication to raise awareness about online bidding



#### SUCCESS FACTORS





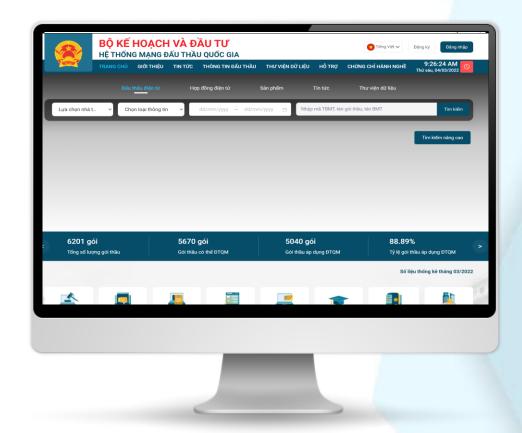
12

#### ISSUES NEED TO IMPROVE



- ➤ Some new system features, such as the e-Shopping Mall, e-Contract, e-Catalogue, and e-Guarantee, are inapplicable because they are not yet covered by the current Bidding Law.
- ➤ The number of participating contractors is still low: there are 1.8 contractors per online bidding package on average.
- ➤ Sharing and connecting data with other information technology systems, such as the Tax Information System and State Treasury, has not yet been conducted.
- ➤ Continuing to computerize the bidding process, aiming for 100% of the bidding process to be done on the National Procurement Network.
- ➤ Exploiting and analyzing the database on bidding to serve the state management of public procurement.





# Thank you for listening!