Implementation of the e-Procurement System
Central Water Authority (CWA), Mauritius

Presented by
Zaid Auckburally
Central Water Authority
Mission to provide an efficient, effective and sustainable water supply
Implementation of the e-Procurement System (e-PS)

• CWA practicing traditional paper based tendering
• Procurement Policy Office (PPO), Ministry of Finance launched the ePS
• Contract awarded to Nextenders Ltd
• Feasibility carried out – ePS the only option
• Shifting from conventional procurement to digital procurement
• C.A.T.
• Collaboration with partners
Alignment of e-PS with Corporate Goals

Vision
Serve the nation

Mission
Efficient & Effective Water Supply

Objectives
Operational and Financial Excellence

eProcurement System

24/7
Target Setting - SMART

- **Specific** – Digitalisation of Procurement
- **Measurable** – Resources, Logistics and IT Infrastructure
- **Attainable** – Champion/Project Management and Set Targets
- **Relevant** – Improvement of Procurement Process for both internal/external clients
- **Timely** – Set Target Date, Lead Time/Cost Reduction
Problem Definition

1. Inefficient/Ineffective Process
2. High Administrative Cost
3. Lack of Transparency/Perception of Corruption
4. Lengthy Procurement Lead Time
5. Delays in Project Implementation

Traditional Paper Based Procurement System
Top Management Aim - Digitization of Procurement System

- Improved business excellence
- Enhanced proficiency in procurement process
- Economic and social gains for all stakeholders
- Embarked on a fascinating and disrupting journey of digitalisation
Key Success Factors - Implementation

- Training of Staff
- Enhancement of IT Infrastructure
- Mock ePS exercises
- Training of Partners
- Working on Requirements with Nextenders

Official Launch
eFlowchart from Bid Preparation to Opening

IFB – Invitation for Bids

More than half time saved compared to traditional procurement
<table>
<thead>
<tr>
<th>Year</th>
<th>Goods</th>
<th>Works</th>
<th>Consultancy Services</th>
<th>Other Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>2016</td>
<td>13</td>
<td>23</td>
<td>0</td>
<td>1</td>
<td>37</td>
</tr>
<tr>
<td>2017</td>
<td>25</td>
<td>16</td>
<td>0</td>
<td>2</td>
<td>43</td>
</tr>
<tr>
<td>Oct 2018</td>
<td>92</td>
<td>9</td>
<td>2</td>
<td>3</td>
<td>106</td>
</tr>
<tr>
<td>Total</td>
<td>132</td>
<td>49</td>
<td>2</td>
<td>6</td>
<td>189</td>
</tr>
</tbody>
</table>
Contract Implementation

**Works Contract (US $ 35M)**
- Pipelaying and construction works

**Goods Contract (US $ 6M)**
- Vehicles, plant, chemicals, protective amenities, pumps, water meters, electrical components, stationery

**Services Contract (US $ 3M)**
- Security Services, Non-Consultancy Services (IT and Repairs/Maintenance of vehicles) and Consultancy Services
CWA’s pole position in ePS
Goods Contracts Sample

- Savings
- Awarded Amount
- Estimate

<table>
<thead>
<tr>
<th>Contract No</th>
<th>MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6.00</td>
</tr>
<tr>
<td>2</td>
<td>11.00</td>
</tr>
<tr>
<td>3</td>
<td>26.00</td>
</tr>
<tr>
<td>4</td>
<td>7.50</td>
</tr>
<tr>
<td>5</td>
<td>3.00</td>
</tr>
<tr>
<td>6</td>
<td>10.00</td>
</tr>
<tr>
<td>7</td>
<td>7.10</td>
</tr>
</tbody>
</table>

- Savings: 5.70, 20.30, 6.45, 1.05, 3.07, 4.73, 6.88
- Awarded Amount: 8.80, 2.20, 5.70, 1.05, 2.20, 4.73, 7.10
- Estimate: 5.27, 0.22
### Tangible Benefits – Financial Surplus

- **Rs 200 M+ (US $ 6M)** surplus in terms of cost achieved since launch to date
- **Doing more with less investment**
- **Public Procurement – 5% GDP**
- **Value of Public Procurement – Rs 17 Billion (US$ 510 M)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Electronic Bids</th>
<th>Value of Bids (Rs)</th>
<th>Surplus</th>
<th>KPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 - 2018</td>
<td>189</td>
<td>Over 1.5 Billion</td>
<td>16% Works Contract</td>
<td>Cost</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>21% Goods Contract</td>
<td></td>
</tr>
</tbody>
</table>

![chart](chart.png)
Other Tangible Benefits

1. Suppliers online responsiveness
2. Closing/Opening of bids online
3. Reduce wastage
4. Automatic generation of comparative statement report
5. All bids/catalogues in soft
6. Ease of doing evaluation
## Comparison

<table>
<thead>
<tr>
<th>Traditional Paper Based</th>
<th>eProcurement System</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Transactional Costs</td>
<td>Lower Transaction Costs</td>
</tr>
<tr>
<td>Paperwork/files/printing/photocopy/storage</td>
<td>Environment impact – Less paper, printing, photocopy, human interaction reduced</td>
</tr>
<tr>
<td>Limited to office hours</td>
<td>24/7 System</td>
</tr>
<tr>
<td>Limited responsive bids</td>
<td>High responsive bids</td>
</tr>
<tr>
<td>Transaction speed very limited and poor traceability</td>
<td>Increased Transactions speed. All Transactions carried out online and in real time – Audit Trail</td>
</tr>
<tr>
<td>Long lead time</td>
<td>Turnaround time decreased – Lead time reduced</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>Corruptive Practice</td>
<td>e-PS deterrent to bid rigging practice/collusion/corruption</td>
</tr>
<tr>
<td>Heavy bureaucracy/ Non used talents/ overworked staff</td>
<td>IT culture/Skilled labour – Motivated staff Enhanced/reengineer procurement process – Improved quality (streamline)</td>
</tr>
</tbody>
</table>
Supplier’s Response

- Satisfaction
- Bids can be withdrawn and re-submitted anytime prior to closing
- Trust and confidence
- Highly secured transactions – Public Key Infrastructure
- No physical presence
Objectives achieved of the CWA eProcurement System

- Free use and ease of doing business to global partners
- Enhanced Transparency
- Security of the entire process using encryption/decryption
- Fairness in the system, free access to bidding documents
- Accountability of all activities
- Economy and Value for money

Main beneficiary – The whole country
Publications/Presentations on Research at CWA

- Two articles published in the year 2017 on International Journal of Management and Applied Sciences (IJMAS)

- Presentation to Tertiary Education Commission, University of Mauritius and Open University of Mauritius on implementation of e-PS.

- Participation of the CWA at the National Productivity & Competitiveness Council 2018, Mauritius
Team Effectiveness

Commitment
Communication
Contribution
Cooperation
Connections
The Way Forward

• Optimisation of the ePS – eReverse Auction
• Organisational branding in ePS
• Working with other Govt Bodies and the Central Procurement Board (CPB) to implement ePS
• Succeed where other countries have failed
• CWA as a role model and flag bearer
• A catalyst/Transforming the continent
• Govt of Botswana – learn from CWA experience
Thank You

auckburally_z@cwa.intnet.mu