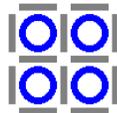


Electronic Procurement in Nepal

Advocacy for enactment of suitable
laws and adoption of Government &
Public Procurement Portal

www.bolpatra.com.np

The Asia Foundation



IT Professional Forum

October 2004

Acknowledgement

This Consultation, Documentation, and Advocacy on e-Procurement in Nepal in general and in Government in particular report is the joint endeavor between The Asia Foundation and IT Professional Forum. The project signed and started from March 22 through September 30, 2004. During the period ITPF missions were (a) meetings, consultations, follow-ups with government high officials for the early promulgation of Electronic Transaction and Digital Signature Ordinance; (b) discussion, design, development and operation of www.bolpatra.com.np; and (c) building awareness and demonstration of functions and features of government and public procurement portal to personnel of government, private, non-governmental organization, business association, civil society and media.

The objectives of the present study on e-procurement in Nepal are to (a) encourage government to enact laws relevant to online purchase, (b) build consensus for e-Procurement system, (c) educate and demonstrate live operation of portal, and (d) publication of booklet for public awareness and attention.

We are very much pleased that the study has successfully delivered its objectives in time while remaining within the budgetary limit. A team of experts from different fields of study was formed. The project team initiated the study by collecting information and document, understanding the government and private entrepreneur's requirements, helping government in updating of on the draft of Electronic Transaction and Digital Signature Act consultation and discussion on the development of government and public procurement portal.

After the portal was successfully launched, series of advocacy, awareness and demonstration programs with open and wide discussions were organized. The full capabilities and features of www.bolpatra.com.np were given away to six groups of like minded people – Civil Servants; Traders; Service Providers and Civil Contractors; SMEs; and Medias. The ITPF executive committee supervised the progress of the project, provided guidelines and support regularly. This comprehensive report incorporates the findings and analyses during the study, and includes suggestions received during interactions and demonstration sessions.

We extend our sincere gratitude to Right Honorable Minister Mr. Balaram Gharti Magar, Ministry of Science & Technology for his inaugural speech during the program organized for high ranking Government officials and sincerely thank Dr. Swayambhu Man Amatya, Secretary, Ministry of Science & Technology for chairing the session. We earnestly thank Mr. Shanta Raj Subedi, Director General, Department of Information; Mr. Sukunta Lal Hirachan, President, Federation of Contractors' Association of Nepal; Mr. Rajesh Kaji Shrestha, President, Nepal Chamber of Commerce, Mr. Naresh Chandra Lamichhane, Executive Director, Trade Promotion Centre and Mr. Lochan Lal Amatya, President Computer Association of Nepal for chairing various awareness building and demonstration Programs.

Electronic Procurement in Nepal

We would also like to thank Mr. Rameshwor Prasad Khanal, Joint-secretary, Ministry of Finance and Mr. Shakti Prasad Shrestha, Deputy Financial Controller General, Office of the Financial Comptroller General for valuable suggestions and guidelines in developing www.bolpatra.com.np.

We would also like to thank The Asia Foundation Nepal for accepting our proposal and providing us the financial support to complete this project. In particular, we would like to extend our sincere appreciation to Mr. Nick Langton, Resident Representative for helping us initiate this project and to Dr. George Varughese, Assistant Resident Representative, for being supportive to our proposal and providing valuable guidelines in conducting this project.

ITPF has developed the www.bolpatra.com.np which is the foundation for all government and public procurement purchases. We are confident that The Asia Foundation will extend support in order to keep the portal live and operational until it will be handover to His Majesty's Government of Nepal.

We would like to thank Mr. Pushkar Wagley, the project manager, for his insight, dedication, initiation, hard work and leadership, which has led to the achievement of the project objectives. We also like to thank HitechvalleyiNet Pvt. Ltd. for designing and delivering the state of the art e-Procurement portal in time. The resource persons and members of the project team (named below) whose respective valuable contributions and comments have led to the successful conclusion of the project deserve special gratitude.

Mr. K.K. Singh, Chartered Accountant	-	Financial Expert
Mr. Satish Krishna Kharel, Advocate	-	Legal Expert
Mr. Jyoti Tandukar, Computer Engineer	-	e-commerce Expert
Mr. Rajesh Kumar Shakya, Computer Engineer	-	e-commerce Expert
Mr. Prashant Lal Shrestha, Computer Engineer	-	IT Expert
Mr. Mahesh Singh Kathayat, Computer Engineer	-	IT Expert
Mr. Shiv Bhushan Lal, Computer Engineer	-	IT Expert
Mr. Dinesh Pokharel	-	Office Assistant

Last but not the least, we are indebted to all those high ranking civil servants, private entrepreneurs, and media professionals who have contributed and the executive committee members of the IT Professional Forum for their inspiration, guidance and support in carrying out the project and coming up with this report.

Suresh K. Regmi
President

Contents

Acknowledgement.....2

Executive Summary.....5

Introduction7
Country e-Readiness
e-Procurement Models

Objectives.....12
Economic Significance
Governance
Efficiency and Effectiveness

Strategy14
e-Leadership
Organization & Management
Legislation & Regulation
Private Sector Activation
Infrastructure & Web Services
Accountability

Public Procurement Portal.....20
Benefits
Features and Facilities
Limitations
Knowledge Sharing & Demonstration
Response & Feedback
What Media believed?

Issues & Challenge.....35

Recommendation.....38

Conclusion..... 40

Annex.....41

Photograph.....50

Executive Summary

1. The use of information and communication technology is gradually escalating in the government – development, social and administrative activities; public enterprises – service delivery and internal information and management; and private sector – electronic commerce, investment portfolio and competitiveness.
2. His Majesty's Government is following the Financial Administrative Rules for all purchases. This rule is issued by the government and can be changed by the government. Most countries are doing their government and public procurement under Public Procurement Law which is said to protect the public interest. Nepal has initiated drafting the Public Procurement Act recently.
3. Electronic Transaction Ordinance 2061 was promulgated on 15th September 2004. The execution and implementation of the ordinance may begin only after the enactment of relevant regulations and establishment of institutions as envisaged by the Ordinance. The Ministry of Science & Technology should get the policy approved and circulate policy, directives and guidelines for immediate implementation of the Ordinance.
4. The preparedness for electronic Procurement is at satisfactory level. The government, public and private organizations are equipped with the minimum infrastructure, technology and human resource to conduct purchase online. Some of the government offices and public enterprises including banks are receiving and transmitting information electronically and reports are compiled in very short period of time.
5. The value of e-Procurement to the stakeholders can be summarized in terms of economic saving, good governance, transparency, efficiency, effectiveness, market reach so on and so forth. The e-Procurement initiative shall focus on strategy on e-leadership, organization and management, legislations, activating private sector, and infrastructure development.
6. www.bolpatra.com.np a government and public procurement portal was designed, developed and launched exclusively for government and public enterprises of Nepal to conduct government-to-business kind of e-commerce. The portal complies with the existing Financial Administrative Regulation of the HMG, Nepal. The aims of the portal are to bring awareness on doing purchase electronically, to demonstrate the process of tendering, to display the ability of transparency, accountability, secrecy, integrity and so on, in conducting e-Procurement.
7. The use of the portal enables the organization to save expenses, improve the capability for service delivery, provide satisfaction to buyer on quality and price, better relationship between buyer and seller, and enhance the productivity.
8. The exchequer will get all information on revenue and expenses of buyer and seller, detail information of buyer and seller, and such central database will help government to frame national policy and programme for trade and commerce.
9. The portal is fully secured as it was developed under secured socket layer technology which is the state of the art today. None of the users – visitor, buyer, seller or administrator either can access any information prior to the expiry of bid time and date or can access information other than authorized by the login authority.
10. www.bolpatra.com.np is a prototype e-Procurement site in operation in Nepal. Due to non-formulation of regulations like electronic transaction regulations, public procurement law and electronic payment regulations etc and non-establishment of organizations like – controller of certificate, certification authority, ICT tribunal, etc, the portal has to compromise with some limitations. The portal will function in full

Electronic Procurement in Nepal

fledge once the required legislations, organizations and methods will be established.

11. The response to use the portal is overwhelmed from all the quarters of society – government, private, public, NGO and associations. The number of visitors and number of registrations by sellers are increasing day by day. The government and public enterprises are not registered themselves because the civil servants are waiting for the policy decisions and directives from the concerned ministries and departments.
12. The country has to face the challenge in order to move ahead in implementing e-Procurement. There is more opportunity for the people in remote areas connected with electricity and telecommunication to get access of information on government services delivered to them and can participate in the bidding. The portal will also benefit *women, dalits, janjati*, people of deprived sector, and SMEs by providing them the information at the same time and an equal opportunity to participate in bidding process. The language and the content of the portal are in English which may be a hindrance for extensive access by non-English speaking people.
13. The role of private sector is equally important in order to make the portal an electronic web site for government purchase. The government should create an environment to promote Public-Private Partnership in building the required infrastructure for issuance of digital signature, its certification, creating electronic marketplace, putting everything online, participating and conducting e-Procurement successfully.
14. Presently the e-Transactions are carrying out successfully in private sector-business-to-business, business-to-customer, bank-to-business and so on. The use of the same has not taken place in government-to-business or government-to-government. The ICT can be used effectively by the government in purchase activities within the frame work of existing laws without contravening their spirit. www.bolpatra.com.np is fully compatible with the country's regulations.
15. The Office of the Financial Controller General has presence and network from central to local offices; involve from budget preparation, book keeping of revenue and expenses, internal control of accounts; preparation of financial reports and audit of accounts. The government should entrust the responsibility of operation, implementation, human resource development, management of government and public procurement portal www.bolpatra.com.np to OFCG by creating and facilitating with required infrastructure, technology and logistics.
16. IT Professional Forum would like to handover the www.bolpatra.com.np to the OFCG for continuation and implementation of the e-Procurement website in practice. Until such time the government will not take-up the portal by its own, ITPF will further continue advocacy and demonstration of the portal to all stakeholders; operate and maintain the portal to make it live.

Introduction

Until recently, the government has focus significance to information and communication technologies (ICT) which are playing an ever-increasing role for the development of the economy. ICT is not just another piece of infrastructure or capital, but represent a profound shift in the means of production, the scope for broad community participation in commercial and social activity, as well as the methods and roles of government itself. These technologies are progressively providing the means for enhancing intellectual capacity, just as the industrial revolution has enhanced physical capacity. The consequences of the exploitation of ICT potentially transform the ways in which government interacts with their constituents, manages their affairs, saves resources, strengthens transparency and ensures good governance.

The government and public procurement are basically constitutes of (a) goods: *Fixed assets* - machinery, equipment, vehicle, infrastructure etc; *Consumable materials* - such as stationery, spare parts, and materials required for repair maintenance, internal security, defence purpose, research and development, education, health care, agriculture, public utilities etc (b) services: Consultancy services; Construction works; *Lease* - operating lease like land, building, machinery, equipment, etc.; Transfer of technology; Know-how; Transportation. The volume and size of procurement activities is very large to be quantified but presumably in terms of money in budgetary outlay of financial year 2060/61 could be estimated around NRs.20 to 25 billion.

The public procurement procedures have been laid down in “Arthik Prasashan Niyamavali” (Financial Administrative Rules- FAR) and “Arthik Karobar Prakriya Ain (Financial Working procedures Act- FWP). These financial rules and procedures are revised and modified from time to time. These procedures also include some prescribed format for recording evidence, internal control and for management information system purpose. The financial accounting both revenue and expenditure of His Majesty’s Government is maintained, supervised and control by Office of Financial Controller General.

The FAR and FWP in fact provide guidelines for procuring materials or services. Amongst other things, the single criterion of evaluating bids or offers is “the lowest amount offer”, while quality is also given consideration but not often.

To perceive these developments simply as technological issues is to misunderstand their reach and relevance for policy, infrastructure, service, governance, production and delivery, as well as literacy and awareness. But established ways of doing business and managing government have long traditions which need to be changed significantly by changing the government vision, mission, objectives, legislations and management capabilities.

The exploitation of ICT is not a predestined phenomenon along a naturally emerging path. There are many possibilities with many potential benefits and many dead ends. Within the economies of developed countries it is often preferred to allow the market to select the successes from the false starts, although Nepalese governments are being expected to develop policies and legislation and build infrastructure to facilitate new processes. The truth is that the country is faced with greater urgency to generate positive outcomes for the utilization of ICT while at the same time have less investment capital, infrastructure and human resources available. The economy is already facing pressure reflecting deep divides in income, geography, education, literacy, and gender and demographic issues and does not like to be compounded by a digital divide and other risks.

Country's e-Readiness

The assessment of e-Readiness of the government and public enterprises including projects and autonomous institutions portray the presence of ICT technology – computer and their networks in all central level offices. All districts level offices where electricity and telecommunication services are available have at least one computer. These computers and networks are used primarily for letter writing, document preparation and report printing. They serve the basic need of the office and have able to replace typewriters. Some of the offices are using accounting software or spreadsheet to ease their account record keeping and reporting mechanism. Few proactive offices are utilizing the technology in their main functional areas beyond the secretarial and accounting activities.

There is more failure than success stories of the use of ICT. Some of the noteworthy success stories are:

■ ***Office of Financial Comptroller General (OFCG)***

The Office of Financial Controller General is responsible for the distribution of quarterly budget, preparing the books of accounts (revenue, expenses, budget), conducting internal control on the revenue, expenses and budget to all government offices from central to local levels, compile, prepare and submit report to the Ministry of Finance and other line ministries.

The OFCG has implemented computer based information system and network since 4 years and are in a position to download online data from 4 thousands cost centers from 67 districts and produces reports of all kinds from central to local levels within 3 months.

■ ***Inland Revenue Department (IRD)***

The Inland Revenue Department is currently responsible for the enforcement of Tax Laws and administration of the following taxes- Income Tax, Value Added Tax, Excise Duty, Vehicle Tax and certain fee and duties like Entertainment fee, Tourism Development Fee, Special fee etc, from 22 offices within the country. Likewise, the Department is also responsible for monitoring the non-tax revenue such as dividends, royalties etc. of the Government.

The IRD has introduced computer system in generating and maintaining the records of taxpayers throughout the Kingdom and issuing them the Permanent Account Number (PAN). It is a unique identification number. PAN identifies each taxpayer uniquely countrywide. PAN is allotted only once in the lifetime of a taxpayer. PAN becomes necessary for computer data processing of taxpayer's information. PAN registration has made the database very simple and transparent. A taxpayer can be identified with PAN number while conducting any business.

■ ***Election Commission***

The Election Commission had started recording of voters' lists at village development committee (VDC) level on computers and every year the list is updated. The Election Commission is given a period of one month prior to election, for enumerating the names of voters and for compilation of the electoral rolls. The electoral rolls are published at every village development committee's office or at every municipal ward's office. Opportunities are also given for lodging claims for inclusion and protests for deletion of names in electoral rolls. Applications for transfer of voters' name from one place to another are also accepted during this phase. In the second phase, final electoral rolls are published at the Chief Voters Registration's office after scrutinizing the claims and protests.

The Election commission can issue Voters Identity Cards in prescribed phases and manner and has already started doing so in some of the election constituencies. The Election Commission is utilizing the available network in receiving the data and sending back to VDCs as well using computers.

■ ***Custom Offices***

The Department of Custom had implemented the computer software ASIKUDA, UNCTAD recommended and internationally accepted customs procedures for assessing, and levying custom duties on the import/export of commodities at major custom offices including Tribhuvan International Airport, Kathmandu. ASIKUDA software has been used by about 70 countries - World Customs Organization members. This has resulted in better management of revenue to the government, standardization in commodities, simplification in formalities to exporters and importers and proper accounting.

■ ***Ministry of Education***

The Ministry of Education has initiated to design and develop Education Management Information System (EMIS) to record the teachers, students, academic courses, schools and other related information and statistics as a central database. This kind of database will help government, local as well central, schools, teachers, students, researchers and others to receive the information for their purpose. The Ministry of Education tried to capture information of 26 thousands schools, 2.8 millions teachers, 75 district offices, regional offices, departments etc.

■ ***Department of Health***

HealthNet Nepal is a non-governmental organization that serves the Nepalese health community by providing affordable Internet service, access to health information, and technical support for several regional information-sharing initiatives. HealthNet Nepal is housed at the Health Learning Materials Centre of the Institute of Medicine at Tribhuvan University, and affiliated with the Institutes of Medicine and Engineering. The users of HealthNet Nepal are health workers from several prominent health and medical facilities, university departments, and non-governmental organizations. HealthNet Nepal was established in partnership with

Electronic Procurement in Nepal

SATELLIFE, a non-governmental organization based in Watertown, Massachusetts whose mission is to combat isolation and information poverty among health professionals throughout the developing world.

HealthNet Nepal is responsible for introducing many health organizations throughout Nepal to the power of information and communication technology, particularly electronic mail, at a low cost communication medium and a tool for accessing information from various sources such as MEDLINE, discussion groups, and news groups.

■ **Immigration Office**

Each Tourist is required to complete Disembarkation and Embarkation Cards, upon their arrival and departure at Tribhuvan International Airport, Kathmandu. The Immigration office uses computers to record the details of passports, arrival, departure, country of origin etc of passengers. This information is useful for tourism promotional programme, passport control and exchange of information with other countries.

The new ICT culture – creating and publishing information through web site, has surfaced in government ministries, departments, public enterprises, projects, associations and private. Most of the web sites contain the same information which were uploaded at the beginning and were not updated since then, for example www.most.gov.np, www.moljpa.gov.np , while few web sites are non-operational, like www.mope.gov.np, www.moics.com.np.

Some of them provide the facilities to download specific forms that need to fill-in by the people in order to receive services from the central and local governments. Individually people from government to business to civil society are using email for correspondence and Internet for browsing and downloading documents from web sites frequently for personal use. But when it comes to official matters and process of automation and exchange of document electronically, they put many barriers like lack of technology, networks, infrastructure, legislation, security, human resource so on and so forth. The advocacy should further address the mind set of the decision makers and private entrepreneurs in using ICT in delivering and receiving services to from public.

e-Procurement Models

e-Procurement is a term used to describe many different forms of e-commerce – all of these business models harness one type of web technology to add value or reduce the costs of an organization's procurement operations. e-Procurement is the electronic management of all purchasing activities, often starting with low-value, high-volume, non-strategic goods and services that support the business. When a procurement process is capable of;

- communicating offer electronically
- acceptance of such offer electronically, and
- making payment electronically

It is said to be e-Procurement.

Looking into the global perspective of how the e-Procurement is conducted today, the method can be branded as Buy-side e-Procurement, Sell-side e-Procurement and Marketplace e-Procurement.

Buy-side e-procurement

Buy-side e-procurement refers to one organization employing electronic systems to purchase goods from contracted suppliers and manage all processes relating to those purchases. Buy-side e-procurement systems can be deployed throughout an organization, giving staff the ability to quickly and easily raise purchase requisitions and track their progress. A good buy-side e-procurement system should enforce the use of preferred suppliers and manage many of the financial processes stemming from the procurement process, such as the reconciliation of suppliers' invoices, commitment accounting and other process.

Sell-side e-Procurement

Sell-side e-Procurement is typically used to describe how one supplier or distributor sells to a number of buying organizations using e-commerce technology. Although this model is sometimes referred to as e-Procurement, it is perhaps more correctly referred to as 'e-sales', as it offers the procurement professional no real means of controlling the buying process other than a simplified means of placing a supplier-specific purchase order. Because Sell-side e-Procurement is driven by the supplier it is playing a significant part in Business-to-Business e-commerce. Many suppliers are taking advantage of the low cost of selling over the web to offer dramatically reduced prices, which in turn make the web an attractive place for business buyers to shop.

Marketplace

Marketplace model brings together many different buying and selling organizations in one trading community. There are currently several thousand independent marketplaces and their number is growing by the day. The marketplace model is most useful in very specific vertical sectors, perhaps with a limited number of buyers and suppliers. The automotive industry is one example of where the marketplace model has been put to good effect, the wine industry is another. Marketplaces defeat the very essence of the Internet: the ability to eliminate the middleman. In effect a marketplace is a middleman.

Objectives

The objectives for an e-Procurement strategy can be defined in terms of the internal benefits to government operations and in terms of the externalities of technological take-up in the broader economy. The former will be the immediate focus of organizational management in the development of e-Procurement but government through its policy settings, has the option of delivering broader benefits. The fulfillments of these objectives would yield benefits for a range of stakeholders.

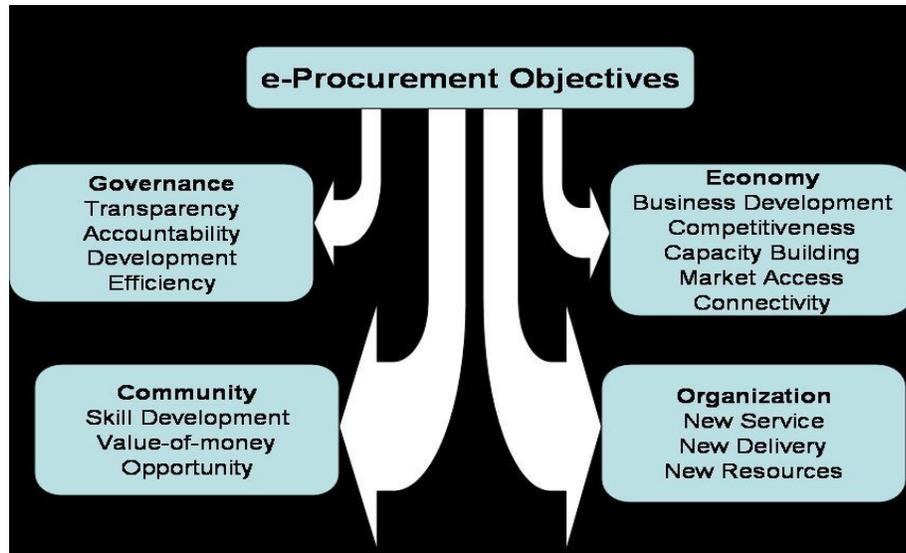
Economic

The potential significance of government adoption of e-Procurement might be gauged from the work of Douglas C. North who determined that for a modern economy 45% of GDP can be accounted for by the cost of transactions. The strong point of technology is its ability to substantially reduce the cost of transactions. Even conservative estimates of the productivity benefits from technology could be expected to have large gains on the productivity and competitiveness of the whole economy.

With government accounting for a substantial proportion of the economy, the pace of adoption of technology by the economy will be significantly influenced by the rate of government acceptance. It is also for this reason that the e-Procurement policy, legislation and standards adopted by government carry greater weight than the immediate applications intended within government. A strategic approach which harmonizes with its industry policies could enhance interoperability and connectivity throughout the economy as well as the community with potential gains in productivity and competitiveness.

Governance

ICT offers the potential to significantly strengthen the transparency of government procurement by addressing an area of intense public interest. Government and public procurements are often identified with pressures between public expectations of high standards of governance, best performance, explicit political influence and broader private sector interests. On the top of these issues are widespread misunderstandings within the political and bureaucracy as to what procurement actually involves, what skills are needed, what risks are implied and what opportunities may be available. The country lacks awareness and expertise at these stages commonly represents as great a risk to good governance.



Efficiency and Effectiveness

The potential impact of e-Procurement on the cost of transactions has been variously assessed as saving from 12% up to much greater estimates, depending on the measures used. These transactions savings relate only to workflow. At another level there is clear evidence that e-Procurement can increase competition in the market thereby reducing the prices paid by government: experience suggests that this factor can be expected to yield between 5% and 25% savings with the higher end of the range more likely to be found in developing countries.

In addition to these outcomes e-Procurement can be expected to provide significant but less quantifiable benefits through greatly improved management information and centralize database of buyers and sellers. Currently most large government organizations will have only limited insights into the buying profiles of their staff, what they are purchasing, who they are purchasing from or where these purchases are going.

Frequently, developing countries have a stronger focus on the governance issues with others more interested in the effectiveness and efficiency goals. Most countries have an interest in the third objective – economic and business development. In some cases, such as Korea, enhanced policy making capacity is defined as a further objective for e-Procurement.

However while all three sets of benefits are mutually compatible it does not follow that the pursuit of just one or two will automatically deliver all three. For example greater transparency and accountability, as well as efficiency of transactions can be generated from an e-Procurement framework built around closed standards.

Strategy

e-Leadership

The Government leadership has two major roles to play. First, one of the best drivers of technology into the economy is through government adoption of ICT. Second, the government leadership is important at the policy and bureaucratic levels if it is to be successfully implemented within government institutions. ICT allows the production and distribution of public services to be managed in new ways with improved governance and at costs that can be affordable.

This exploits online interoperability to add value to the relationship between government as buyers and private businesses as sellers. An effective strategy can deliver a broad range of benefits to taxpayers, the economy and the community. This can be achieved by facilitating new value-added services, cost savings, changes in work practices, improved transparency and governance and open new market possibilities. These changes affect management at all levels of the supply chain and potentially all businesses in the economy and need to be underpinned by appropriate legislation, infrastructure, organization and training.

An essential ingredient for successful e-Procurement implementation is unambiguous government leadership with cabinet policy endorsement. Government leadership defines and drives the vision of what is to be achieved. The operational translation of this vision is also crucial and the government will need to nominate a lead agency to implement its policy, manage the risks and coordinate and collaborate across government.

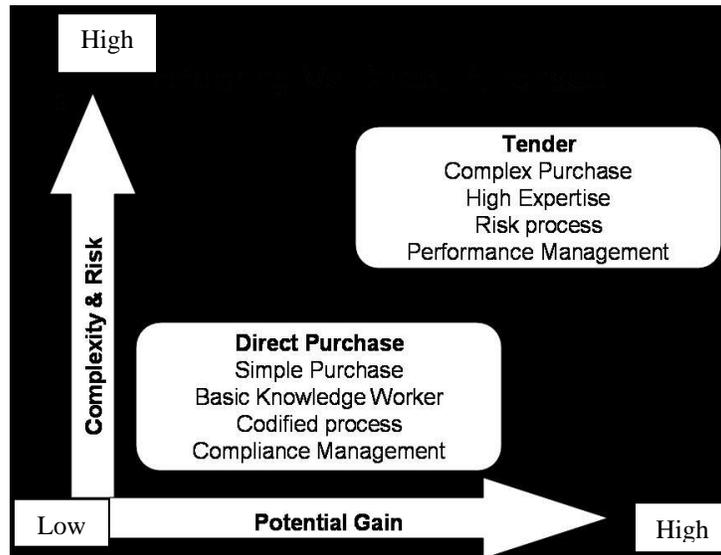
Conversely the effectiveness of e-Procurement cannot be expected to succeed through delegated implementation. There are many reasons for this. For example, for the online posting of tender opportunities, the prospect of numerous agencies maintaining equally numerous online tender sites would imply not only that costs, licenses and maintenance be correspondingly multiplied but also an expectation that businesses search each of these numerous government sites on a regular basis instead of a single consolidated site. Similarly devolved implementation of e-Procurement is likely to include adoption of disparate standards, whether open or propriety, leading to difficulties of interoperability, costly licensing and lock-in or expensive re-alignment at a later date. Examples include government agencies within the same building lacking interoperability of even routine applications such as email. The expertise required to guide government through these issues is scarce enough on a whole-of-government basis and does not exist on an individual agency basis in most cases. These difficulties are greatly enhanced when agencies move beyond e-tendering into e-purchasing.

A fear by procurement managers is that they will be 'disinter-mediated' by technology. Participation by procurement managers of the transition to this new environment as part of change management is imperative. Without careful management at this level, issues of governance, standards and efficiency are at risk of compromise. The change management process will recognize that for professional procurement officers these new approaches offer new opportunities and closer integration with management and, rather than 'disintermediation', will demand up-skilling. Technology affects the skill requirements for procurement but is not a substitute for inadequacies in this area except at the periphery; instead it generates a requirement for education and training for procurement officers.

Organization & Management

e-Commerce in government also provides the opportunity for major enhancements to transparency for the great volume of smaller transactions which have hitherto been effectively unauditible. The potential for technology to enhance governance and transparency has been noted previously for public administration. The potential effect of new technology on transparency of process can transform procurement fraud control from a process that relies largely on chance to one based on audit sampling of 100% if required. Through the same mechanism it also provides the resources for more meaningful management information for decision making about procurement methodologies ranging from direct purchasing, sealed quotation, tendering or even outsourcing. Therefore the same technology brings together greater transparency on the one hand with the potential for improved management performance on the other, thereby relieving the tension between compliance management via regulation and performance management through devolution. This transformation will change the management and policies around government procurement with new audit and compliance regimes and greater management information available about all aspects of procurement.

Improved procurement information enables management to challenge its traditional supply requirements and to look more intelligently at shared service options, leasing versus purchase and various alliance possibilities and also to review procurement methods themselves such as reverse auctions, business profiling and panel contracts. e-Procurement lays the groundwork for management to become more strategic about its supply side. For some of these developments new regulations and legislation are likely requirements.



The issue is the complexity of government procurement which precludes the possibility of a one-size-fits-all model for acquisitions. The range of government procurement is extensive and varied - ranging from the acquisition of minor items such as office supplies through to major construction, telecommunications, defense, hospital supplies and complex services. This government procurement affects thousands of suppliers, thousands of line items and is usually managed by hundreds of procurement managers within many government agencies and authorities. This complexity and its associated governance have to be well understood by public & private sector actors and developers.

Electronic Procurement in Nepal

It is a common observation that the benefits of e-Procurement derive from the dislocation of manual handling of procurement processes. The savings may be significant for major government ministries, offices and private sector. They can be secondary compared to the potential for new ways of doing business, the scope for innovation, consolidation, compliance, business intelligence and collaboration.

Legislation, Regulation and Policy

Most countries in the world are doing their government and public procurement under a public procurement law enacted by the parliament. Nepal is exercising all public procurement authority to buy goods, works and services at all levels under FAR which is a financial regulations issued by the government. The FAR describes the procedures all governmental authorities should have to follow in securing, disbursing public fund and complying their responsibility including buying.

Technology is not a substitute for poor procurement regulation, legislation or poor management practice. e-Procurement is best regarded as a business system rather than as a technology system. For it to deliver its objectives the technology needs to be founded and coordinated within effective legislative and management frameworks.

His Majesty's Government has realized the importance of electronic communication, electronic transaction and e-commerce and their impact in socio-economic development of the country. The Electronic Transaction Ordinance 2061 was promulgated on September 15, 2004. This ordinance has recognized and legalized all electronic transactions received or transmitted. It is a great step toward acceptance and implementation of electronic culture as well as fostering trade and commerce through Internet. In order to implement and execute the sections and provisions of the ordinance in practice, additional regulations and setting-up of regulatory, legislative and certification bodies and their management have to be done.

The government, with a view to manage the public fund transparently is in the process of drafting public procurement law in line with the UNCITRAL law of procurement. Hopefully, this law once enacted will address electronic procurement procedure, regulations, organization, management and including payment system. The work is in progress and it seems that the law will be in place within this year.

At present, the private sector and non-government organizations are productively conducting e-transactions under the contract act 2053 and they do not need separate act. The procurement regulations and procedures adopted by public enterprises or government controlled institutions are approved either by the board of directors of the concerned institutions or as consented by His Majesty's Government. Under the Section 4 of the newly promulgated Electronic Transaction Ordinance, any information created and transmitted electronically shall be recognized in the eye of law. It is lawful and easier to execute buying through www.bolpatra.com.np by the government under the regulation 58 bye-regulation 1 (ka) of Financial Administrative Regulations 2056. The FAR under the regulations 59 (ka) and (ga) further clarify that the purchase can be made directly with the foreign government or companies owned by foreign government at published price and products of Nepalese companies. Hence the government can use the portal in purchase and can also use it as a medium of publishing sealed quotation and tender so that it could reach for mass population and can be accessed for longer period of time.

Private Sector Activation

All markets, including those relevant to e-Procurement, are comprised of a 'buyer' side and a 'seller' side. The participation of the private sector cannot be taken for granted. The most effective way to promote business activation is through the immediate value proposition. Businesses will be skeptical of investing in a 'good idea' but receptive to a credible business case that offers lower costs or greater tangible opportunity.

A business activation strategy will address existed contracted suppliers, non-contracted suppliers and may also work with the service industry that supports business applications. A checklist for supplier activation can include:

- ◆ Current readiness for and awareness of e-Procurement
- ◆ Suppliers Sell value proposition, Online follow-up and training
- ◆ Service industry development
- ◆ Catalogue development
- ◆ Business systems integration
- ◆ Trading Associations support
- ◆ Banking
- ◆ Kiosk services

A business awareness, consultation and orientation programme is vital. Also relevant is the structure of the e-Procurement implementation programme itself where business is initially uncertain about the benefits. A fully integrated e-business strategy is likely to be complex and expensive for business to integrate, whereas e-tendering is easily picked up by business at little cost and represents an effective means of activation of the private sector.

When it comes to purchasing over the web, it is important to determine how easily the organization's suppliers can get on board. Also, it is important to examine the following factors:

- Will it be possible to continue ordering from current suppliers, regardless of their e-commerce capabilities?
- Would the number of suppliers be limited because the vendor requires suppliers to support a proprietary catalogue format?
- Will the vendor offer a supplier enablement plan to assist in this process?

It is important to evaluate the vendor's potential for immediate and long-term synergy with corporate objectives. Specifically:

- Is electronic procurement a primary focus area for the vendor, or is it just one of the secondary products they offer?
- This is a key indicator of where a company will concentrate its efforts and resources with respect to future products and services. Of course, the vendor's viability is not only a concern for the company, who buys the solution, it is also important to that organization's suppliers?

Infrastructure and Web Services

The potential of online technologies arises from the twin attributes of interoperability which is determined by standards, and connectivity which is a function of infrastructure and web service availability. For developing countries and remote communities connectivity and related variables of bandwidth and reliability can be the principal hurdle to e-Procurement. A

Electronic Procurement in Nepal

government strategy for e-Procurement can address these issues at various levels some of which may require co-ordination rather than additional resources including:

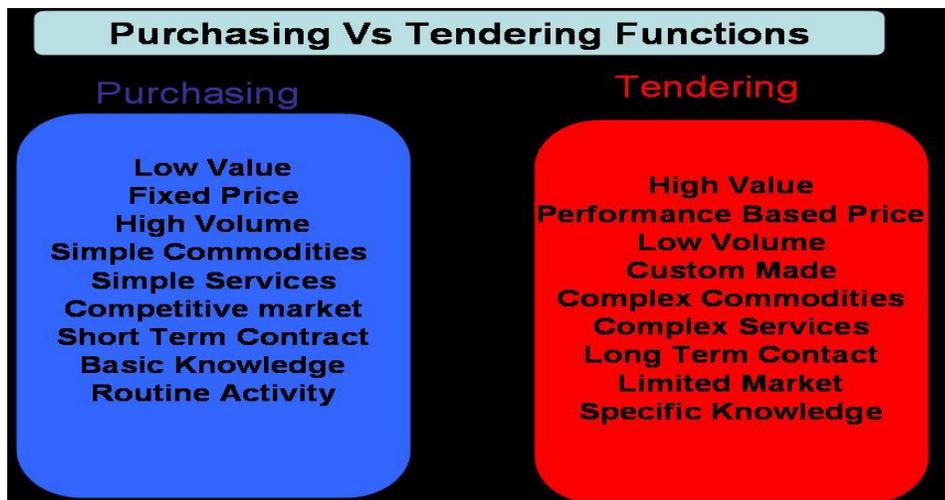
- ◆ Kiosk services and internet cafés
- ◆ Hardware interoperability (between internet, fax, post, etc)
- ◆ Bandwidth design & compression
- ◆ Wireless

Included here are elements that would, in developed countries, be regarded as strictly private sector responsibilities such as electronic trading associations and peering. However some government facilitation can be desirable to educate the concept to business communities and encourage them to form such associations.

Accountability

The functionality of e-Procurement comes in two parts and is guided by the structure of government business dealings – especially by the division between simple and complex procurement. It is usual to differentiate simple from complex procurement and the rules, policies and systems associated with these. While e-commerce in government opens the way for substantial re-engineering of the process, it is unlikely that it will overturn the separation that exists in most jurisdictions between transactions that are simple and low value, and those that are large and often complex.

In reality the discipline of procurement captures a wide array of individual exercises from the most mundane and trivial to the most complex and high risk. It would seem unlikely that all of these could be addressed through the same technological functionality, and indeed they cannot. Most transactions in every jurisdiction will be of low value and high volume, including most office supplies for example. Observation suggests that about seventy percent of procurement transactions are for less than Rs.1 lakh and account for perhaps less than ten percent of total procurement. These purchases will usually be undertaken through a simplified quoting system or directly to pre-contracted suppliers or through shopping in the market. The expertise required by government to manage this level of procurement is relatively elementary. This simplified purchasing will be carried across to e-procurement functionality with online purchase orders, request for quote (RFQ), etc.



Electronic Procurement in Nepal

For higher valued procurement above Rs. 1 lakh a public tendering process is the usual methodology. These larger complex and often strategic exercises require high levels of expertise relating to the specification and risk management.

The application of technology to high volume purchase bears no resemblance to the applications for simple procurement, and will generally be a much easier functionality, with a focus on security and management. The application of technology to the workflow and transactions associated with simple, low value procurement can be seen, *inter alia*, as freeing up management resources to address the complex and strategic opportunities that represent greater risk but also greater productivity gains for public finances.

The requirements for greater productivity and improved outcomes from government procurement include low value, low risk procurement which is most vulnerable to regulated process. It also sweeps up more complex undertakings of higher risk requiring higher caliber expertise and problems least susceptible to codification or regulation and requiring quite different technological complements. Any reform programme should preferably address all of these issues as a comprehensive framework since all are interrelated at the operational level.

Public Procurement Portal

IT Professional Forum with the continuous cooperation of The Asia Foundation has been building awareness and advocacy on e-Procurement from last one year. The need for development of portal was felt in the earlier study period and was designed and developed in this project period.



www.bolpatra.com.np is the central source for government and public procurement opportunities within Nepal. The site provides easy- to- use Internet access to all publicly available bidding opportunities with a faculty to submit electronic responses using user-friendly the Electronic Lodgments Service. The site also provides details of His Majesty's Government and Public Corporations awarded contracts for goods, services and works.

The aims of the government and public procurement portal are:

- ◆ to bring awareness regarding e-Procurement by demonstrating visually the real life business activities to the government and private enterprises
- ◆ to exhibit the process of preparation of tenders, publication of tenders, submission of tenders, discussion on unclear matters and circular of clarifications to all bidders
- ◆ to display the accountability and transparency maintained by the system in all procurements
- ◆ to demonstrate the saving of time, money and human resources and convenience in managing tenders by government office bearers and private entrepreneurs
- ◆ to present the painless way of publishing product & price catalogue for buyers by suppliers
- ◆ Improve service levels at HMG, Public Corporations and suppliers
- ◆ easy availability of procurement related Information including legislations
- ◆ disseminating electronically the facts as and when they happen,
- ◆ building organizational database
- ◆ provide an equal opportunity of participation to all potential suppliers,

Benefits

The e-Procurement permits dynamic purchasing environment and allows buyers to transact in real-time with vendors for goods and services. It streamlines and automates the purchasing processes, distributes purchasing power to authorized users, standardizes buying methods, controls overall spending and leverages corporate purchasing to negotiate better deals. The result is increased productivity, greater efficiency, less maverick buying, and lower transaction costs, and the result of this all can be a considerable contribution to the corporate bottom line. A Deloitte Consulting survey found that companies expect to save 5 -15% of total corporate spending by investing in e-procurement initiatives. The benefits of e-Procurement can be summarized as below.

Cost Saving

The value of e-Procurement is reflected in tangible form. One of the prominent areas is saving in the various cost components. There are numerous types of expenses the sellers and buyers are incurring in course of selling and buying of goods and services; managing and storing them in good condition. Since all of the activities of buyer's and seller's organizations are conducted manually a lot of people are employed in the hierarchy. There are many middlemen, who bridge the relationships between producer and buyer and at each movement the cost of middlemen is added in product or services and when it reaches to the destination the price are escalated already. Some of the cost will be reduced or saved due to exclusion of middlemen, timely receipt of good, timely payment and so on.

Function	Traditional Process	E-procurement
Requisition Generation	65.77	29.2
Requisition Distribution	6.05	0.0
Order Generation	9.87	1.5
Order Distribution	0.87	0.0
Expediting	0.91	0.3
Goods Receipt	3.83	1.5
Invoice Processing	9.40	0.7
Material	3.31	0.0
TOTAL	100.0	33.2

The above table, taken from a report by Warwick Business School, highlights the administrative costs of a traditional procurement system compared with the costs of e-procurement (*using the manual system costs as the base index (= 100)*).

- **Reduction of administrative costs**

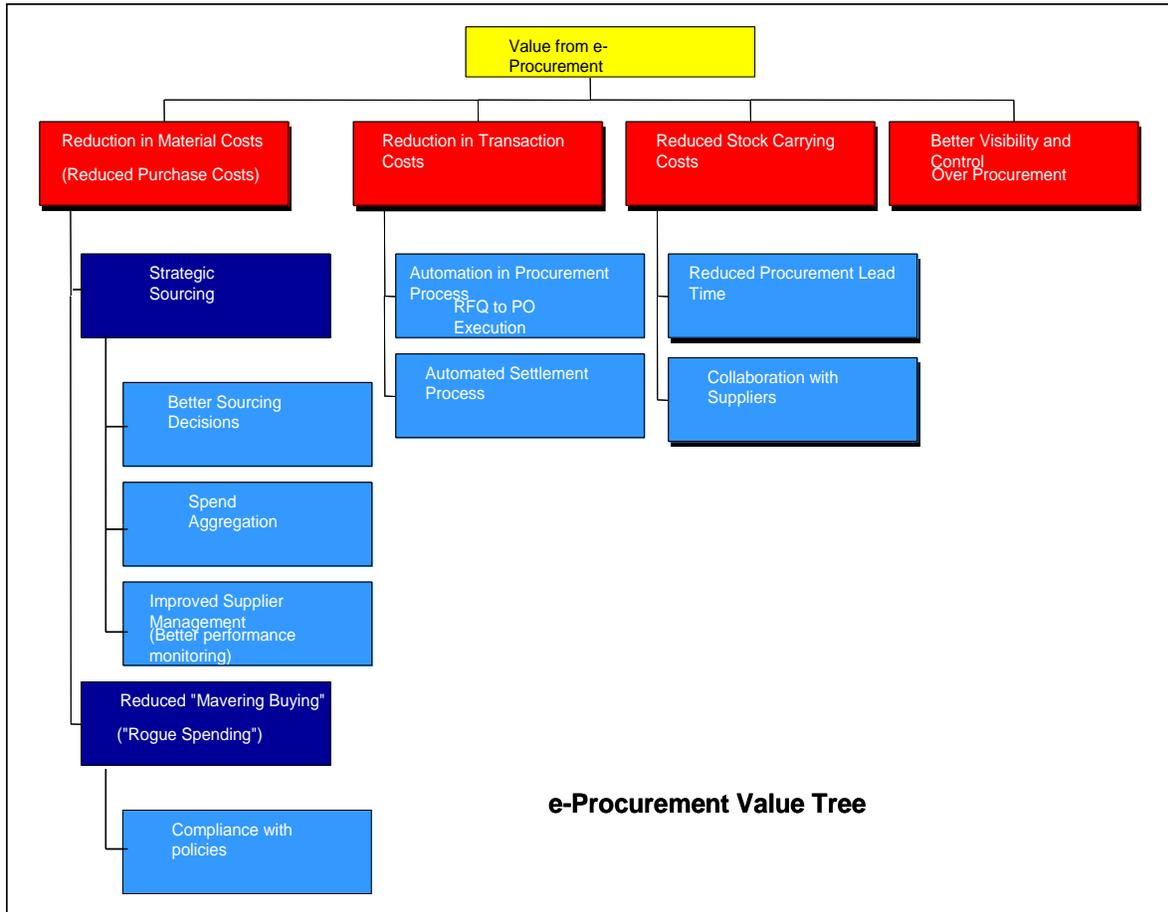
e-procurement offers a very quick and simple means of raising an electronic form, which is then automatically routed to the various authorizers and then to the procurement department for placing an order, or directly to the preferred supplier and a contract is in place. In many organizations the saved time and effort can equate to thousands of man-hours every year

- **Reduced purchase costs**

When transacting with a supplier electronically, buyers often find that suppliers are willing to give more generous discounts, because their own administration costs are less.

- **Lower stock costs**

The cost of holding excessive stock can have a dramatic impact on a company's cash flow and where stock is depreciating in value by the day; it also has a significant long-term effect on an organization's profitability. e-Procurement streamlines the management of stock, by enabling automatic stock replenishment so that a cost-effective 'just-in-time' strategy is applied across all company procurement. The stock will be further reduced, due to shorter procurement lead time (requisition-to-delivery) and improved collaboration with suppliers.



System Improvement

- **Reduced purchase cycle time**

In many organizations the requisition-to-delivery time can be counted in many weeks or months, making the proper procurement process simply unfeasible. Delays are often caused when paper-based requisitions have to be authorized manually by one or more people and where budgets and commitments have to be checked in advance of the order going out. A good e-procurement solution with workflow streamlines this process and avoids the common bottlenecks in the process.

- **Greater management control**

Because all procurement data are processed through central database, e-Procurement allows relevant analysis and management reports to be easily

produced. e-Procurement systems should be sufficiently flexible to adapt to an organization's evolving requirements. While procurement processes need to be rigidly enforced at the front-end, they must ultimately be flexible at the back-end to reflect any changes to the overall business strategy.

- **Reduced order error rate**

e-Procurement solutions dramatically reduce the likelihood of user error in the procurement process, from raising requisitions, orders, delivery notes and invoices to the administration of supplier contracts. This effectively removes the trouble and expense of dealing with order returns or reconciling mismatching documents.

- **Transparency and Accountability**

The information is disseminated to larger community at the same time. It will be easier for the government to manage decentralization process. More and more sellers will be attracted inviting fair competition for service delivery.

All the processes and activities are recorded properly and all amendments, changes and deletion made on the document are also recorded with the name of authorized person together with date and time. The system keeps information at one place so that the authorized person can audit the same any time. Nothing will be Obscure when it comes to preparation, publication, evaluation and announcement of award for a tender.

Buyer and Seller Satisfaction

- **User compliance**

Organization benefits since it serves two purposes: - (i) gets the best value from the deals the company has struck, and (ii) allows companies to leverage far better deals with suppliers. It is compliance and leverage that deliver the lion's share of cost reductions through e-Procurement.

e-Procurement provides end users with a way of requesting goods that is usually quicker than traditional methods. It enables them to quickly complete an electronic form on-screen in user-friendly front end. They can track its progress at any stage of the approval chain and they can use the same system to quickly indicate the arrival of the goods or any problems.

- ◆ **Competitive Price**

The buyers will surf the web site of the vendors, compare the price and quality among various many suppliers and place purchase order. They will be confident of commodities prices and quality.

- ◆ **Market reach**

The e-Procurement transmits information to the globe at a time. Any one can access the information of product and services or in a position to examine the requirements of the bid and response to the bid in time without moving anywhere. The system creates new customers everyday and newer opportunity in the market for the Providers.

- ◆ **Knowledge workers**

In his book, *Business @ the Speed of Thought*, Microsoft founder Bill Gates described the effect of deploying an e-Procurement solution at Microsoft. As well as savings to the tune of around \$140m per annum, the principal effect of the implementation was the transformation of staff into 'knowledge workers'. This term describes how staffs are no longer bogged down with administrative burdens such as filling in and passing around forms – this is all computerized and staffs are given the information to actually manage procurement, rather than be managed by it.

Functions & Facilities

www.bolpatra.com.np - The first public procurement portal was developed by Hitechvalley iNet Pvt Ltd, Nepalese software. Portal is developed using Secured Socket Layer (SSL) and different security majors to satisfy the security concerns. The design and development of the portal meets the requirement of the existing Financial Administrative Regulation of the His Majesty's Government, Nepal on purchase i.e., direct purchase, sealed quotation and tender (single or double envelops). The portal maintains buyer and seller profiles which will be useful for research and study and further development of the system.

The Agency and Provider are the real buyer and seller, one publishes the requirements of purchase and the other affirms to supply them. The Visitor can navigate the site to learn and obtain information about published tenders and awarded contracts made available by the portal. The role of Site Administrator is to operate, supervise, monitor and manage the portal and extend help to users for the portal.

The portal envisaged four categories of users who will either navigate or utilize or manage the system.

- **Buyer (Agency)**

Government and public purchases made by Government offices, Public enterprises, Autonomous Bodies, Local Governments, Projects, Committees and all such other offices where His Majesty's Government has pecuniary investment are defined and recognized as Agency. The buyer once registered can obtain access authority for her domain. The buyer can navigate, publish tender, upload documents, post evaluation report and make the tender award on the portal. The buyer can enjoy all the features and use the functions freely. No agency can get access to or look into other agency's file or documents. The security mechanism checks and validates each user's identification and password and will allow only to her regime. The system does not permit agency to open any sealed quotation or tender or uploaded document before the date and time of maturity (opening date and time) of the same.

- **Seller (Provider)**

All categories of providers: Sellers, Traders, Industrialist, Contractors, Consultants, Service Provider, Transporters etc who response the bid published in the portal is termed as Provider. The Provider may be entirely private enterprises or public enterprises depending upon the buyer's demand for goods and services. The seller once registered can get right to access to her areas of authority defined by the system. The seller can navigate response tender, download documents and submit tender electronically from office or home. The system provides several features and functionalities which can be easily exercised by the Provider. The Provider can manage her own database, product, price and catalog but completely restricted by system to sneak into other Provider's domain. The system maintains full security and confidentiality on all the documents submitted by Provider and compatibility with other system for exchange of information if needed.

- **Public (Visitor)**

Any person can navigate the portal. The Visitor with the help of the features supported by the Portal can navigate and obtain a lot of information on their areas of interest. The site visitors do not need any registration and identification to surf the portal. They will be able to get information on posted tenders, awarded tenders, product-price catalog and can acquire many information.

- **Manager (Site Administrator)**

The Portal needs to be operated, supervise, manage, update and support by the group of experts from various field of study. Their main tasks are to monitor the system minutely, maintain the system integrity, manage central database, regulate Agency and Provider, help clients and update and revised the portal as per the need of the nation. The system authorizes and issues password to the Administrator as well, but they cannot look or change the database or documents uploaded by the Agency or submitted by Provider. All the documents and information received by the portal are kept securely and the Administrator cannot break through the security provision of the portal.

The portal supports following functions.

- ◆ **Registration of Buyer and Seller**

The portal provides the online registration:

- Agency - Government offices, public enterprises, autonomous bodies, local governments, projects etc will be registered as an Agency (buyer) and have to fill all the information relevant to Agency.
- Provider – Traders, Manufacturers, Suppliers, Contractors, Transporters, Consultants, Providers etc who will be registered as a Provider (seller) shall have to fill all the information relevant to Provider.

Agency or Provider must read and agree on the terms and conditions and disclaimers of the portal for registration. Upon successful registration, the users will be given a login identification name and a unique password which will have to be used whenever the users need to access the portal. Both the login id and password have to be kept securely and secretly.

- ◆ **Post Tender(s)**

After successful login in www.bolpatra.com.np, each Agency will be provided by their own home page, so that Agency can apply functions like – post tender, update tender, edit detail, set evaluation criteria, accept tenders response, browse advertisements, evaluate tenders, and award the tender. Agency also can browse through the product/services catalog and order the product or services online.

The Agency will be in a position to publish tender in the portal with all the details required along with the tender forms and will upload other necessary documents. Further the Agency can also upload or write directives, instructions and remarks for bidders. A lot of back office activities will be supported by the portal in design, development and management of tender and database.

- ◆ **Automatic email notification to concerned Provider(s)**

The portal is capable to automatically generate email to those Providers who had already registered themselves with their areas of business and categories under which they want to serve. The message is a kind of alert notice which contains short description and date about the latest publication of tender will be sent to concerned provider automatically by the portal.
- ◆ **Response to Tender(s)**

Upon receipt of the automatic email in the mail box of the bidder or by navigating the www.bolpatra.com.np a Provider can get detail information regarding published tenders. After downloading the necessary documents and filling required information in the tender form, the Provider will be in apposition to submit the bid electronically from office or home. The Provider should have to deposit the required earnest money or bid bond or deposit as per the law.
- ◆ **Setting Evaluation Criteria**

The person(s) or evaluation committee authorized to conduct tender evaluation can set various evaluation criteria – financial and technical separately. The criteria could be different in each case and the system supports them in full length. Once the criteria are set that can be published in the portal for bidders to know the evaluation process and weight-age.
- ◆ **Evaluation of Tender(s)**

After the expiry of the validity period or at maturity the person(s) or committee can study, analyze and evaluate the tenders against the predefined criteria and the same can be publish in the portal for information to all bidders and public.
- ◆ **Receiving/Downloading Bidding Information**

The tender forms or documents uploaded along with tender notices can be downloaded by the Provider or can fill the form on-line. The Provider can submit tender forms, documents and other files by uploaded them into the portal. The person(s) or Tender Evaluation Committee can also download the bidding documents submitted by all Providers for study and evaluation after the predefined tender opening date.
- ◆ **Unpublished Tender**

It is a back office feature available to the Agency. Since the design and development of tender forms, documents, instructions, directives and evaluation criteria take longer period; the portal is capable to support such activities. Once the Agency is confident that all preparations are completed, they can publish such unpublished (work-in-progress) tenders at the convenient date.
- ◆ **Search**

This is very useful and convenient tool available in the portal. Any user with the help of this tool can surf the site and can get desired information within fraction of a minute. The search can be activated by category - provider/buyer; date of publication of tender; closing date, opening date, awarded contracts, type of contract etc.
- ◆ **Product and Service Catalog**

Electronic Procurement in Nepal

This feature offers great opportunity to Providers to publicize and demonstrate their products and services and price tag to buyers and all visitors and can also provide a link to their own website. Any buyer looking to these services can place order through email immediately or by telephone and if likes can logon to the vendor's website by clicking the like address.

The portal provides many other features which are given below.

- Search and Request information for Tender(s)
- Find Awarded Contract(s)
- News and Events related to Financial, economic and business.
- Information relating to financial & business legislations, directives, notifications etc
- Some useful links to government and public interest
- Frequent asked questions and their answers
- Tutorial on the portal use and navigation, and many more

Security in Portal

The security strategies for developing the portal are categorized at four levels.

- ◆ **User Level** – Registration & login
All the suppliers/Vendors and Buyers/Agencies must register to www.bolpatra.com.np using its online registration forms. Users and information they provided during registrations are validated by administrator through phone and their accounts are activated only after validation. Users can get access to bidding process and other site protected activities only with valid login.
- ◆ **Transaction Level** – Secured Socket Layer encryption
All of the site level communications, information entry, communication with browser pages and server and other intermediary online transactions pass through Secured Socket Layer (SSL) with 128 bit encryption. This will ensures the integrity of information and also protects from hackers and information tapping during transactions.
- ◆ **Database Level** – Encryption in storage
Documents and all other Information entered by buyers or sellers are stored in database in binary format so that even ISP or site administration will not be able to play around the tender documents and information posted in site through web site.
- ◆ **Business Level** – Bolpatra.com.np based business level
Tender Evaluators from Government or public agencies can access the tender documents and tender information only after the expiry of defined tender opening date and time. Before that time, they can only view the number of tenders and also the list of bidders.

Development Technology and Platform in Portal

The portal is designed, developed and written in open technology architecture instead of vendor specific or proprietary technology. This helps country like Nepal to use the technology and software without paying heavy copyright fees.

- Open Source
- Programming: PHP
- Database: mySQL
- Modular
- Dynamic Database driven powered with powerful Administrative Control Panel

PHP, MySQL are open source freeware and those tools can be used free of cost as software development tools.

Bolpatra.com.np is developed in very modular way, which gives flexibility to add new modules and functionalities easily and also remove the existing modules and functions.

Portal Maintenance is very easy because of the integration of powerful Administrative Control Panel developed by Hitechvalley iNet. It gives flexibility to visually edit the portal contents and easy to add or delete the contents to portal. Portal is fully database driven and all the contents and stored in database and maintained through Administrative Control Panel.

Limitations

The www.bolpatra.com.np is an initiative of IT Professional Forum in close cooperation of The Asia Foundation Nepal. The portal is a prototype site which can provide many functions and facilities to various users but many transactional features are not introduced due to many reasons. In order to develop a full fledged e-Procurement web portal for conducting Government-to-Business (G2B) type of e-Commerce stipulates a prerequisite of strategy, legislation and infrastructural development in place.

In Nepal we lack many basic components of electronic business but the enthusiasm of private entrepreneurs, innovation of intellectuals, initiative of INGOs/NGOs as well as policy decision of the government in this sector are instrumental in the design and development of this level of portal.

The major limitations of the portal as of now can be found in the following areas.

- ◆ The law governing electronic payment is not in place as such the e-Payment facility is not incorporated in the portal. Integration of credit card processing or Automated Clearing Houses (ACH) will give full e-Commerce capability of the Portal for receiving payments for different transactions online.
- ◆ The FAR does not promote the concept of electronic procurement and does not enforce Agencies to publish sealed quotation and tender notices and upload tender documents in the portal. The Public Procurement Law is in the initial stage of draft and may take time to be promulgated.
- ◆ The portal does not provide more than one password to one Agency or/and Provider. This will be needed because there are separate person(s) or committee looking after the evaluation of tenders only and other person(s) simply managing database, preparing document and publish notices and awards.
- ◆ The process of placing orders (issuing purchase order) by Agency to Providers is not available.
- ◆ The provision for Withdrawing Tender Submitted earlier should be incorporated.
- ◆ The provision for submitting Amendments in the Tender Submitted earlier should be incorporated.
- ◆ The portal should also be developed in Nepali language and should allow reading and entering tender documents in Nepali.

Knowledge Sharing & Demonstration

ITPF launched the www.bolpatra.com.np on 2061 Shrawan 7 (July 22, 2004) with the objective of bringing awareness and educate government, public officials and private entrepreneurs on the usefulness of the portal in carrying out purchase activities.

The demonstration and awareness generating programs on the government & public portal were successfully organized at Department of Information, Nepal Chamber of Commerce, Trade Promotion Centre, Computer Association of Nepal, Federation of Contractors Association of Nepal and Ministry of Science and Technology. The presentations covered three areas – Information and Communication Technology and Electronic Governance in Nepal; Nepal's Legal Framework and the Use of Government & Public Procurement Portal and Demonstration of Functions and Facilities of www.bolpatra.com.np. These thematic papers are available in annex-1.1 to 1.3.

A large numbers of audiences from different sector of the communities participated in the discussion and share their feelings and experience. They were policy makers, planners, high level civil servants, middle level civil servants, private entrepreneurs, small and medium enterprises owners, associations, professionals, print & electronic media personnel, representative of civil society, bankers etc. The event and list of participants are presented in the annex – 2.1 to 2.6.

We received many valuable comments and suggestions which helped us in improving on the functionalities and facilities in the portal and the portal became enriched after each knowledge sharing and demonstration program. The participants expressed that presentations were very informative, useful and productive. The bureaucrats and members of Nepal Chamber of Commerce requested to organize such activities continuously to larger communities.

We started publishing short advertisement in ear panel (top right corner on the first page in color) in the Gorakhpatri a Nepali vernacular daily newspaper from 2061 Bhadra 5 (August 21, 2004). The advertisement sample is given below.

बोलपत्र® www.bolpatra.com.np
Public Procurement Portal
Specific to Government and Public Procurement
सरकारी, संस्थान, समिति र अन्य निकायहरूबाट गरिने खरिदको
विज्ञापनलाई www.bolpatra.com.np मा प्रकाशन गर्नुहोस्।
व्यापारी, निर्माणव्यवसायी, सेवाप्रदायकले
www.bolpatra.com.np मा दर्ता गरी आफ्नो व्यवसायमा बृद्धि
गर्नुहोस्।
अन्य जानकारीको लागि सम्पर्क
IT Professional Forum, POBox : 1420, Anamnagar,
Kathmandu. Tel: 4244754, email: itpf@info.com.np

It was published on 5, 6, 7, 9, 11, 12, 13, 14, 16, 19, 20, 21, 23, 25, 26, 27, 28, 30 days during the month of Bhadra and on 1 day of Aswin 2061.

We continued the publication of advertisement in the Kantipur (top right corner on the business page in black & white), a Nepali vernacular daily newspaper for the certain days 1,

Electronic Procurement in Nepal

4, 6, 8, 11, 13, 18, 20, 22, 25, 27, 29... during the month of Aswin 2061. The sample of advertisement is given below.



बोलपत्र® **www.bolpatra.com.np**
Specific Portal for Government and Public Procurement
सरकारी, संस्थान, समिति र अन्य निकायहरूबाट गरिने खरीदको विज्ञापनलाई
www.bolpatra.com.np मा प्रकाशन गर्नुहोस् । व्यापारी, निर्माण
व्यवसायी, सेवा प्रदायकले www.bolpatra.com.np मा दर्ता गरी आफ्नो
व्यवसायमा वृद्धि गर्नुहोस् ।
सम्पर्क: IT Professional Forum Tel: 4244754, itpf@info.com.np

www.bolpatra.com

We continued the publication of advertisement in The Himalayan Times (top right corner on the business page in black & white), an English daily newspaper during the certain days 7, 10, 12, 14, 21, 24, 26, 28 in the month of Aswin and on 1 day of Kartik 2061. The sample of advertisement is given below.



www.bolpatra.com.np
बोलपत्र® **www.bolpatra.com.np**
Specific Portal for Government and Public Procurement सरकारी, संस्थान, समिति र अन्य निकायहरूबाट गरिने खरीदको विज्ञापनलाई www.bolpatra.com.np मा प्रकाशन गर्नुहोस् । व्यापारी, निर्माण व्यवसायी, सेवा प्रदायकले www.bolpatra.com.np मा दर्ता गरी आफ्नो व्यवसायमा वृद्धि गर्नुहोस् ।
सम्पर्क: IT Professional Forum
Tel: 4244754, itpf@info.com.np

The impact of various demonstration and advocacy programs together with the advertisement had brought a positive impact on people's outlook and expectation. A large number of calls were received from all corners about the portal, its registration procedure, fees, facilities and availabilities of tender and their submission online.

Considering the demand for organizing awareness and demonstration programs by public servant, private entrepreneurs and associations, ITPF published two booklets namely "Digital Signature" in English and "Introduction on Bolpatra" in Nepali. The first booklet is relevant for understanding the provisions of Electronic Transaction Ordinance and creation, importance and management of digital signature while the second booklet is useful in getting familiar with the functions and facilities of www.bolpatra.com.np the first government and public portal of Nepal. These booklets are available in annex 3.1 and 3.2.

Response & Feedback

We received overwhelming responses for the immediate implementation of www.bolpatra.com.np from the people who either participated in the program directly or get relevant information on Medias or visited the web site or registered themselves in the portal. This encouraged us to think of providing many more information through portal to the people and community.

In order to encourage the web site visitors, both the buyers (government & public offices) as well as sellers (suppliers, transporters, contractors, consultants etc) to use the portal and get important information regarding sealed quotation, tender, expression of interest etc., we started putting short notices of all kinds published by the government and public offices in the newspaper under "Advertisements" on daily basis. This initiative began from September 15, 2004 and has caused to draw the attention of many as a result the total number of portal visitor is multiplying everyday.

The figure below speaks the fact regarding the www.bolpatra.com.np.

Description	August	September	October 15	Total Number
Visitors	500	800	485	1785
Agency Registered	4	1	-	5
Provider Registered	20	12	2	34
Advertisement	-	60	55	115

What Media believed?

From the first day of the advocacy and demonstration of government and public portal, both the print and electronic Medias covered the news, the events and the articles in Nepali as well as in English.

We were able to collect some of the publications' opinions about electronic procurement system in Nepal – the press cuttings are compiled in an annex – 4. We reproduce their voice in nutshell below.

"..... the web site provides information about all publicly-available bidding opportunities, along with the facility to submit responses online....."

The Himalayan Times - 30 Jul 2004

"..... Newly disclosed portal for Government –to – Business (G2B) can minimize the transaction costs through standardization, streamlining and Automation of the procurement process....."

The Kathmandu Post - 29 Aug 2004

"..... e-governance empowers citizens by increasing their access to information"

The Rising Nepal ---- 06 Oct 2004

Electronic Procurement in Nepal

“ घरमै बसेर टेण्डर हाल्ने दिन आए सरकारी ठेक्कापट्टामा सूचना लुकाउने र गुण्डागर्दीको भरमा सीमित बोलपत्र खसाली विनाप्रतिस्पर्धा ठेक्का लिने प्रवृत्ति रोक्न पनि विद्युतिय बोलपत्र अनिवार्य.....।

राजधानी १५ श्रावण २०६१

“समयको बचत, कम खर्चिलो तथा सुरक्षाको ग्यारेन्टी समेत यसमा हुनेहुँदा यो मार्फत सबै प्रकारका सामान खरिदबिक्री गर्न सकिने.....।

अन्नपूर्ण पोष्ट १५ श्रावण २०६१

“ सरकारी तथा सार्वजनिक बोलपत्रको खरिददारीसँग सम्बन्धित नेपालको पहिलो सार्वजनिक खरिददारी पोर्टल भएको.....।

नेपाल समाचारपत्र १५ श्रावण २०६१

“ बोलपत्रको खरिदबिक्री अब कम्प्युटरबाट ।

स्पेसटाइम २१ श्रावण २०६१

“ विज्ञान तथा प्रविधीमन्त्री ले सरकारी कारोवारलाई पारदर्शी बनाउन र कम खर्चमा नै प्रतिस्पर्धात्मक मूल्यमा खरिद प्रकृया अपनाउन सकिने भएकोले विद्युतिय कारोवारलाई नै प्राथमिकता दिनुपर्ने बताउनुभयो.... ।

राजधानी १९ असोज २०६१

Issues & Challenges

The design, development, operation, implementation and management of e-Procurement strategies face several basic challenges. Common amongst them are:

◆ Ownership, Legislation & Management

- Weak policy and operational leadership. e-Procurement involves significant change management and revision in business process, but a weak leadership framework will invite fragmentation of objectives, interoperability and methodologies.
- Weaknesses in management, planning and ambiguous or divided ownership of the reform programme, rigid processes and regulations, poor contract management, staff apprehension and departmental imperialism will not lead towards successful implementation and execution of e-Procurement.
- Government activity, especially procurement that is sometimes subject to intense scrutiny and must be undertaken within a tight policy, accountability and probity framework. The government should immediately implement and execute the Electronic Transaction Ordinance and enact public procurement law with define accountability and clarity.
- Uncertainty about the legislative environment around e-commerce, e-Governance and poor pre-existing procurement practice, legislation and regulation should timely address and reformed.
- The government should identify and name the organization, which should lead, take initiative and responsibility to organize, manage, operate and maintain public procurement portal in the country.
- The government procurement is the combination of simple and complex which can not be fit in a one-size-fits-all model as such separate procedure for simple and complex should be drawn.

◆ Knowledge & Innovation

- A misunderstanding that e-Procurement is primarily about technology and therefore is to be implemented by technologists. It is purely an administrative process where technology will enrich buyers in getting more information for comparison, provide tools for evaluation and make them confident for quick decision.
- Regional economies that are often dominated by small and medium enterprises (SMEs), *dalit*, *women*, *disable* etc with widely varying, but commonly low awareness, understanding, or skill in relation to new technology.
- Apprehension that is often widespread amongst SMEs that sometimes perceive new online technologies as a threat to business. This apprehension is heightened if Government buying agencies begin dealing directly with the online catalogues of major corporations thereby locking out small, offline and regional players.
- A common perception that the benefits of e-Procurement are derived from the displacement of manual handling of the substantial processes of procurement.

◆ **Connectivity, Standards & Confidence**

- Confusion over standards or the emergence of competing closed trading environments or limited interoperability.
- Inadequate access and connectivity to communications infrastructure.
- Lack of Banking integration for online payment

◆ **Content and Language**

"Technology does not inspire, content does." The objective of the e-Procurement will not be met if either buyers or sellers do not participate in the portal. The increasing number of sellers motivated ITPF to add values to the portal by uploading possibly all advertisements published in the newspapers as short notices with a link to the name of the newspaper and date of publication.

Until the government & public purchases notices are not published in the portal as well by concerned offices, the sellers will be reluctant to use the portal and the buyers will also be far away from taking benefits of electronic purchase.

The target populous of www.bolpatra.com.np is also small & medium enterprises, women, *dalits*, *janajati* and small & cottage entrepreneurs. In order to provide them equal opportunity, the portal should be available in Nepali language as well.

◆ **Harmonization of Commodities**

The commodity classification is a necessity when trading within the country as well as observing foreign trade. In the absence of this, it will be difficult for buyer to identify the right product, its quality and price and at the same time obstacles for manufacturers or sellers to promote their brands of commodities.

The task of classifying commodities is very stringent, time consuming, expensive, need experts, should match with international standard and a continuous effort which cannot be exercised by country like Nepal.

◆ **Networking with Partners**

Organizations that have adopted e-procurement have realized that the issues surrounding supplier and content management are critical to their success in deploying an electronic procurement solution. To help ensure success, one should evaluate a vendor's trading network to determine how its services will assist in these areas. To further maximize the cost savings and flexibility of doing business with suppliers over the Internet, a solution must offer fast, economical options to address supplier enablement, automated catalogue and content management, and a global trading network.

◆ **Customer Service, Support, and Training**

As with any application solution, there will be a number of challenges during the implementation process. Consider the following:

- Will the vendor provide a level of partnership that emphasizes a long-term commitment to current and ongoing success?

Electronic Procurement in Nepal

- How will the usage of the solution in the organization be managed? Will usage be dictated or optional? How will the vendor assist in selling the system internally in order to maximize the benefits accrued from the implementation?
- Is the proposed training plan acceptable? Be sure to consider all user levels in the organization. After all, this solution will be used throughout the company, by a large number of employees. Consider the fact that some of these users may have limited exposure to web-based applications or may only touch the system once or twice every few months.
- Is there a web-based training tool available to assist in successfully rolling out the application to thousands of users in many locations simultaneously?
- What investment in technology has the vendor made to efficiently support its growing customer base?

◆ Confidence, Privacy and Integrity

- Online theft, deceive and dishonesty are growing problems in e-commerce. Unless such non-violent crimes are controlled the success of e-commerce, e-Procurement and online financial transactions will not succeed.
- The private entrepreneurs and the people in general do not carry very good feeling of the civil servants and they doubt on their honesty. The government and public enterprises should show their good faith on the e-Procurement system and build the confidence of suppliers that their confidential information and submitted tenders shall not be changed or leaked out to competitors or privacy shall be maintained at all times.
- The Provider or Agency who want to register in the www.bolpatra.com.np shall submit actual information in the registration form. This is to verify the genuineness of the organizations' identify, location, business areas etc. It will be difficult if they pass on false identity or supply other's identity as their own would lead towards hostile marketplace. The success of e-Procurement business depends on confidence on the part of buyer and seller in purchasing online.
- Who will be going to authenticate the identity of buyer or seller? How the quality of goods and services purchased online is certified? And by Whom?

Recommendation

1. The government is the largest buyer of goods and services in the country and the success and usefulness of the www.bolpatra.com.np will depend upon timely enforcement of the Electronic Transaction Ordinance, enactment of appropriate laws relating to the ordinance, government and public procurement, electronic payment etc.
2. In view of demand for immediate execution of the Ordinance, the government shall assign and delegate the authority of "Office of the Controller of Certificate" to the Ministry of Science & Technology, shall assign and designate the District Court to look after the functions and exercise the authority of "Information Technology Tribunal" and shall promote and invite the private sector to setup and assume the functioning of "Certification Authority" as foreseen by the Ordinance.
3. The Ministry of Science & Technology shall perpetrate for implementation and enforcement of Electronic Transaction Ordinance and take initiative to get the IT regulations approved by the government at earliest.
4. The Ministry of Finance shall take proactive leadership in concluding the draft public procurement law and its timely implementation for paving the new opportunity for economic development.
5. The large numbers of populous including women, *dalit*, *janjati*, disable and SMEs are non-English speaking. The content and language used in the portal is English which may debar them from use of the portal at large. The portal should offer the content both in Nepali and English.
6. The level of education about ICT and the use of Internet for receiving and delivering documents online are significantly low. The public-private-partnership shall be instrumental in bringing the awareness and minimum know-how to work online. The government shall incorporate ICT component in all training programs, while the curriculum of Public Service Commission should include ICT education as one of the requirement for recruitment.
7. The security, privacy, integrity and confidentiality are the major concern for online trading. The public and private institutions are equally responsible and accountable to maintain the good faith on the e-Procurement. The government should deploy the fail-safe technology, network, and website and develop such culture among all officials whereby everybody should honor privacy, confidentiality and integrity.
8. The portal should be used for national and international bidding as well. The evaluation criteria should be transparent and the result of award should be published as per the provisions of the law.
9. The government should setup the organizations like Controller of Certification to issue license to certification authority; Certification Authority to create and issue digital signature, public and private keys; Tribunal to manage the dispute arise from online transactions etc. The Electronic Transaction Ordinance has foreseen the need of these institutions for smooth functioning of e-commerce and e-Procurement.
10. The government should join hands with business associations like Nepal Chamber of Commerce, Federation of Contractor Association of Nepal, Computer Association of Nepal, Federation of Nepalese Chamber of Commerce and Industry and others to authenticate, validate and certify the identity of seller/provider/manufacturer/builder and so on and their product or service quality standard.
11. The government should make sufficient provisions in law and the portal should also be capable of black listing of buyers and sellers.

Electronic Procurement in Nepal

12. The Public-Private partnership is needed to build the infrastructure and manage the transportation system for quick and timely delivery of procured goods to the buyers.
13. The portal shall provide facilities (a) Tips for Tender Preparation (b) Checklist of Documents (c) Survey information for price verification etc.
14. The government should charge registration cost reasonable enough for the sustainability of the portal and expansion. The basis of charge should be discussed among various stakeholders.
15. In light of promulgation of “Electronic Transaction Ordinance 2061”, the government should not take longer time to come out with regulations and other Acts so that the e-Procurement could be started just-in-time.
16. The portal Tutorial should be made available in CD-ROM as well as in hard copy for easy learning and reference.
17. The portal shall not be implemented at once throughout the country. It should be optional besides the manual system. But its awareness, training and creating required infrastructure should be done continuously by the government. The psyche of civil servants, policy makers, private entrepreneurs and others need brainstorm to use ICT not only for their personal use but also in official matters.
18. The government should authorize one institution that should be ready to manage the portal for continuation and promotion of electronic procurement system in the country.

Conclusion

Nepal has become increasingly aware of the strategic importance of ICT and is continuing to prepare programme to promote their roll-out and take-up. The possibilities for leap-frogging development, strengthening governance, generating more employment and delivering previously unaffordable services are the key drivers for these developments. So far, the country is assigning substantial funds to its implementation, but may not be sufficient for quantum jump.

However, we should not misunderstand the complexities and risks involved in these activities and the seeds of failure often sown with the presumption that technology in isolation rather than management and culture is the key. Installing new technology can be simple, but experience has shown that extracting maximum benefit involves governance, management, organizational and behavioural changes which are almost always complex.

Also, while much attention has understandably been on government service delivery the significance of the government supply side is often overlooked. In Nepal government is a large part of the national economy, and shifting its business activities of procurement and construction online (e-Procurement) has the potential to provide major impetus to the roll-out of new technologies, new opportunity and improved productivity with reduced time and cost throughout the economy. The operational benefits of technology for the governance and efficiency of these business activities is beyond question.

The present regulations under which the all government procurements are executed support the use of ICT and the portal like www.bolpatra.com.np as a lawful means for purchasing goods and services directly and wherever sealed quotation or tender is required the portal can be used as the best, quickest, economical way of transmitting notices, documents to the larger communities. This will attract more vendors to compete at most reasonable price without compromising on quality. This will again improve the recording and documentation standards, working culture, timely completion of responsibilities and efficient service delivery within the government organizations.

It is the right time for the His Majesty's Government to enact the pending regulations, promulgate the new laws, deliver proactive role, issue directives, prepare human resource, provide incentives for users, invite private to participate and set-up institutions to begin e-Procurement from regional or ministerial or departmental level that are prepared to go ahead. The postponements will eventually slowdown the process of economic development, retard the country's competitiveness, impede trade & commerce and hinder the poverty alleviation program.

Electronic Procurement in Nepal

Annex – 1.1 to 1.3

The Thematic Papers presented by **Suresh Kumar Regmi, Satish Krishna Kharel, and Rajesh Kumar Shakya** are follow in coming pages.

Electronic Procurement in Nepal

Annex – 2.1

Awareness and Demonstration of www.bolpatra.com.np Program was organized to the Press and Media Personnel under the coordination of His Majesty's Government, Department of Information on 2061 Srawan 14 (29 July, 2004)

The program was chaired by Mr. Shantraj Subedi, Director General, Department of Information

S.N	Name of Participants	Institutions Represented
1.	Laxman Satyal	Department of Information
2.	Ishwor B. Napit	Department of Information
3.	Anil Neupane	Dinpatra Weekly
4.	Shashi Dhungel	PCN
5.	Ram Prasad Pokharel	The Himalayan Times
6.	Bimal Babu Khatri	Gorkhapatra
7.	Binod aryal	Gorkhapatra
8.	Santosh Pokharel	The Kathmandu Post
9.	Sushil Bhattarai	KTV
10.	Bhuwaneshor Sharma	Kantipur Publication
11.	Rajan Mani Paudyal	Knatipur F.M
12.	Thira Lal Bhusal	Rajadhani Daily
13.	Ram Krishna	Department of Information
14.	Dharma	Department of Information
15.	Post Jung Singh	Gorkhapatra
16.	Taranath Dahal	Federation of Nepal Journalist
17.	Rameswor Parajuli	Press Council
18.	Ram Shran Bohara	Press Council
19.	Susheel Bhattarai	Nepal Samacharpatra
20.	Beena Pradhan	Department of Information
21.	Khemraj Basnet	Sharita Weekly
22.	Shreedhar Khanal	Dristy Weekly
23.	Pradeep Nireula	Radio City
24.	Harihar Parajuli	The Himalayan Times
25.	Randeep Khadaka	FreeDom Magazine
26.	Dinesh Acharya	Channel Nepal TV
27.	Pratibeden Baidya	Channel Nepal TV
28.	Radheshyam Adhikari	Press Council
29.	Rahamhullar Miyan	Rajdhani Daily
30.	Kedar Bhattarai	Department of Information
31.	Bashanta Chitrakar	Department of Information
32.	Chiranjibi Shah	Press Council

Electronic Procurement in Nepal

Annex – 2.2

Awareness and Demonstration of www.bolpatra.com.np Program was organized to Private Entrepreneurs of Small & Medium Enterprises and Commodity Associations under the coordination of Nepal Chamber of Commerce on 2061 Srawan 20 (04 August, 2004).

The program was chaired by Mr. Rajesh Kazi Shrestha, President, Nepal Chamber of Commerce

<u>S.N</u>	<u>Name of Participants</u>	<u>Institutions Represented</u>
1.	Durga Bahadur Thapa	Nepal Pashmina
2.	Raja Ratna Tuladhar	I.A.
3.	Male Bahadur Shresth	Nepal Chamber of Commerce
4.	Bhakta Bahadur Malla	Nepal Chamber of Commerce
5.	Suresh Kumar Basnet	Nepal Chamber of Commerce
6.	Rajesh Kaji Shresth	Nepal Chamber of Commerce
7.	Jyoti Tandukar	ITPF
8.	Surendra Malakar	Nepal Chamber of Commerce
9.	Deepak Bahadur Shresth	Nepal Chamber of Commerce
10.	Gyanendra Prasad Dahal	Birat shoe Company
11.	Surya Ram Shresth	Nepal Austria Udyog Banijya Sangh
12.	Pushkar Bista	Nepal Chamber of Commerce
13.	Anil Suwal	Manka Drafts Sangh
14.	Saugat Shresth	Himalayn Bank
15.	Om Prakash Pudasainy	Nepal Chamber of Commerce
16.	Shiv Dawadi	Space Time Daily
17.	Rashmi Jhapa	Channel Nepal
18.	Narayan Prashi	Channel Nepal
19.	Ravi Maharjan	Nepal Chamber of Commerce
20.	Ramesh Shresth	Nepal Chamber of Commerce
21.	Ramesh Maharjan	Nepal J.Jweler Sangh
22.	Suresh Man Shresth	Nepal J.Jweler Sangh
23.	Devendra Bhakta Shresth	Nepal Chamber of Commerce
24.	Rastra Bhushan Chakuwaji	Nepal Chamber of Commerce

Electronic Procurement in Nepal

Annex –2.3

Awareness and Demonstration of www.bolpatra.com.np Program was organized to Small Entrepreneurs and Commodities Associations under the coordination of Trade Promotion Centre on 2061 Srawan 28 (12 August, 2004).

The program was chaired by Mr. Lamichhane, Executive Director, Trade Promotion Centre

S.N	Name of Participants	Institutions Represented
1.	Udaya Prasad Ranjeet	Lalitpur Udhyog Banijya Sangh
2.	Jayand Bogati	Galaicha Tatha Woon Bikash Samiti
3.	Loknath Gaire	Floriculture Association of Nepal
4.	Ram Prashad Dhakal	Department of Commerce
5.	Taranatha Sharma	Tea & Coffee Development Board
6.	Matrika Prashad Dahal	Nepal Tayari Poshak Udhyog Sangh
7.	Chhiring Sherpa	Kendriya Galaicha Udhyog Sangh
8.	Balaram Sapkota	Kendriya Galaicha Udhyog Sangh
9.	Bikash Bajracharya	Nepal Udhyog Banijya Sangh
10.	Ganga Ram Shresth	Chhala Tatha Chhalaka Bastu Utpadak Sangh
11.	Rabindra Shresth	Chhala Tatha Chhalaka Bastu Utpadak Sangh
12.	Suresh Pradhan	Federation of Cottege & Small industries
13.	Kiran Prashad Acharya	Udhyog Banijya Tatha Aapurti Mantralaya
14.	Praya Darshan Manandhar	RONAST
15.	Yagya Narayan Gupta	Niryat Parishad
16.	Ganga Shresth	National Trading Limited
17.	Tej Singh Bista	Trade Promotion Centre
18.	Suyash Khanal	Trade Promotion Centre
19.	Surendra	Trade Promotion Centre
20.	Rajendra Adhikari	Trade Promotion Centre
21.	Badri Narshing	Trade Promotion Centre
22.	Laxman Nepal	Trade Promotion Centre
23.	Ashok Bhatta	Trade Promotion Centre
24.	Sanu Babu Maharjan	Trade Promotion Centre
25.	Shiv Bhushan Lal	ITPF
26.	Mani Lal Shresth	Trade Promotion Centre
27.	Kiran Shresth	HPPCL
28.	Binaya Pandit	Trade Promotion Centre
29.	Rajendra Adhikari	Trade Promotion Centre

Electronic Procurement in Nepal

Annex –2.4

Awareness and Demonstration of www.bolpatra.com.np Program was organized to Private Entrepreneurs and Professionals of Information & Communication Technology under the coordination of Computer Association of Nepal on 2061 Srawan 29 (13 August, 2004).

The program was chaired by Mr. Lochan Lal Amatya, President, Computer Association of Nepal

S.N	Name of Participants	Institutions Represented
1.	Bhim Dhoj Shresth	Computer Association of Nepal
2.	Deepak Rauniar	Karmachari Shanchaya Kosh
3.	Radha Krishna	Karmachari Shanchaya Kosh
4.	Trishakti Joshi	Elite Networks
5.	Rupesh Shrestha	INFOCOM Pvt.Ltd.
6.	Amrit Tuladhar	Muncha.com
7.	Deepesh Pradhan	Yomari
8.	Shashi Bhattarai	Nepal Industrial Development Corporation
9.	Bhuban Pathak	Beltronix
10.	Hira Mani khanal	Beltronix
11.	Manish Pokharel	Kathmandu University
12.	Birendra Pradhan	NCAT
13.	Rajendra Dhakal	Star Office Automation
14.	Mangesh Lal Shresth	CAS Trading House
15.	Ram Sharan Pandey	Ishan Infosys Pvt.Ltd.
16.	Shiv Bhushan Lal	ITPF
17.	Bijendra Suwal	ITPF
18.	Lochan Lal Amatya	Computer Association of Nepal
19.	Allen Bilochan Tuladhar	Unlimited
20.	Bhavana Rana	Computer Association of Nepal
21.	Keshab Bahadur Shresth	Nepal Engineer Council
22.	Gajendra S. Bohara	VIANET
23.	Biplav Man Singh	Computer Advance System
24.	Rajib Subba	Computer Association of Nepal
25.	C.N.Upadhyaya	Computer Association of Nepal
26.	Pankaj Jalan	Computer Association of Nepal
27.	Mahesh Subedi	Computer Association of Nepal
28.	Vivek Rana	Computer Association of Nepal

Electronic Procurement in Nepal

Annex –2.5

Awareness and Demonstration of www.bolpatra.com.np Program was organized Civil Contractors, Architect Engineers and Associations under the coordination of Federation of Contractors Association of Nepal on 2061 Aswin 6 (22 September, 2004).

The program was chaired by Mr. Shukunta Lal Hirachen, President, Federation of Contractors Association of Nepal

S.N	Name	Organization Name
1.	Harish Lohani	FCAN
2.	Padma Gurung	Kalika Construction Pvt.Ltd
3.	Thakur Kadel	Pacific Builders Pvt. Ltd
4.	Jayaram Lamichane	swaschanda Nirman Sewa
5.	Kiran Malla	Himal Hydro
6.	Paras Sharma	Himal Hydro
7.	Pancharam Tamang	Federation of Contractor Association, Mid Zonal
8.	Deepak Rana	Federation of Contractor Association, Mid Zonal
9.	Motiram KC	Federation of Contractor Association, Lalitpur
10.	Bijaya Joshi	Federation of Contractor Association, Mid Zonal
11.	Nakul Vaidya	C L S Construction Pvt. Ltd.
12.	Udip Basnet	Shiv Uma Construction
13.	Saroj Upadayay	SCAEF
14.	Bholanath Chaulagain	BNC Company
15.	Druba Rijal	Pratistha Construction Co.
16.	Purna B. Tamang	Kanchharam Co
17.	Roshan Dhal	RD Nirman Sewa
18.	Avash Kaphale	Bokhim & Son Co.
19.	Janardan Dhakal	Federation of Contractor Association, Mid Zonal
20.	Buddharaj Maharjan	Mangal Lal Nirman Sewa
21.	Amar Rokyay	Sristi Builders, Lalitpur
22.	SaroJ Basnet	SCAFE
23.	Madhav P. Pokharel	Federation of Contractor Association
24.	Shyam K Giri	Federation of Contractor Association
25.	Suman Subedi	Tundi Construction Pvt. Ltd.
26.	Kamal Parajuli	Sharma & Company
27.	Lanka KC	Lumbini Builders Pvt. Ltd
28.	Dom Tshiring Sherpa	Ramechap Sherpa Co.
29.	R R Adakari	R.S.N.CO.P.Ltd.
30.	Yaksha Dhoj Karki	Sky Builders P.Ltd
31.	T B Shrestha	LalitpurPragati Nirman Sewa
32.	Suresh Raj Upreti	swaschanda Nirman Sewa
33.	Krishan Chandra Sedhai	Jagat Nirman Sewa
34.	Sushil Babu Shrestha	Shuva Construction Pvt. Ltd
35.	Bashanta Lal Hirachan	Hrachan Construction Pvt. Ltd
36.	Amar B Tamang	New Amar Co.
37.	Rishi P. Subedi	Tundi Construction Pvt. Ltd.
38.	Gopar K Karki	FCAN
39.	Keshav Kunbar	SCAFE
40.	Keshav Amatya	SCAFE
41.	Sukunta Lal Hirachan	FCAN
42.	Bashudev Upreti	FCAN
43.	Navaraj Khadaka	FCAN
44.	Nuche Maharjan	FCAN

Electronic Procurement in Nepal

Annex –2.6

His Majesty's Government, Ministry of Science & Technology and IT Professional Forum jointly organized "An Interaction Program on the Role of Electronic Transaction in Government & Public Procurement" for high level civil servants on 2061 Aswin 18 (4 October, 2004).

Chief Guest Honorable Minister Mr Balaram Gharti Magar, Ministry of Science & Technology
The program chaired by Dr. Swoyambhu Man Amatya, Secretary Ministry of Science & Technology

S.N	Name of Participant	Institutions Represented
1	Hum Bahadur K.C.	Ministry of Law, Justice & Parliamentary Affairs
2	Diwakar Rimal	Office of Accountant General
3	Aalok Shrestha	Nepal Law Reform Commission
4	Satya Narayan Prashad	Department of Irrigation
5	Kamala Khanal	National Women Commission
6	Rudra Kumar Shrestha	Ministry of Land Reform & Management
7	Babu Ram Acharya	Department of Survey
8	Deep Bahadur Swar	Department of Agriculture
9	Dr. B.D.Chataut	Department of Health
10	Kedar Bahadur Adhikari	Ministry of Finance
11	Bhesa Raj Sharma	Ministry of Law, Justice & Parliamentary Affairs
12	Kedar Prashad Poudyal	Nepal Human Rights Commission
13	Uddhav C. Shrestha	Office of Accountant General
14	Lalit Man Gurung	Public Service Commission
15	Tej Mani Bajracharya	Election Commission
16	Bhanubhakta Pokharel	Ministry of Home
17	Shree Chandra Shah	Department of Customs
18	Bal Govind Bista	Ministry of Health
19	Keshab Pd. Acharya	Ministry of Physical Planning & Works
20	Mukti Nath Ghimire	Department of Land Reform
21	Dambar Khadga	High Level Commission for Information Technology
22	Pushpa Raj Koirala	Office of Attorney General
23	Dinesh C. Pyakurel	Secretary, Ministry of Industry, Commerce & Supply
24	Suresh Man Shrestha	Department of Printing
25	S.B. Sharma	Joint Secretary
26	Deependra Chhetry	Nepal Rastra Bank
27	Prakash Subedi	High Level Commission for Information Technology
28	Hemraj Gautam	Ministry of Forest & Soil Conservation
29	Shakti Prashad Shrestha	Office of Auditor General
30	Purna Bhadra Adiga	Ministry of Science & Technology
31	Dhruba Raj Regmi	Department of Road
32	Siwa Sitaula	High Level Commission for Information Technology
33	Binod Dhakal	High Level Commission for Information Technology
34	Purushottam Ghimire	Ministry of Science & Technology
35	Shander Lal Maleku	Ministry of Science & Technology
36	Ritu Raj Subedi	The Rising Nepal
37	Dinesh Wagle	Kantipur Publication
38	Himal Neupane	Kantipur TV
39	Bhawani S. Gautam	City Post
40	Surendra Poudel	Nepal Samachar Patra
41	Nabin Sharma	Image Metro
42	Visma	Image Metro
43	Ram Prasai	Bimarsh Weekly
44	Yadu Devkota	Channel Nepal
45	Gajendra	Nepal Times
46	Dinesh Acharya	Rajdhani Dailey
47	Pramod Giri	Annapurna Post
48	Tejendra Subedi	Roadmap Weekly
49	Kshitiz Karki	Koshi FM 94.3 MHZ
50	Arjun	Nepal Metro

Electronic Procurement in Nepal

Annex -3

Booklets

Electronic Procurement in Nepal

Annex – 4

Media Voices

Photograph