

Consultations, Advocacy and Support

to

www.bolpatra.gov.np

e-Procurement Portal of the
Government of Nepal

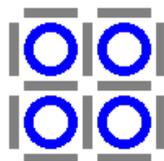
Final Report Submitted to



The Asia Foundation

Kathmandu, Nepal

Submitted by



IT Professional Forum

March 30, 2007

1. Background

With a view to support and continue the advocacy, orientation and enable the use of electronic procurement portal www.bolpatra.gov.np of the government of Nepal, IT Professional Forum with financial cooperation of The Asia Foundation had taken the initiative.

2. Scope of Work

The scopes of work identified and agreed under the Letter of Agreement are given below:

- 2.1 Advocate and support the use of the e-procurement portal by the government, private sector and among the general public.
- 2.2 Advocate and support the creation of regulatory institutions. Such as Controller of Certification Authority and IT Tribunal for institutionalizing the electronic procurement in Nepal.
- 2.3 Conduct orientation training and an advertisement campaign for popularizing the use of e-procurement to targeted groups of buyers, sellers, and managers in the private as well as public sectors.
- 2.4 Update the portal's compliance with upcoming Public Procurement Legislation and other regulatory instruments that govern electronic transactions in Nepal necessary.
- 2.5 Assist relevant GON units to the build the required capacity to manage, operate, and upgrade the e-procurement portal and facilitate the GON takeover of the portal.

3. Activities Completed

3.1 Advocacy & Consultation

ITPF is continuously meeting with high dignitaries of government of Nepal, CAN, MAN, NCC, FNCCI, FCAN etc and disseminating information on electronic procurement portal. ITPF had also conducted orientation training on the benefits and use on www.bolpatra.gov.np.

In cooperation with Office of the Financial Comptroller General, ITPF is pursuing with the government to enact Public Procurement Act and Regulation. The Government of Nepal approved the draft Public Procurement Act on August 23, 2006 and forwarded the same to the Parliament for ratification.

ITPF helped and supported Ministry of Environment, Science and Technology in establishing Controller of Certification Authority in the country. MOEST appointed the Controller and he served for around 3 months. Later the controller was relinquished due to political changeover. The appointed of new controller is uncertain until the political crisis is settled down.

3.2 Capacity Building & Handover

A Memorandum (for reference annex-1) was signed between High Level Commission for Information Technology by *Mr. Sarad Chandra Shash*, the then Vice Chairman and IT Professional Forum by *Mr. Suresh Kumar Regmi*, the then President on March 1, 2006 amid a ceremony participated by representative of government, private and NGOs.

Under the agreement HLCIT shall host the portal in their server, maintain the database & hardware, train the users on the operation of the portal, and encourage government ministries, departments and offices to use the portal for publishing advertisement and tenders in the beginning. ITPF will provide training-for-trainers, support and maintain the software, build awareness among government, industry and citizens to use the portal.

ITPF complied with the agreed terms and conditions of the TOR signed, however HLCIT unable to reciprocate due to change of the members in the commission including Vice-chairman.

3.3 Installation & Transformation

ITPF successfully installed the www.bolpatra.gov.np at NITC/HLCIT server in Singhdurbar and relocated the database. The users are providing the facilities to type either www.bolpatra.gov.np or www.bolpatra.com.np and the system will eventually link to the same electronic procurement web portal.

3.4 Staff Deputation & Onsite Support

Mr. Ananta Regmi was deputed at HLCIT from March 1 2006 - May 31, 2006 to build their human resource on the portal, assist them in entering data in the portal and help them to administer and manage the portal. He also conducted administrative and supervisory training to staff of HLCIT.

3.5 Training

ITPF designed and publish "Hands-on-Training CD ROM" and the same was used and distributed to the participants. ITPF conducted 5 batches of extended training to procurement officials of the government of Nepal. They acquired in-depth knowledge about the features, facilities, operation and management of tenders under the www.bolpatra.gov.np.

4. Incomplete Activities

- 4.1 Part of the activities mentioned under point number 2.2 above was completed. The office of the Controller of Certification Authority was established in the MOEST and the Controller was also appointed. But it last only for 3 months then after the controller was released due to political change.
- 4.2 Despite of ITPF effort, IT Tribunal could not be established. The role of Ministry of Law, Justice & Parliamentary Affairs and the Supreme Court are very vital in this case whereas MOEST could not convince the line agency.
- 4.3 The required trainings (hands-on and administrative) to the government procurement officials and supervisors were conducted in batches. But the advertisement and promotional campaign (point number 2.3) of the www.bolpatra.gov.np, except distribution of CD to trainees could not be launched due to lack of enthusiasm on the part of line agencies.
- 4.4 The Public Procurement Act 2063 was passed by House of Representative, but is not published in gazette so far. The relevant procurement regulation is still in the process of approval by the Council of Ministers resulting non-updating of the e-Procurement portal by the ITPF.

5. Budget Utilization

The project grant amount was Rs. 676 thousands and the project duration is for one year from March 1, 2006 to February 28, 2007. ITPF received first installment of Rs. 350 thousands on March 1, 2006 and full and final payment of Rs. 326 thousands on September 19, 2006 as per the letter of agreement. The grant fund was utilized in accordance with the directives of TAF and ITPF's regulations. The final Financial Reports for the grant period is separately reported for your information and record.

6. What's next?

Nepal needs regular support to build awareness, training, capacity building and incentive to encourage users to use the www.bolpatra.gov.np the public procurement portal for making all government and public purchases with the help of ICT. Further, assistance is also needed in developing institutions which will administer, and secure electronic transactions and settle the dispute arising out of the e-Transactions.

ITPF is also in the forefront of the electronic vehicle and will assist government, industry and citizen to use the contemporary technology for developing IT/IT Enabled Industries and e-Government and country's growth and better living. Some of the areas need immediate focus from the donor agencies and they are:

- Improving information and communication infrastructure, especially in rural areas.
- Need to rationalize the ICT institutions and establishment of basic institutions as envisaged in Electronic Transaction Act and Public Procurement Act.
- Building regulations and developing implementation and enforcement capacity of the government.
- Capacity building of human resource in government for encouraging using ICT.
- Creating localized content, etc.

The areas portrayed above are an example where we see a donor community like The Asia Foundation could help Nepal develop ICT sector.

Memorandum of Understanding

Whereas, the government and public procurement portal www.bolpatra.com.np was conceived, designed, developed, implemented, operated, maintained and supported by IT Professional Forum (ITPF) with the financial cooperation of The Asia Foundation Nepal. Since 2003 March, ITPF has invested lots of time, expertise, and human resources in building awareness; conducting orientation, portal development, training, hands-on-training; bringing confidence and trust among government, public and private sector people on e-Procurement and,

Whereas, the strategy for developing the www.bolpatra.com.np is to assist all hierarchies of government offices (central, regional, district, local), constitutional bodies, projects, public enterprises and other organizations where the government has pecuniary interest to conduct all their purchase and sale electronically. This would facilitate dissemination of information to large audience, purchase of goods/services at most competitive price, ensure the right to information to the people, recording of all transactions which help in analyzing and doing research, cost reduction, accountability, timely decision making, transparency etc.

Therefore this Memorandum of Understanding (MoU) is signed between His Majesty's Government, High Level Commission for Information Technology (HLCIT) and IT Professional Forum agreeing upon handing and taking over of the www.bolpatra.com.np web portal.

The handover of www.bolpatra.com.np by ITPF and takeover of the same by HLCIT is an excellent example of the Public-Private-Partnership (PPP). The success of PPP and continuity of such harmony in future completely rests on the winning implementation, operation, management and support of the portal by HLCIT.

This MoU shall be effective from the date of signing by the authorized persons of HLCIT and ITPF.

1. HLCIT, for operational convenience and uniformity will rename the URL www.bolpatra.com.np and hereinafter referred to as www.bolpatra.gov.np.
2. HLCIT agrees to implement, operate, manage and support the government and public procurement portal and through various agencies of His Majesty's Government, HLCIT takes the responsibility to fully administer the provisions of the www.bolpatra.gov.np in the country in a phase-wise manner for the benefit of government, citizen and business. Since all government agencies as well as providers are not aware of the concept, usage and value of the procurement portal www.bolpatra.gov.np, HLCIT shall regularly and continuously create awareness, advocate, train, support, and encourage them to participate in this process. The ultimate aim of the portal being a full-fledged e-procurement from procurement notice, proposal submission, bid finalization to the payments of procurement, HLCIT will work towards the achievement of this goal.

3. In order to  portal widely acceptable and  all agencies, HLCIT shall advocate concerned government  to frame required policy guidelines (public procurement legislations) as Controller of Certification, Priority, Certification Authorities, Payment Gateway and Automated Clearing House.

4. HLCIT will arrange for the required technology, infrastructure, bandwidth, and human resource to host, operate, manage and support the procurement portal round the year.

Signature

5. HLCIT shall keep the source code in safe custody and shall strictly maintain the confidentiality, security, trust as well as privacy.

Suresh Khatiwada
President
ITPF

6. ITPF will retain copyright on Bolpatra engine while the domain name www.bolpatra.gov.np, portal and its contents will be the property of HLCIT.

Official Seal

7. ITPF shall assist and support HLCIT in day-to-day operation and administration of the procurement portal for a period of 3 months by deputing one staff thereafter, HLCIT shall on its own manage its operation and administration.

On behalf of High Level Commission
For Information Technology
Witnessed By
On behalf of
IT Professional Forum

8. The portal is developed in compliance with the existing Financial Administrative Regulation 2058 of HMG. Any change in the regulation or enactment of new legislation on purchasing process may have to be reflected in the portal for which HLCIT will update/change the portal accordingly.

Signature
Sharad Chandra Shaha
Hon. Vice Chairman
HLCIT