



eProcurement in UAE

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Agenda:

- Definition
- Approach
- Laws and Regulation
- Features
- Statistics
- Benefits
- Barriers
- Published results



Definition:

We look at The Chartered Institute of Purchasing & Supply (CIPS) definition of eProcurement as an accurate definition.

“eProcurement is using the Internet to operate the transactional aspects of requisitioning, authorizing, ordering, receipting and payment processes for the required services or products.”



Approach:

- All government entities are authorized and encouraged by their higher authority to purchase using electronic means.
- Our eProcurement solution is centralized to serve all government and non-government entities within UAE and other countries.

Note : The e-procurement system in Dubai is called Tejari

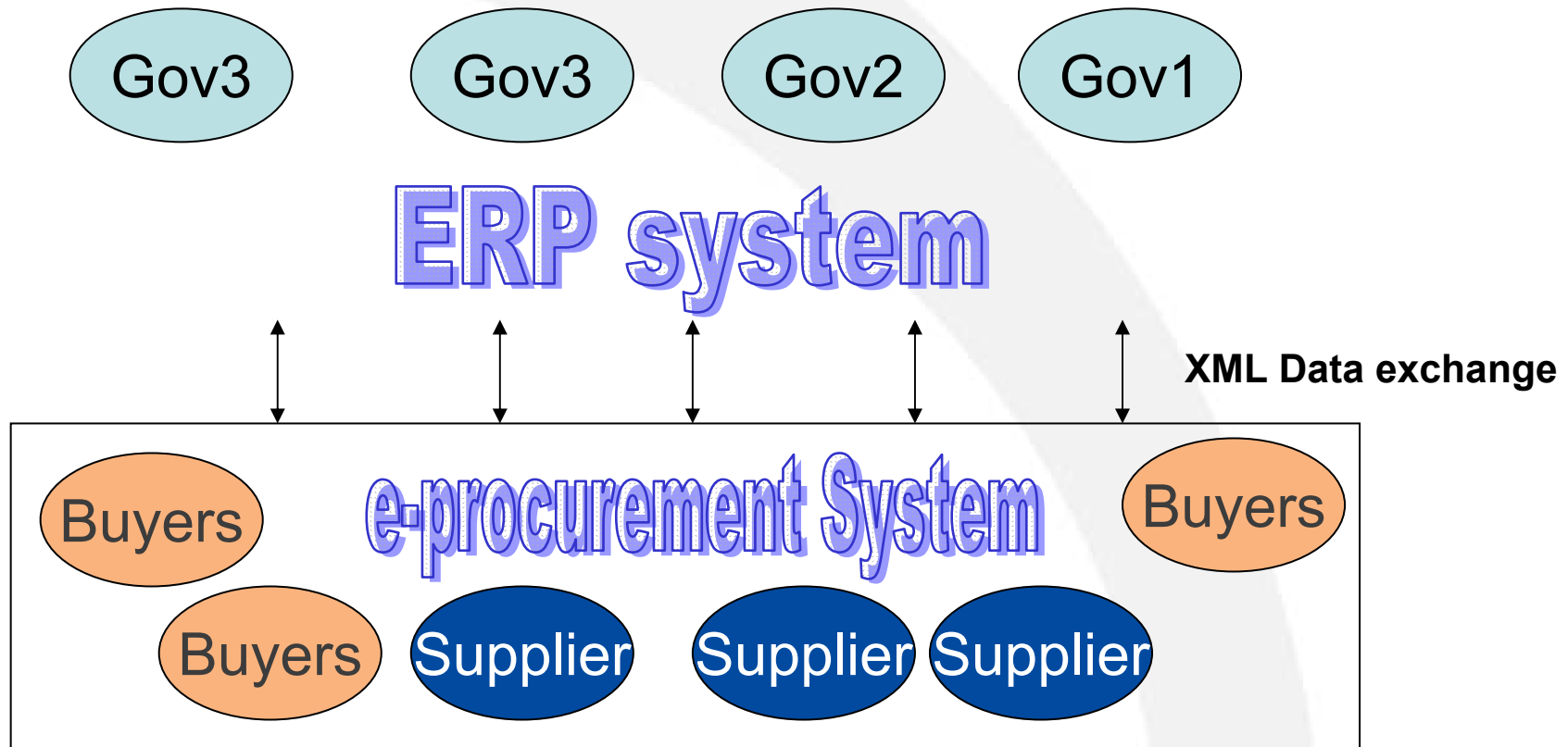


Laws and Regulation:

- A Federal Law has been drafted by the Ministry of Economy and Planning on eCommerce and is under review by Cabinet.
- Dubai has passed the Electronic Transactions and Commerce Law, (Law No. 2) dated February 12, 2002 covering electronic transactions for the Emirate of Dubai .



Features:





Features:

All related purchase processes is done electronically such as :

- eTendering (Submit – Collect – Evaluate tenders)
- eCataloguing (Upload – Search)
- eOrdering (Orders- Invoices)
- eAuctioning (eMarketplace- Negotiations)



Statistics- Dubai e procurement

Since the launch of e procurement in 2000:

- Over US\$2.0 Billion value of business through this system.
- Over 3,600 registered members
- Over 41,000 Online Tenders/RFQs conducted
- Over 75,000 Online Purchase Orders
- Over 100,000 Catalogue items Tejari



Benefits

- *Greater simplification and transparency of procedures*
- *Reduced duplication of procurement functions and offices.*
- *Greater transparency and accountability of decision making*
- *Benefits of scale due to consolidated purchasing*
- *Unified and user-friendly procurement system .*
- *Efficient , time and cost saving .*
- *Information that is readily available by all parties involved, ensures any person making a decision, is also accountable for any action taken.*



Benefits

- *Detailed specification has helped reduce purchase disputes.*
- *Analyse data more accurately.*
- *Consolidate all our common purchase towards a “centralized contract” approach.*
- *Accumulative orders strengthen bargaining power.*
- *Great business opportunities for suppliers.*



Barriers:

- Lack of proper awareness.
- Lack of suppliers and buyers.
- Resistance of change from traditional purchasing methods.



Published results

• *Well- studied method of electronic trade has ensured the success of Tejari.*

Armed Forces:

- *40% savings of equipment purchasing.*
- *14% savings for IT Hardware through structured on-line comparisons and negotiations.*



Published Results

Department of Health and Medical Services:

- Efficiency has increased by 40%.
- 70 % of pharmaceuticals, medical equipment and consumables are bought online.
- 700 auctions in the first quarter of 2005 alone, with more than 6,000 auctions since joining Tejari.



Thank You

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