



Improving the E-procurement Environment in Tunisia

SUPPORTING VULNERABLE GROUPS IN GAINING BETTER ACCESS TO TUNEPS



HAICOP

Haute Instance de la Commande Publique
الهيئة العليا للطلب العمومي



MENA - OECD
Governance Programme



Funded by
UK Government



OECD

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Please cite this publication as:

OECD (2020), Improving the E-procurement Environment in Tunisia: Supporting vulnerable groups in gaining better access to TUNEPS, Paris.

On 25 May 2018, the OECD Council invited Colombia to become a Member. At the time of preparation of this publication, the deposit of Colombia's instrument of accession to the OECD Convention was pending and therefore Colombia does not appear in the list of OECD Members and is not included in the OECD zone aggregates.

Corrigenda to publications may be found on line at: www.oecd.org/about/publishing/corrigenda.htm.

© OECD 2020

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgement of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.

**Improving the E-procurement
Environment in Tunisia:
Supporting vulnerable groups in
gaining better access to
TUNEPS**

Acknowledgements

Under the direction and oversight of Marcos Bonturi, OECD Director for Public Governance, and János Bertók, Deputy Director for Public Governance, this report was prepared by Costanza Caputi, Policy Analyst, guided by Paulo Magina, Head of the Public Procurement Unit, and Kenza Khachani, Policy Analyst, from the Infrastructure and Public Procurement Division. The report benefited from the review by Matthieu Cahen. It was prepared for publication by Lauren Thwaites and Aleksandra Bogusz provided administrative assistance.

This publication is the result of the fruitful collaboration between the Tunisian government and the OECD as part of the MENA-OECD Governance Programme, a strategic partnership between the countries of the MENA region and the OECD, aimed at encouraging the sharing of knowledge and expertise, with a view to disseminating standards and principles of good governance to support reform processes in the MENA region.

The OECD expresses its gratitude to the Tunisian government, the *Haute Instance de la Commande Publique* (HAICOP), ministries, public entities, civil society and private sector organisations consulted for this report. In particular, the OECD would like to thank Mr Khaled El Arbi, President of HAICOP, Ms Sonia Ben Salem, Director of the TUNEPS Unit, and Ms Rim Zehri, Director of the National Observatory for Public Procurement.

This publication is part of the "Good Governance and Anticorruption in Tunisia" project, implemented by the OECD with financial support from the United Kingdom's Foreign and Commonwealth Office and in coordination with the Tunisian government.

Table of contents

Acknowledgements	2
1 Background and context	4
2 E-procurement as an instrument to support vulnerable groups	5
The e-procurement system in Tunisia	5
The role of public procurement in support of vulnerable groups	8
E-procurement instrumental to address challenges in access to procurement opportunities	11
3 Support measures to enhance access to e-procurement	15
HAICOP's ongoing activities to strengthen the e-procurement environment	15
Taking stock of activities under the 'Good Governance and Anticorruption' project	17
4 Towards an e-procurement environment in support of vulnerable groups	23
Barriers in the uptake of e-procurement	23
Vulnerable groups and access to e-procurement	25

FIGURES

Figure 2.1. Evolution of TUNEPS	6
Figure 2.2. E-procurement functionalities of the e-procurement system TUNEPS	6
Figure 2.3. Provision of e-procurement functionalities in the OECD	7
Figure 2.4. Vulnerable groups in Tunisia	9
Figure 2.5. Regional development index	11
Figure 2.6. Constraints on SME access to public contracts in OECD countries	12
Figure 2.7. E-procurement supporting access to procurement opportunities by vulnerable groups	14
Figure 4.1. Internet access across various regions	24

TABLES

Table 2.1. Thresholds for small value procurement	8
Table 2.2. Companies by size and employment, Tunisia	9
Table 2.3. Challenges to SME access by stages of procurement	13
Table 3.1. TUNEPS uptake over the period 2014-2019	15
Table 3.2. Trainings provided by HAICOP in 2019 and January 2020	16
Table 3.3. ToT Content	18
Table 3.4. Large buyers represented by ToT participants	19
Table 3.5. Content of 1-day supplier training	21
Table 3.6. Gender of training participants	21
Table 3.7. Participating suppliers by category of enterprise	21

1 Background and context

The OECD is implementing the project “Good Governance and Anticorruption in Tunisia” in co-ordination with the Tunisian government and with financial support from the United Kingdom's Foreign and Commonwealth Office. The overarching goal of this project is to contribute to improving the governance of public funds, stability, prosperity and the confidence of citizens in Tunisia.

Building on the work of the MENA-OECD Programme and the OECD Recommendations on Public Integrity, Open Government and Public Procurement, this project has three target areas with the following objectives to:

- Create responsiveness via better local public services for citizens, and support for citizens in their role of controlling the provision of public services;
- Create connections through better co-ordination of governance, better audits and public controls;
- Create prosperity via better public services for a more favourable business environment and more efficiency and transparency in the field of public procurement.

Based on identified priorities, the activities under the Component “creating prosperity” for the year 2019-2020 have focused, among other objectives, on improving Tunisia’s e-procurement environment (acronym TUNEPS) by making it more accessible to vulnerable groups, i.e. Small and Medium Enterprises (SMEs), young entrepreneurs, women-owned businesses, artisans, as well as businesses in marginalised areas. To this end, the OECD developed a partnership with the *Haute Instance de la Commande Publique* (HAICOP), the Tunisian public procurement authority.

This report brings together the results of this collaboration. First, it outlines how e-procurement can be a valuable tool in creating economic opportunities for vulnerable groups, namely SMEs, women-owned businesses as well as young entrepreneurs.

Secondly, this report takes stock of the technical assistance activities provided by the OECD team aimed at strengthening the capacity of different users of the e-procurement system in Tunisia. The activities under the project have tackled both suppliers and public buyers from different levels of government and regions, with dedicated trainings and awareness raising sessions to strengthen the uptake of TUNEPS. It also builds upon the work on public procurement carried by the OECD in previous years under the same project.

Finally, this report addresses existing gaps in the e-procurement system to enhance future prosperity of the Tunisian economy, with a particular eye on vulnerable groups in society. To this end, the report identifies policy recommendations for improving TUNEPS and increasing access to procurement for vulnerable groups.

2 E-procurement as an instrument to support vulnerable groups

In Tunisia, public procurement represented 15% of GDP in 2017, underscoring the economic significance of using procurement to support economic development of the country (OECD, 2019^[1]). By comparison, in OECD countries public procurement represents on average 12% of GDP or 29% of government expenditure (OECD, 2019^[2]). Increasingly public procurement is supporting strategic policy goals, which include green, innovative and social objectives. Under the latter, procurement can be used effectively to support vulnerable groups, i.e. young entrepreneurs, women-owned businesses, artisans and businesses in remote areas.

The following chapter explores how e-procurement can be used to support Tunisia's vulnerable groups. It lays out the e-procurement environment in Tunisia and provides a picture of vulnerable groups in the Tunisian context. The chapter also analyses common barriers to procurement access, notably for SMEs, and outlines the relevance of e-procurement to overcome these barriers.

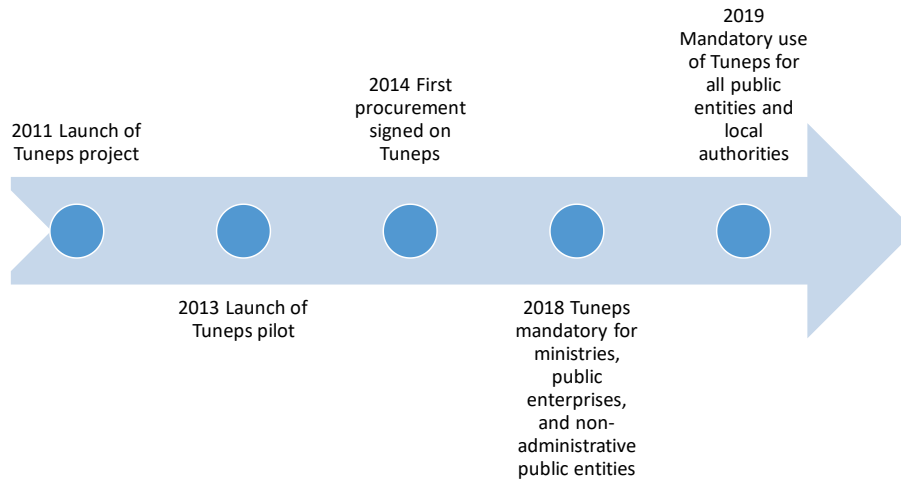
The e-procurement system in Tunisia

Since 2013, the legal public procurement framework in Tunisia has been reformed to introduce a comprehensive e-procurement system, namely the platform TUNEPS, aimed at achieving a fully-fledged digital system. The main goals of the reform were to increase transparency, efficiency and overall access to procurement opportunities. The Tunisian e-procurement platform was developed in co-operation with the Korean International Co-operation Agency (KOICA) and builds on the Korean e-procurement system KONEPS, which has proven successful in digitalising procurement in South Korea.

Several benefits come from the shift to an e-procurement system. The electronic platform facilitates the instant exchange between suppliers and buyers, and enhances traceability and accessibility. This allows for a reduction in the duration of procedures compared to paper-based system. In turn, costs are also reduced. Not least, e-procurement is an important instrument for strengthening economic development and reinforcing good governance as it increases transparency in procurement. Finally, the system increases the confidentiality and security of transactions.

TUNEPS has been evolving at a rapid pace since the project launched in 2011. After a few years of pilots and progressive use, as of September 2019, the Tunisian law made e-procurement mandatory for all entities, including municipalities. This provision firmly established Tunisian leadership with respect to e-procurement in the Middle East and North Africa (MENA) region and by international comparison. For instance, in Morocco, an e-procurement system exists but is not mandatory for all users. In the European Union, full transition to e-procurement has been mandated since 2018 but some countries lag behind with full implementation.

Figure 2.1. Evolution of TUNEPS



In terms of functionalities, the Tunisian e-procurement system is composed of four main components, namely the e-bidding, e-contracting, e-catalogue and the e-shopping mall. As a pre-condition to use TUNEPS, both public buyers and suppliers need to register and receive approval of their registration. Once the registration process is completed, users then need to request an electronic certificate. This can be retrieved through registration at the National Agency for Electronic Certification (*Agence Nationale de Certification Electronique, ANCE*).

Figure 2.2. E-procurement functionalities of the e-procurement system TUNEPS

E-bidding	E-contracting	E-catalogue	E-shopping mall
<ul style="list-style-type: none"> • Publication of tenders online • Submission and receipt of offers • Opening of offers online 	<ul style="list-style-type: none"> • Drafting, notification, and signature of contracts • Drafting, notification and signature of contract modifications • Sending and receiving orders • Evaluation and statistical analysis 	<ul style="list-style-type: none"> • Product registration • Technical characteristics • Insertion of product nomenclature 	<ul style="list-style-type: none"> • Buyers: <ul style="list-style-type: none"> • Search for goods and services • Ordering and follow-up • Suppliers: <ul style="list-style-type: none"> • Price offers • Receipt and execution of orders

The e-bidding system provides the full electronic functionalities related to the bidding process, from the e-procurement plan, tender announcements, bidding, bid-opening, and selection of winning bid. The functions of the e-bidding system also include the disclosure of the selection results, the registration of objections, and bid guarantee information. Throughout the process, transmitted documents are encrypted and can only be decrypted through official certificates, thereby ensuring confidentiality and fairness in the system. Importantly, the functionalities of the e-bidding system ensure that it is only possible to launch procedures that are included in the procurement plan, thereby increasing the consistency between procurement planning and execution.

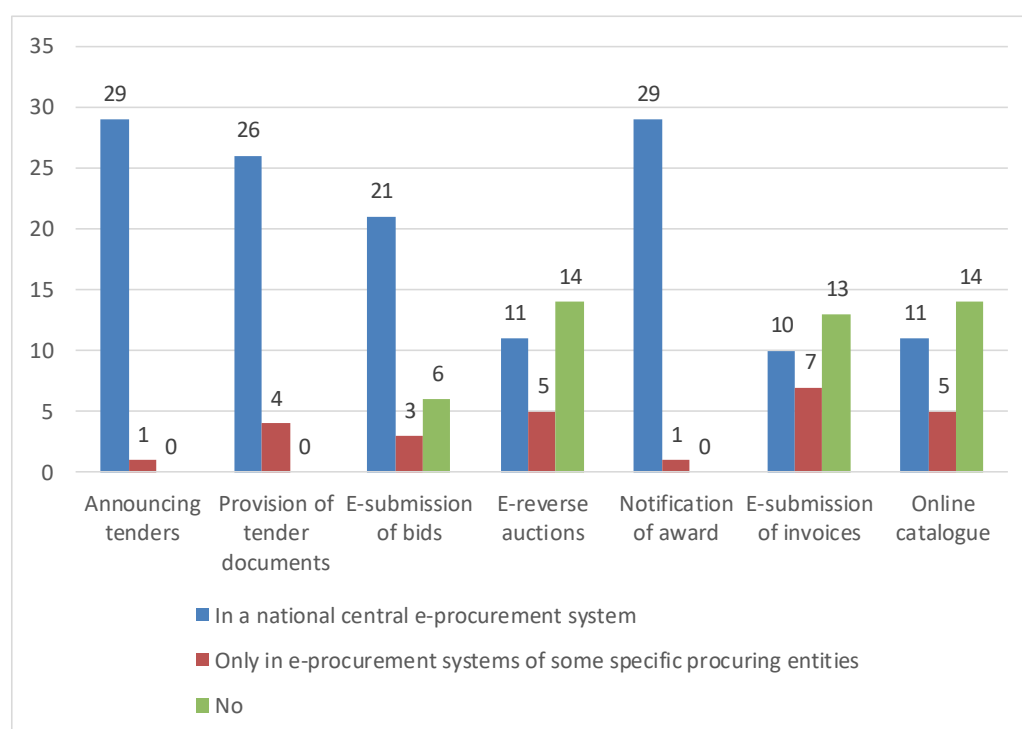
The e-contracting system provides electronic support to the public buyer and winning bidder for the preparation and finalisation of an electronic contract. The procurement official can send a draft electronic contract to the winning bidder through the e-contracting system. The draft can be validated by the supplier electronically and sent back to the contracting authority. The supplier signs the contract electronically via its certificate. The e-contracting functionality supports the various steps throughout the contract management processes, namely contract amendments, contract management and evaluation, contract history, and statistics related to the contract.

The e-catalogue serves as a system for the classification, registration, and management of information related to products that are classified according to a standard international classification system, namely the United Nations Standard Products and Services (UNSPSC). This functionality allows buyers to gain information on products as well as their technical characteristics.

Finally, the e-shopping mall functionality is a virtual market place that allows running simplified procedures for small value procurement (i.e. below public procurement thresholds) online. Public buyers send requests for goods and services and registered suppliers can respond. Similar tools are used in other countries, and a prominent example is the Italian e-marketplace MePA (see Box 2.1).

By international comparison, the Tunisian e-procurement system can be considered as advanced in terms of its functionalities. In fact, a number of OECD members do not yet have a fully functional e-procurement system that allows for e-submission at either the national level or the level of some procuring entities (Figure 2.3).

Figure 2.3. Provision of e-procurement functionalities in the OECD



Source: Elaborated by author based on data from (OECD, 2017^[3])

Box 2.1. Italian marketplace for small value procurement MePA

Launched in 2004, Italy's Electronic Marketplace for the Public Administration (MePA) is considered a leading e-marketplace in Europe, allowing e-procurement for low value contracts of goods, services and works. It is managed by the Italian Central Purchasing Body (CPB) Consip. Over 10 million items are available in the e-catalogue of MePA. Furthermore, the volume of transactions has been growing steadily, reaching EUR 3.1 billion in 2017. This represents a major increase from EUR 360 million in 2012.

Beyond the growth in volume and number of transactions, users report significant benefits from using MePA. From the perspective of contracting authorities, MePA saves time, increases transparency, and offers a large range of products available for comparison. As suppliers, the advantages of MePA lie in reduction of costs and optimisation of sales times, wide access to procurement opportunities nationally, competitiveness and growth, as well as incentives for repeated sales.

It is important to consider that small value procurement has a very significant economic impact, both in terms of number and value of contracts. Namely, the volume of small value purchases represents over 99% of the approximately 4.5 million contracts performed annually. By value, low-value purchases amount to 20% of the total value of tenders published every year, underscoring the relevance of having effective instruments in place to conduct this kind of procurement in digital format.

Source: (OECD, 2018^[41])

The role of public procurement in support of vulnerable groups

Public procurement is a particularly relevant instrument to support economic development and vulnerable groups. In particular, so-called small value procurement can be a very effective instrument in delivering economic opportunities to vulnerable groups. In Tunisia, small value procurement is defined as procurement for goods, services and works from TND 200,000 to TND 50,000 depending on the type of contract. Small value procurement does not require a full open tender procedure but can be carried out by requesting three offers from suppliers. As contracted amounts are not high (below the threshold aforementioned), small value procurement can be executed by all businesses including SMEs and other businesses that do not have large-scale capacity. Also in terms of effort, small scale procurement does not require significant up-front investment into preparation compared to a regular competitive tender, and is hence more accessible. This is particularly relevant given the profile of businesses considered vulnerable.

Table 2.1. Thresholds for small value procurement

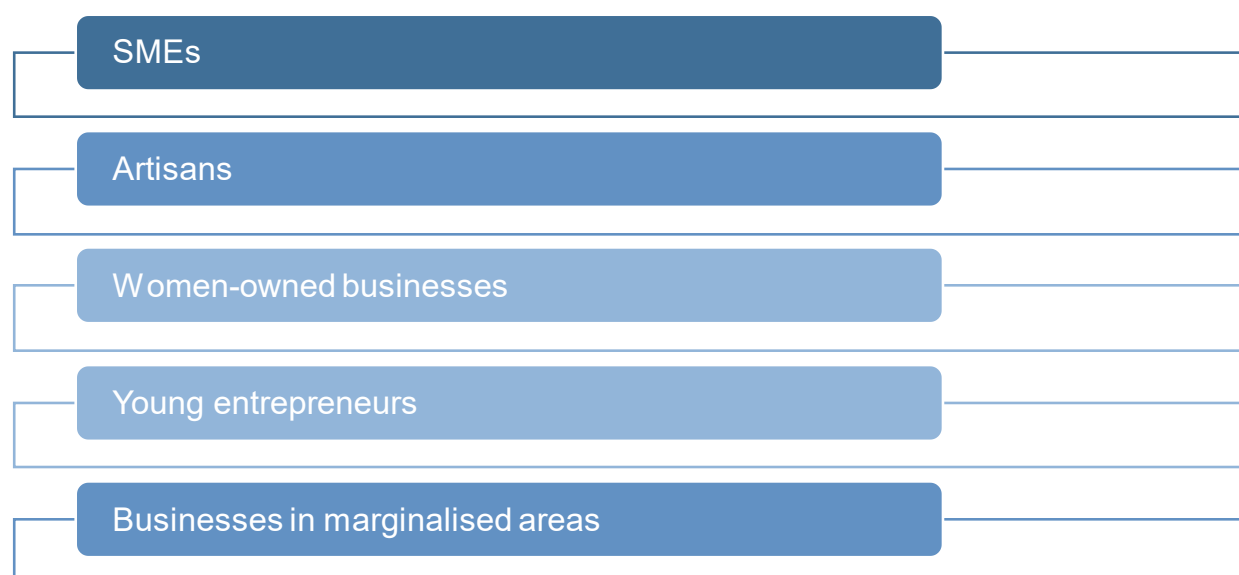
	TND (EUR)
Public works	200,000 (62,784)
Studies, goods and services in the ICT sector	100,000 (31,392)
Goods and services in other sectors	100,000 (31,392)
Studies	50,000 (15,696)

Note: 1 TND = EUR 0.31 (Sunday 15 March)

Source: Décret n° 2014-1039 du 13 Mars 2014

In Tunisia, vulnerable groups that can benefit from increased access to public procurement include micro businesses and SMEs, women-owned businesses, artisans, young entrepreneurs, as well as businesses in marginalised areas. These categories of businesses are active in many sectors, which are relevant to public procurement, such as consulting services, catering, construction (e.g. engineering, electricity, sealing, and glazing), ICT, pharmaceuticals and supply and packaging.

Figure 2.4. Vulnerable groups in Tunisia



SMEs and micro enterprises constitute the vast share of the Tunisian economy in terms of the number of enterprises. It is estimated that SMEs represent 99.1% of companies. Focusing on employment, SMEs also play a very significant role accounting for 57.9% of national employment. However, it should be noted that in Tunisia there is no uniform definition of SME¹. This can be a barrier when introducing policy actions that are aimed at this category, as there is a lack of unified understanding of the target population (OECD, 2019_[11]).

Table 2.2. Companies by size and employment, Tunisia

	Number of enterprises		Number of employees	
	Number	Share	Number	Share
Micro	70 113	78.3%	11 6881	11.7%
Small	16 115	18.0%	228 124	22.8%
Medium-sized	2 485	2.8%	235 302	23.5%
Total MSMEs	88 713	99.1%	580 307	57.9%
Large	815	0.9%	421 626	42.1%
Total	89 528	100.0%	1 001 933	100.0%

Note: MSMEs include micro, small and medium-sized enterprises

Source: (Statistiques Tunisie, 2017_[5]) (OECD, 2019_[11])

Recognising the potential of public procurement to support SMEs, the Tunisian legal framework defines that up to 20% of yearly procurement volume should be dedicated to SMEs (Article 20 of Decree n° 2014-1039 du 13 March 2014). It should be noted that contracting authorities sometimes have difficulties in complying with this provision, as in some markets, e.g. health care, the share of SMEs capable to respond

to the demand is very low. As such, public buyers often fall short of this target. According to a study by HAICOP, it is estimated that less than 17% of procurement is actually contracted to SMEs (OECD, 2019^[11]).

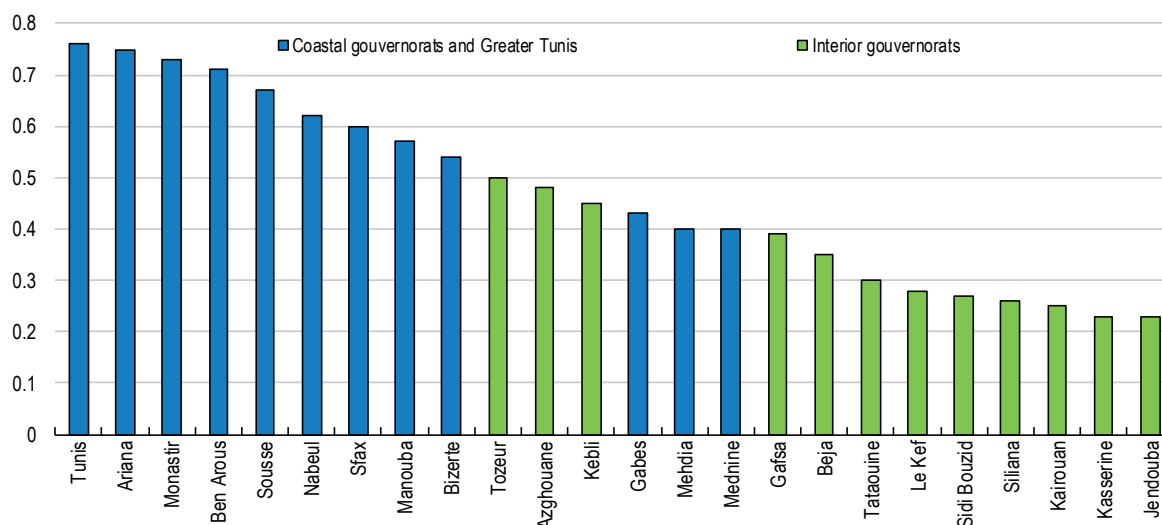
Artisans in Tunisia amount to 300,000 people in both formal and informal employment, based throughout the country and representing 11% of the active population. In terms of economic weight, however, the sector is underperforming, with a contribution to GDP estimated at below 5%. This compares poorly to other countries such as Morocco, where the contribution to GDP of artisans lies between 10% and 12% (Ministère du Tourisme et de l'Artisanat, 2017^[6]). While a large share of the sector is dedicated to activities that may not be relevant in the procurement context (e.g. ceramics, weaving, souvenir goods) artisans have a significant role to play in public purchases. Namely, professionals working in the fields of electricity, plumbing, masonry, painting, stone cutting and interior design can benefit from procurement opportunities related to e.g. small repair, maintenance, cleaning of construction sites, catering or other similar activities. The Tunisian procurement legislation recognises the role of artisans by including a provision on reserved markets for artisans (Article 21 of Decree n° 2014-1039 du 13 March 2014). Recently, HAICOP has also emphasised the priority of integrating artisans in the procurement market, as demonstrated by the annual Public Procurement Conference (*Salon de l'Achat Public*) dedicated to the impact of TUNEPS on SMEs and artisans.

Unemployment in Tunisia is high, and affecting youth in particular. Indeed, in 2019 youth unemployment stood 34.8% compared to total unemployment at 15.5%. This data compares poorly in the MENA region, where youth unemployment amounts to 26.2% (World Bank, 2019^[7]). While Tunisia has a relatively strong system to support business creation, young entrepreneurs face particular challenges. In fact, overall Tunisian youth consider that they have little access to training and finance. Furthermore, long-term programmes to support the creation of businesses is limited, particularly for female entrepreneurship (OECD, 2018^[8]).

With respect to gender equality, Tunisia is faring well in regional comparison by ranking 4th in the MENA region according to the World Economic Forum's 2020 Gender Gap Report. However, globally Tunisia ranks 124th and many challenges are still present, particularly regarding female participation in the workforce that only accounts for 27.1% of total workers (World Economic Forum, 2019^[9]). Furthermore, female entrepreneurs are likely to face greater obstacles when setting up a business: this includes most importantly cultural barriers, limited access to finance as women often do not own property, and overall low participation rates in the economy and in leadership roles (OECD, 2018^[8]).

The economic context in Tunisia is also characterised by strong regional imbalances, with coastal areas and the Tunis region being at the heart of economic activity and development efforts, whilst regional areas lag behind (Figure 2.5). These imbalances are also reflected in the levels of unemployment as well as in the presence of local enterprises. For instance, the unemployment rate in the *gouvernorat* (district) of Tataouine amounts to 32%, while it is much lower in coastal cities, such as Monastir (6.6%), Sfax (9.8%) and Sousse (11.6%). Nearly 50% of private enterprises are concentrated in five *gouvernorats* and over 90% of industrial firms are clustered within one hour of the three main cities Tunis, Sfax and Sousse. Furthermore, public investment has traditionally also been higher in the coastal and the Greater Tunis areas. Limited connections between the coastal areas and the internal regions have also contributed to the creation of a so-called "two speed" economy, where the internal and rural areas are marginalised from the economic centres of the country (OECD, 2018^[8]).

Figure 2.5. Regional development index



Note: The regional development index is a synthetic indicator based on four components: living conditions, social and geographic indicators, human capital, and labour market indicators.

Source: INS (OECD, 2018^[8])

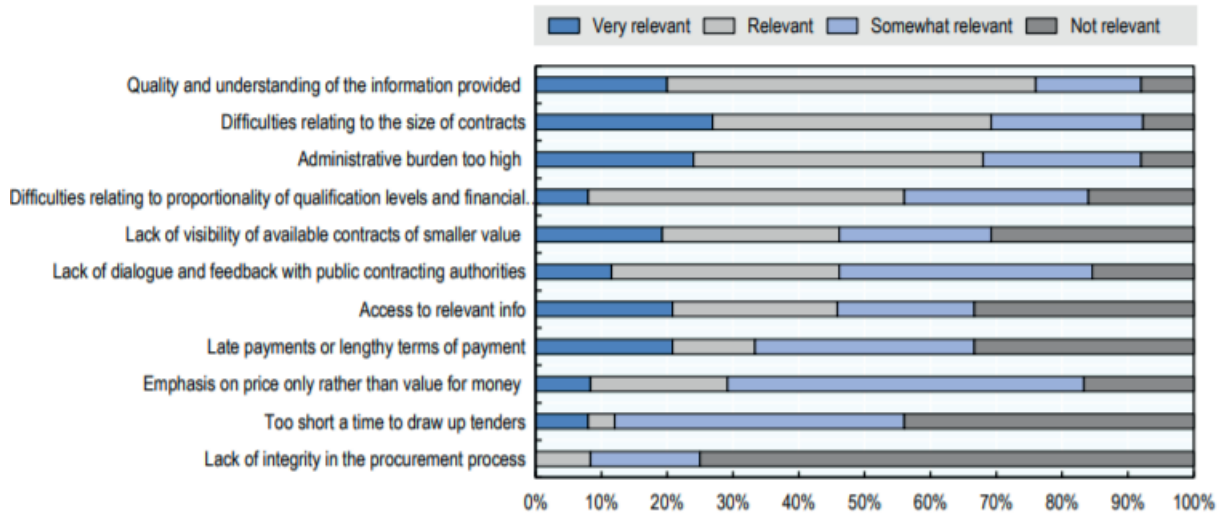
E-procurement instrumental to address challenges in access to procurement opportunities

While public procurement has been recognised as an important policy instrument for supporting SMEs and social inclusion, a number of barriers persist in limiting SME's access to procurement opportunities. These barriers are often the underlying cause for SME's under-representation in public procurement markets, compared to their economic weight. Across the OECD countries, the following barriers have been identified (OECD, 2018^[4]):

- Quality and understanding of the information provided
- Size of contracts too large
- Administrative burden too high
- Difficulties relating to proportionality of qualification levels and financial requirements
- Lack of visibility on available contracts of smaller value
- Lack of dialogue and feedback with public contracting authorities
- Late payments or lengthy terms of payment
- Access to relevant information
- Emphasis on price only rather than value for money
- Too short a time to draw up tenders
- Lack of integrity in the procurement process

In terms of these barriers, looking at responses from an OECD survey (Figure 2.6), it is apparent that the quality of information provided, the high administrative burden and size of contracts are amongst the most important factors in limiting SME access to procurement. There are also a number of obstacles specific to the procurement phase that have been identified in the literature, as listed in Table 2.3 below.

Figure 2.6. Constraints on SME access to public contracts in OECD countries



Note: Based on survey responses received from 26 OECD countries. The survey respondents were asked to indicate how relevant each constraint is in their country context –from 1 (not relevant) to 4 (very relevant)

Source: 2017 OECD survey on strategic use of public procurement to support SMEs (OECD, 2018_[4])

In the Tunisian context, consultations by the OECD team with SMEs and vulnerable groups revealed that barriers to public procurement reflect those encountered internationally. Namely, high administrative burden is considered amongst the most relevant barriers for an SME’s access to procurement. Furthermore, late payments are an equally strong challenge for access to procurement markets. A number of stakeholders consider that lack of available information and limited visibility of low value procurement opportunities are also key obstacles to SMEs access to procurement.

Looking at the challenges faced by SMEs, it emerges that e-procurement can be a very effective tool to alleviate a number of the barriers in procurement access. As such, e-procurement is often central to efforts aimed at supporting SMEs, in addition to the goals of e-procurement reforms related to increasing efficiency and transparency. In a 2017 OECD survey, 88% of countries reported encouraging the use of e-procurement as measure to support SMEs (OECD, 2018_[4]).

Indeed, the widely adopted approaches to include SMEs in the procurement process focus on ensuring access to information to government contracts as well as enhancing SME’s abilities to respond. Instead, legal obligations to increase procurement dedicated to SMEs are not sufficient to remove barriers to access (OECD, 2018_[4]). As such, suppliers from SMEs and vulnerable groups in Tunisia stand to benefit from having an effective e-procurement system in place, such as TUNEPS.

Moreover, the e-procurement system greatly enhances visibility of business opportunities created by public procurement. Online small value procurement via the e-shopping mall represents important business opportunities that can be of interest to SMEs and vulnerable groups. It should be noted that small value procurement accounts for a significant share of the overall procurement expenditure of many public entities. As an illustration of this, according to a 2015 survey, small value procurement constituted forty per cent of the goods, services and consulting work and twenty per cent of the construction work purchased by the Tunisian Ministry of Facilities (EBRD, 2018_[10]).

Table 2.3. Challenges to SME access by stages of procurement

Stages of procurement	Challenges
Access to information	<ul style="list-style-type: none"> • Finding opportunities on tendering platforms on line. • Suppliers do not know whom to contact when seeking contracts or clarification. Buyers are inaccessible. Information is disorganised. • Lack of information or feedback for understanding the procurement process. Lack of related training (e.g. bid writing, submission process). • Preconceptions that governments prefer to contract with large suppliers.
Pre-qualification	<ul style="list-style-type: none"> • Clarity of solicitation documents. Limited resources to engage in pre-qualification processes (e.g. vetting bids). • Governments ask inappropriate questions (e.g. proprietary information). • Time invested does not guarantee invitation to tender. Excessive paperwork. • Lack of feedback following pre-qualification stage of applications. • Unspecified use of proprietary information (e.g. informal, on websites). • Difficulty getting on bid lists for local contracts. • Restrictive bonding or securing requirements.
Tendering	<ul style="list-style-type: none"> • Contracts awarded based on lowest price rather than overall best value. • Suspicion that selection processes favour insiders and established firms. • Cost of bidding. Contract bundling that limits SME opportunities. • Federal jargon and complex legislation (national and international standards) create unrealistic expectations with respect to technical and financial capacity and compliance standards. • Just-in-time procurement (inventory) reduces the number of long-term relationships and limits number of suppliers. • Sub-contracting is as difficult as contracting directly with governments.
Contract administration	<ul style="list-style-type: none"> • Lack of capacity and resources to meet compliance requirements. • Complexity of federal accounting and payment systems/schedules. • Inflexible terms of payment even when caused by government delays.
On-going relationship management	<ul style="list-style-type: none"> • Expectation creep, unplanned and unrealistic demands. • Informal add-ons without due compensation. • Turnover of federal employees and loss of relationships. • Lack of communication with respect to expectations.

Source: (Liao, Orser and Riding, 2017^[11])

The e-shopping mall provides simple access to procurement opportunities that are suitable for micro or small-sized businesses and vulnerable groups. The procedure is highly simplified compared to the paper-based procedure, which often required travel from one region to another. Furthermore, one of the unique features of the e-shopping mall is the fact that it introduced e-procurement below the threshold, thus including very small amounts. This makes it particularly apt for supporting vulnerable groups. As reported in OECD consultations, this is instrumental to reduce informality in an area of procurement that was previously very sensitive to business through personal connections.

Through the online publication of tender notices both in the e-bidding and e-shopping mall, small businesses throughout the country have access to these opportunities. As reported in OECD consultations with stakeholders, prior to the introduction of TUNEPS, small size procurement was often very localised and accessible largely to established suppliers. With the introduction of TUNEPS, competition has opened up, as now requests for goods and services via the e-shopping mall are visible throughout the country. Importantly, the introduction of e-procurement increases the transparency and integrity of the procurement process. As such, suppliers including vulnerable groups are more likely to participate in procurement markets.

Public buyers report having experienced improvements in the price and quality of goods and services procured from those suppliers who have transitioned to smoothly to e-procurement. TUNEPS has been crowding out less competitive suppliers that are resisting the transition to e-procurement. Conversely,

those suppliers that have embraced e-procurement have proven highly competitive and have found a new and important channel to market their products.

Finally, e-procurement plays a role in providing access to information, both to suppliers and to policymakers. Suppliers can use data available from the e-procurement system to conduct market analysis and research relevant trends and opportunities. Similarly, policymakers can make use of this data for evidence-based decision-making. For instance, in some e-procurement systems it is possible to track data on contracts awarded to SMEs. With this information, policy-makers are able to adjust their policy interventions. Data collection on vulnerable groups through TUNEPS, however, is limited. Indeed, suppliers can self-identify as a category of enterprise, but currently have no way to specify whether they are young entrepreneurs, women-owned businesses or similar.

Figure 2.7. E-procurement supporting access to procurement opportunities by vulnerable groups

Access to business opportunities	<ul style="list-style-type: none"> • Greater visibility of business opportunities as they are published online across the country • Opportunities for small value procurement are also available to a wide audience of suppliers
Reduction of administrative burden	<ul style="list-style-type: none"> • For suppliers, no physical presence is required (e.g. opening of offers) • Paper-free procedures reduced cost and time in processing procurements for the public administration
Access to information	<ul style="list-style-type: none"> • Public buyers have more access to information on suppliers that respond to a bid • Possibility to track contracts concluded with SMEs and other vulnerable groups • Policy-decisions can be based on evidence generated by the e-procurement system

3 Support measures to enhance access to e-procurement

Given that e-procurement has been recently mandated for all contracting authorities in Tunisia, there is still a significant need to accompany users, both from the public administration and from the private sector, in the transition to e-procurement through dedicated capacity building and awareness raising. Support measures are particularly important to enhance vulnerable groups' ability to access e-procurement.

This chapter reviews HAICOP's measures dedicated to strengthening the e-procurement environment and analyses the technical assistance activities carried out by the OECD under this project.

HAICOP's ongoing activities to strengthen the e-procurement environment

As mentioned in the previous chapter, TUNEPS has been mandatory since September 2019 for all contracting authorities. However, there are still significant gaps in the transition to e-procurement, as foreseen by the law. Effectively, the uptake of e-procurement remains incomplete with limited enforcement or sanctioning for lack of compliance (see Chapter 4).

There are several causes related to low levels of uptake, which include:

- Limited capacity of HAICOP to scale up training and awareness-raising across the country
- Limited preparation of the market
- Limited preparation of contracting authorities

HAICOP has been delivering capacity building initiatives on TUNEPS since the start of the project; however, with a staff of less than twenty, its capacity to scale up training and capacity building across the country is limited, despite an increase in activities over the last period. As a result, both the market and contracting authorities are still in need of training and assistance, including change management, to complete the shift to e-procurement. Often market participants and contracting authorities are unaware that the use of e-procurement is now mandatory. Nevertheless, a sizeable number of public buyers and suppliers have actively been using the platform since its launch (Table 3.1).

Table 3.1. TUNEPS uptake over the period 2014-2019

Registered public buyers	Registered suppliers	Procurement procedures launched	E-Shopping Mall procedures launched
1032	7037	3350	6400

Source: TUNEPS

Capacity building initiatives for public buyers and suppliers

Since the launch of TUNEPS, HAICOP has been leading capacity building activities to support the uptake of the e-procurement system, targeted at both public buyers and at suppliers. To this end, HAICOP has strengthened its own capacity as well as launched co-operation projects with international partners, such as the EBRD, the World Bank, etc.

In terms of guidance, HAICOP has developed the so-called TUNEPS-kit that includes an online user manual for the TUNEPS platform. It also created a TUNEPS video channel, where simple videos explain the use of the platform¹. Other social media platforms are being used for questions and exchanges. Importantly, HAICOP set up a Helpdesk to support TUNEPS users. The Helpdesk is currently staffed with eight persons, including six counsellors, one engineer and a supervisor. Over the past years, it has received between 3000 and 4500 yearly calls, confirming its relevance in supporting the uptake of TUNEPS (EBRD, CAF, 2016^[12]).

Training is continuously being delivered to public buyers and suppliers, in particular since the mandatory shift to e-procurement. The TUNEPS team also responds to ad-hoc requests for training if particular entities have specific needs.

The main target population for training sessions are public buyers and suppliers, but training has also been organised for other stakeholders of the TUNEPS environment, such as financial controllers, controllers of state and auditors. Furthermore, some training sessions for suppliers have focused on specific targets such women entrepreneurs.

In terms of future actions, HAICOP is planning to put in place centres of regional assistance as well as co-operation with chambers of commerce in the various *gouvernorats* to strengthen the local and regional dimension of TUNEPS.

Table 3.2. Trainings provided by HAICOP in 2019 and January 2020

	Number of sessions	Participations
Training session (Public buyers)	42	1069
Training sessions (Suppliers)	17	513

Source: HAICOP

Expansion of technical functionalities of the e-procurement system

The Tunisian e-procurement environment is in constant evolution. HAICOP has launched two major projects to expand the functionalities of the e-procurement system, namely the development of an e-payment functionality as well as the creation of a mobile version of TUNEPS. Beyond that, HAICOP is also active in conducting several technical improvements and IT developments in response to user feedback or technical requirements. These include the development of a local server, the improvement of the TUNEPS user interface, as well as the introduction of a forum for exchange of questions. Most of HAICOP's large-scale activities for the improvement of the e-procurement environment are carried out in co-operation with international partners.

In addition to the projects dedicated to TUNEPS, HAICOP is active on key topics that are shaping public procurement in the digital age, such as big data and analytics (Box 3.1). HAICOP is also working on making

¹ Tuneps YouTube video channel: https://www.youtube.com/results?search_query=tuneps

its public procurement data open by implementing the Open Contracting Data Standard (OCDS). The goal of OCDS is to enable the disclosure of data at all stages of the procurement process. Using the OCDS standard, the data disclosed are user-friendly and widely accessible, i.e. can be downloaded in bulk in machine-readable format.

Box 3.1. Big data and public procurement in Tunisia

HAICOP is engaging in a project on big data in collaboration with the World Bank. The goal of this project is to develop a “Proof of Concept project on how to unlock the value of Public Procurement Data”. To this end, HAICOP will collaborate with a team of data scientists, big data engineers, and web developers, as well as subject matter experts. The project aims to identify the extent of data currently available and to understand whether it is detailed enough for the following objectives: descriptive analytics of public procurement; predictive analytics for policy-making; as well as predictive analytics for control. The project also entails a work stream on a roadmap for Tunisia to achieve these goals.

Source: MajestEYE, Presentation at MENA-OECD Governance Programme Network Meeting, 22 January 2020.

Taking stock of activities under the ‘Good Governance and Anticorruption’ project

Taking into account the gaps identified in the uptake of e-procurement, the OECD project team in collaboration with HAICOP, carried out a number of activities aimed at strengthening the inclusion of vulnerable groups through the e-procurement system. The activities carried out consisted of three main work streams, namely:

- Train-the-trainer sessions for public entities
- Trainings and awareness raising for suppliers
- Identification of policy recommendations

In the following section, these activities are presented including their objectives, the approach used and the results achieved.

Train-the-trainer (ToT) sessions for public entities

Through consultations with procurement stakeholders in Tunisia, it became evident that there is still an important capacity gap with the use of the e-procurement system TUNEPS, despite the legal obligation. The mandatory use of TUNEPS was introduced in two stages: first, for central government and other specific entities as of 2018 and in a second stage (September 2019) the obligation was extended to all contracting authorities. Typically, a phased approach represents good practice, giving lead-time to the public administration and the market to prepare for the changes. In this case, however, this approach did not lead to effective results. In fact, many authorities lack awareness about the fact that the use of TUNEPS is now mandatory for all public entities, or simply lack the skills to use the platform.

Over the past few years, HAICOP has been running a series of training sessions for public entities, however its resources to fully train the population of contracting authorities are limited. Full uptake of the e-procurement systems with all its functionalities including the e-Shopping Mall is the first enabling condition to exploit the system for complementary policy goals, such as supporting vulnerable groups.

As such, the OECD team in consultation with HAICOP, decided to focus its activities on capacity building of public entities through a train-the-trainer (ToT) scheme for selected public buyers. In this context, the

ToT approach was considered the most effective means to scale up capacity in a short amount of time. Indeed, the ToT goes beyond a regular training session, as it teaches participants on how to become trainers themselves, and therefore having a multiplier effect.

Objectives of the ToT

- Reinforce capacity within the organisations of the ToT participants
- Create a pool of trainers that HAICOP can rely on for its training activities
- Launch a community of practice of advanced TUNEPS users

Approach

The ToT consisted of a five-day training, in which the first phase (two days) was dedicated to the methodology for delivering a training, while the second phase (three days) was dedicated to teaching relevant content for first users of TUNEPS. The methodology training focused on communication and management of a group setting, as well as tools and techniques to structure a training session. In terms of content, a complete syllabus was developed with comprehensive coverage of the functionalities of TUNEPS. Attention was paid to make the training session practical.

Three groups of approximately twenty people each were identified by HAICOP as being eligible for the ToT, which included some of the large public buyers in Tunis area. In selecting training participants, HAICOP took into consideration the relevance of the institution as well as the competencies of the individuals. It is important to note that the ToT focused on so-called ‘champions’ of TUNEPS, i.e. users that already have substantial experience with the platform themselves, and could therefore reach a competence level sufficient for training others.

The content of the ToT training is included in Table 3.3. It was important to introduce the training methodology as first part of the curriculum in order to teach participants how to deliver content to an adult group in a way that allows for effective learning. Throughout the ToT, awareness was also raised about the role of TUNEPS in Tunisia’s procurement system. The importance of skilled trainers to multiply capacity was also emphasised.

Table 3.3. ToT Content

Part I – Training Methodology	<ul style="list-style-type: none"> • Characteristics of adult training • Methodology of training preparation • Techniques of animation and visualisation • Management of groups • Training evaluation
Part II - TUNEPS	<ul style="list-style-type: none"> • General presentation of TUNEPS (Legal framework, benefits of TUNEPS, pre-requisites) • Steps for the utilisation of TUNEPS (pre-registration, registration, electronic certificate) • Functionalities of TUNEPS: <ul style="list-style-type: none"> ○ E-bidding (opening of bids, evaluation of bids, control of the evaluation, contract award) ○ E-shopping Mall ○ E-contracting

Table 3.4. Large buyers represented by ToT participants

• Electricity and Gas Company (<i>Société d'Electricité et de Gaz - STEG</i>)
• National Water Distribution Company (<i>Société Nationale de Distribution des Eaux - SONEDE</i>)
• TUNISAIR
• Office of Civil Aviation and Airports (<i>Office de l'Aviation Civile et des Aéroports - OACA</i>)
• National Agency for Electronic Certification (<i>Agence Nationale de la Certification Electronique - ANCE</i>)
• The Urban Rehabilitation and Renovation Agency (<i>Agence de Réhabilitation et de Rénovation Urbaine - ARRU</i>)
• National Fund for Retirement and Social Protection (<i>Caisse Nationale de la Retraite et la Protection Sociale - CNRPS</i>)
• National Real Estate Company of Tunisia (<i>Société Nationale Immobilière de Tunisie - SNIT</i>)
• Tunisian Post (<i>Poste Tunisienne - PTT</i>)
• Tunisian Company of Petroleum Activities (<i>Entreprise Tunisienne des Activités Pétrolières – ETAP</i>)
• Tunisian Chemical Group (<i>Groupe Chimique Tunisien</i>)
• Tunisian Customs (<i>Douane Tunisienne</i>)
• Hospitals (Military Hospital - Ophthalmology- Regional hospitals)
• Presidency of the Government
• Ministry of Finance
• Ministry of Interior
• Ministry of Agriculture
• Ministry of Education
• Ministry of Equipment

Results and lessons learnt

Three ToT sessions were held creating a pool of 66 trainers belonging to various institutions including 16 entities, which are among the most representatives in terms of procurement spend (Table 3.4). HAICOP representatives were present at each ToT session to respond to technical questions and perform quality assurance of the ToT.

In terms of results from a technical point of view, participants reported to have been able to substantially increase their knowledge and overcome some of their own technical barriers in using the platform, mostly with respect to e-contracting. The e-bidding was considered the second most useful area, in which to develop more detailed technical knowledge. ToT participants greatly benefited from practicing their skills in delivering a training to an adult group. Participants were assessed throughout the methodological component on their ability to deliver a training independently. It is considered that approximately 65% are now able to independently lead a training in a group setting as a result of the ToT, while the remaining participants may need some additional support. It should be noted that most participants had no previous experience in this area.

Regarding the impact of the ToT, a follow-up survey of public buyers indicated that 11 out of 16 respondents have provided a training after completing their ToT. The target population of these training were colleagues within their organisations. Considering that the follow-up survey was conducted only one month after the ToT sessions, these results are very encouraging and demonstrate a strong positive impact at an early stage. To fully assess the impact of these activities it is necessary to conduct another assessment over the medium term (6-12 months).

Another important aspect that arose during the ToT refers to the fact that participants were able to learn from each other by exchanging on frequently arising questions and issues. This was highlighted as a key benefit from the sessions. Indeed, the ToT sessions provided a forum for exchange among practitioners,

such as sharing good practice and successful use cases of TUNEPS, as well as delivering recommendations for improving the system. Beyond that, HAICOP benefited from having a hands-on understanding of common obstacles in the use of the system and collect suggestions for the improvement of the system.

Finally, ToT participants are now engaged to act as TUNEPS ambassadors in their own organisation, being able to provide ad-hoc support to colleagues as well as organise internal trainings on the use of the platform. This pool of trainers stands ready to support HAICOP with its ongoing training and capacity building activities.

Awareness raising and TUNEPS training for suppliers

In parallel to the activities for public entities, fact-finding by the OECD team identified the need to strengthen awareness about TUNEPS among suppliers, in particular vulnerable groups. In fact, suppliers may lack awareness about the opportunities offered by public procurement and TUNEPS, or lack practical knowledge about accessing the platform and conducting the first steps to register. To address these aspects, the OECD team developed one-day training sessions launched in co-operation with Tunisia's main business associations.

Objectives of the awareness raising sessions

The sessions had a two-fold objective:

- Raise awareness about the business opportunities for suppliers through TUNEPS, in particular vulnerable groups
- Teach the first practical steps to use the platform

Approach

The approach to deliver the awareness raising and TUNEPS training consisted in partnering with key stakeholders such as the business associations of Tunisia CONECT (Confederation of Enterprises and Citizens of Tunisia)², UTICA (the Tunisian Union of Industry, Commerce and Crafts)³ and the CDG (Center for Young Business Leaders)⁴ to gather participants for the upcoming training sessions. It should be noted that these business associations are key stakeholders in the procurement system and hold regular dialogue with HAICOP. This is a good practice, as it ensures that procurement system is aligned with supplier expectations and needs.

The target population of these sessions was vulnerable groups, namely SMEs, artisans, young entrepreneurs, as well as women-owned businesses. In terms of content, the trainings covered general information about TUNEPS, including the key benefits of carrying out procurement electronically. The sessions also focused specifically on the practical steps needed to use TUNEPS, such as acquiring an electronic certificate.

In total, four sessions of supplier training have been carried out reaching a total of 79 participations.

² CONECT, <https://www.conect.org.tn/fr>

³ UTICA, <http://www.utica.org.tn/Fr/>

⁴ CJD (Centre des Jeunes Dirigeants d'entreprise), <https://cjd-tunisie.org/>

Table 3.5. Content of 1-day supplier training

Content of the training for suppliers
<ul style="list-style-type: none"> • Overview of TUNEPS <ul style="list-style-type: none"> ○ Legal framework ○ Benefits of TUNEPS ○ Stakeholders and users ○ Technical pre-requisites
<ul style="list-style-type: none"> • Use of TUNEPS
<ul style="list-style-type: none"> • Functionalities of TUNEPS
<ul style="list-style-type: none"> • Practical advice, FAQs, support measures

Table 3.6. Gender of training participants

	Women	Men
Training participants (suppliers)	38.0%	62.0%

Table 3.7. Participating suppliers by category of enterprise

	Share
Micro and SMEs	58.8%
Young entrepreneur	35.3%
Women-owned business	23.5%
Other	11.8%

Note: The data is based on the follow up survey of supplier trainings. The sample size represents 43% of total participants.

Results and lessons learnt

The supplier training showed that the level of awareness regarding TUNEPS differs from supplier to supplier. Some of them are already acquainted with the platform and have already carried out the necessary steps for being operational on it (e.g. receipt of certificate), while others are completely new to TUNEPS and often public procurement as a whole. This requires a targeted approach with respect to different categories of suppliers. Such differentiation should be taken into account for future training activities.

In terms of results of the training, a follow-up survey of participants showed that 56% of suppliers were already registered to TUNEPS, while the remaining 44% were not. All non-registered suppliers stated their interest in pursuing the registration process, and 53% of them are currently either in the process of obtaining the certificate and e-signature or have already obtained it.

As reported by suppliers, their main concern prior to TUNEPS was access to relevant information and business opportunities. The platform is very beneficial to them in this regard. Furthermore, the training provided them with practical tools to address another key challenge, namely effectively navigating business opportunities available in TUNEPS. Suppliers learnt about the categorisation of opportunities according to sectors and business types, as well as being informed about the automatic notification system that the platform provides.

Identification of policy recommendations for enhancing the access to e-procurement for vulnerable groups

This work stream consisted of consulting with a broad range of stakeholders to identify specific barriers to the use of TUNEPS in support of vulnerable groups. The consultations tackled various topics linked to access to e-procurement, functionalities of the e-procurement system, barriers, availability of data, barriers to SME access, as well as availability of capacity building activities and training. Furthermore, the consultation session also raised awareness about additional ways to support vulnerable groups through public procurement, such as procurement approaches to promote gender equality.

Two consultation sessions were held with the following kinds of stakeholders:

- Public administration (HAICOP)
- Public sector buyers
- Suppliers from vulnerable groups
- Civil society

The first consultation was held with key stakeholders from the central government in Tunis, while the second one targeted the regional administration in Sousse. A third consultation with HAICOP focused specifically on the technical aspects of the TUNEPS platform. The results from these consultations contributed to the analysis and the formulation of policy recommendations presented in this report.

4 Towards an e-procurement environment in support of vulnerable groups

The e-procurement system represents an important instrument to support vulnerable groups in the Tunisian economy. However, while many steps have been taken to scale up e-procurement in Tunisia, a number of barriers are still present and limit its uptake. Without a full shift to e-procurement there are limitations to the effectiveness of TUNEPS as a policy instrument in the support of vulnerable groups. In addition, targeted policy actions are needed to support vulnerable groups' access to the e-procurement system.

Barriers in the uptake of e-procurement

A major barrier in using e-procurement to support vulnerable groups concerns the uptake of the e-procurement system by a wide range of public buyers and suppliers. As discussed in this report, awareness about the legal obligation to make use of e-procurement remains low, particularly at regional level. In addition to that, HAICOP's capacity to provide training and awareness raising is limited. Many buyers lack the information or skills to make use of the e-procurement platform. Attitudes towards a full transition to e-procurement also vary among the various stakeholders and may be an aspect of concern.

Need for high level commitment to support the full shift to e-procurement

The pre-requisite of supporting Tunisia's vulnerable groups and its economic tissue via e-procurement, is the effective uptake of the TUNEPS platform. To date, such uptake remains low, particularly depending on the geographical area and size of public buyer. In Tunis, many buyers including the so-called champions have substantial experience with using the platform and are active users. This, however, does not apply throughout the country, where public buyers lack awareness or capacity to use the platform.

Leadership and political commitment are needed to drive the shift to e-procurement. HAICOP is using its prominent position as an institution under the Presidency of the Government to shape the public procurement agenda in the country, but a co-ordinated government effort is needed. As discussed during OECD consultations, the operational staff conducting public procurement recognise the benefits of using TUNEPS. Once initial resistance to change is overcome, public buyers experience direct improvements in their daily job routines and thus welcome the shift to e-procurement. However, top management often shows less commitment to fully shifting to electronic means of public procurement. In part, this is linked to the fact that public procurement lacks recognition as a function that requires investment in professionalisation and capacity. As a result, public buyers may not receive strong enough incentives to

change their work habits. Dedicated awareness raising and training for officials in leadership functions could ensure that the commitment to e-procurement trickles down from the top to operations.

It is also important to bring a broad category of stakeholders on-board regarding the use of e-procurement. In fact, the TUNEPS system introduced change not only for suppliers and public buyers, but also for the overall procurement environment. For instance, control bodies are affected by the introduction of e-procurement, as they are required to perform some of their duties via the TUNEPS platform. Specifically, they also need an electronic certificate to access the system, but sometimes face challenges from their hierarchy regarding the financial cost for obtaining such certificates. Indeed, lack of awareness about the benefits of e-procurement and resistance to change may limit the e-procurement uptake by such broad categories of stakeholders.

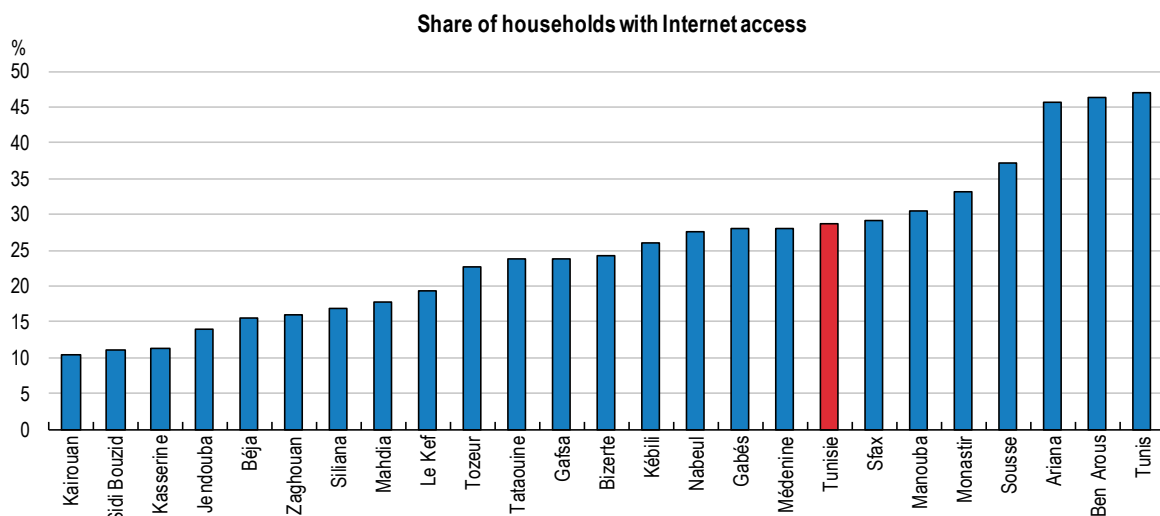
Indeed, the effort required for this transition includes a strong political commitment from the leadership in the various organisations as well as throughout government. High-level commitment could also include sanctioning measures in cases where procurement officials do not apply the obligation to use TUNEPS as per the law. Political leadership and commitment are also necessary to support the transition to e-procurement by reinforcing change management activities, awareness raising and capacity building.

Structural gaps in infrastructure and capacity at local level

Another significant obstacle to the e-procurement uptake pertains structural challenges that Tunisia faces throughout its territory with respect to digital infrastructure as well as capacity. In fact, access to internet connection varies substantially across the country, with some regions showing low levels of internet penetration. In turn, the lack of digital infrastructure limits contracting authorities' ability to make use of TUNEPS. This challenge affects remote areas disproportionately; the lack of connectivity poses a barrier to both the public entities as well as to suppliers.

While internet penetration remains particularly low in some areas of Tunisia (Figure 4.1), it should be noted that mobile internet is available across the territory. In fact, in 2018 Tunisia had 128 mobile cellular subscriptions per 100 people (World Bank, 2019^[71]). The prevalence of mobile internet underscores the importance of the development of a mobile application of TUNEPS to ensure that access is equally available throughout the country. Nevertheless, for certain types of procurement internet access remains important for stability of the connection.

Figure 4.1. Internet access across various regions



Source: (OECD, 2018^[8])

In addition to limitations related to the internet connection, newly created municipalities suffer from limited capacity in terms of personnel and ICT infrastructure, as well as budget resources. In fact, Tunisia has been undergoing a process of decentralisation over recent years, but traditionally, state budget resources have been concentrated in the coastal areas (Yerkes and Muasher, 2018^[13]). Furthermore, the regional imbalances in Tunisia apply to suppliers, too. Namely, there are fewer businesses in remote regions that are farther away from the economic centres of Tunisia, and these may not have access to the same support structures as businesses in coastal regions. For instance, receiving the certification via ANCE can be challenging for suppliers in remote regions, as they need to physically request the certification either at ANCE or in other designated locations.

HAICOP's efforts to conduct training in regional areas and decentralise capacity building via regional support centres are thus important to ensure that regional imbalances are not further exacerbated. Nevertheless, co-ordination across multiple government areas could ensure that actions to support remote areas are more effective. Such co-operation could be particularly valuable in addressing infrastructure and capacity needs.

Technical fixes demanding further development of TUNEPS

In addition to the barriers linked to political commitment and awareness, some barriers to the use of TUNEPS are related to technical aspects of the platform. Public buyers, particularly those that have been using the platform for multiple years, have recommendations for making TUNEPS more user-friendly and effective. Increasing user-friendliness and intuitiveness would also allow having a better reach to those buyers and public entities who are new to e-procurement. At present, public buyers face some challenges in making use of the e-contracting module, as it is not yet fully digitalised. Indeed, the mandatory registration of procurement contracts with the Ministry of Finance still happens offline.

Furthermore, buyers face challenges in downloading heavy files related some types of procurement, i.e. architectural designs or similar. While this is a common issue for e-procurement systems, it does pose a challenge to contracting authorities in some instances. TUNEPS operates best with word-processing files, but these are not the only relevant documents to be exchanged among suppliers and buyers. Thus, it is considered that TUNEPS' capacity to download data could be increased to support all types of procurement.

Regarding the e-bidding module, public buyers suggest giving the possibility to suppliers to provide additional information in the pre-selection phase. Furthermore, many public buyers consider that inter-operability with the banking system for the purposes of processing guarantees would be useful to further simplify the system. In fact, the process for receiving digital bank guarantees is slow and cumbersome despite an existing inter-operability link with financial institutions. As a result, the paper-based process remains more efficient than the electronic one (OECD, 2019^[11]). Other fixes include allowing the inclusion of attachments for certain types of procurements, publishing more data on the award, as well as finding better solutions when procurements are divided into lots.

HAICOP regularly collects this kind of feedback during its outreach activities and is reactive in taking it into account and adapting TUNEPS to the needs of users. To further strengthen this activity and respond to user needs, HAICOP could consider putting in place a formalised mechanism for improvements related to user-experience, which could collect feedback in the form of focus groups or similar formats.

Vulnerable groups and access to e-procurement

Improving the uptake and effectiveness of the e-procurement system is the pre-condition for supporting vulnerable groups through procurement. Beyond that, there are specific actions that can strengthen policies to enhance access to procurement by vulnerable groups. In Tunisia, relevant actions such as data

collection, co-ordination, policy dialogue and reinforcement of capacity are part of the mandate of the National Observatory for Public Procurement (*Observatoire National des Marchés Publics - ONMP*) within HAICOP. As such, it is important for the Observatory to be active on aspects that link e-procurement to wider policy goals.

Lack of awareness of public buyers regarding strategic use of public procurement

Public buyers are often not aware that with procurement they can achieve specific policy goals, such as supporting vulnerable groups. Despite the fact that public buyers have the target of reaching 20% of annual procurement being dedicated to SMEs, they may lack the tools to implement this policy effectively. Buyers may not actively look for ways to simplify access to procurement by vulnerable groups, such as ensuring that contract size is not too large or selection criteria are not too restrictive.

As a result, public buyers could benefit from dedicated training and awareness raising about their role in enhancing access to vulnerable groups. Such awareness raising could be part of training dedicated to making use of TUNEPS, given the significant role of e-procurement in achieving this policy goal. Furthermore, increased market dialogue and market analysis are helpful in addressing barriers faced by SMEs and vulnerable groups at large, as they allow having a better overview of the suppliers in the market. In turn, the buyer is able to integrate these groups in the procurement process. The National Observatory for Public Procurement could play an important role in ensuring that such awareness raising and market dialogues are occurring.

Limited exploitation of data for policy-making purposes

Public procurement data is very valuable for buyers, policymakers, civil society, and public procurement stakeholders at large. Data produced via TUNEPS is relatively open, however it is not accessible enough to allow for an effective exploitation. Some data queries are possible through a dedicated request to the TUNEPS team, but cannot be performed directly by the user. Furthermore, data is not yet in a fully open format that allows for download and manipulation.

To fully use public procurement in support of vulnerable groups, specific indicators could be developed to better identify suppliers. At present, suppliers are only required to provide information on their sector. More data on suppliers could be collected at this stage, such as for example whether a supplier is an SME, a women-owned business, a young entrepreneur. Having visibility on the pool of suppliers allows in turn the introduction of more targeted policy actions to support these specific groups.

As discussed above, HAICOP has launched promising activities with respect to data and public procurement, namely the introduction of OCDS and the project on big data mentioned in the previous chapter. Beyond availability of data, policymakers and buyers need to be aware of the value of this data to pursue strategic policy objectives. The National Observatory for Public Procurement plays a crucial role in this regard and needs to ensure the link between data availability and its use for public buyers and other stakeholders.

Importantly, civil society could also be more involved in requesting and making use of data from the e-procurement system. Fully open data would not only increase transparency and integrity of the procurement system, but also allow for greater advocacy in the area of social inclusion. TUNEPS data could be exploited to support the agenda of various civil society groups such as gender parity, transparency or social inclusion.

Proposals for action

This report highlights the significance of using e-procurement to support vulnerable groups in Tunisia. While the country is advanced in terms of its e-procurement platform, there are still multiple barriers in the uptake of e-procurement and the use of TUNEPS to support SMEs and other groups. Thus, the following recommendations aim at enhancing e-procurement uptake and taking into account vulnerable groups in the procurement process. Multiple stakeholders are concerned in this endeavour.

Actions for policymakers

In this context, policymakers play a crucial role in setting the framework conditions, which in turn allows other stakeholders to contribute to the overarching policy goals of increasing vulnerable groups' access to public procurement. Policymakers could consider the following actions:

- Ensure the uptake of e-procurement by tackling widespread resistance to change via dedicated campaigns bringing in the full range of stakeholders including those in the control function
- Send clear signals to buyers and suppliers on the commitment to the transition to e-procurement through sanctions in case of non-compliance
- Co-ordinate with other authorities to reduce structural barriers to the uptake of e-procurement, such as internet penetration and support to businesses in marginalised areas (e.g. access to ANCE)
- Continuously improve functionalities and user-friendliness to enhance the current e-procurement platform by seeking feedback of users through dedicated mechanism, in particular regarding the search of business opportunities
- Develop data relevant for policymaking purposes as well as for public buyers, in particular including indicators regarding vulnerable groups (categories of enterprises winning contracts, above and below thresholds)
- Raise awareness of the role of public buyers as key players to pursue strategic objectives, namely supporting vulnerable groups
- Ensure continuity of capacity building activities such as ToT schemes and other activities. Interactive technologies such as e-learning could be considered for this effort
- Co-ordinate a community of practice of TUNEPS users that can learn from each other and share experiences to a wider audience of contracting authorities

Actions for public buyers

Public buyers play a central role in the uptake to e-procurement and related support to SMEs and vulnerable groups. In particular they could take the following concrete actions:

- Organise internal training and capacity building on e-procurement responding to the needs of the organisation
- Make use of internal procurement data to target vulnerable groups
- Strengthen dialogue with the market, with particular focus on SME and vulnerable groups

Actions for suppliers

Suppliers are also central to the transition of e-procurement because as users they are directly concerned and stand to benefit from such a development. Through business associations, suppliers can make their voices heard and advocate for their needs with respect to the shift to e-procurement. In particular, they could take the following actions:

- Share success stories of using TUNEPS to promote the transition to e-procurement
- Hold regular dialogue with policymakers on e-procurement developments and request necessary technical improvements to continuously increase user-friendliness of TUNEPS
- Organise capacity building activities through business associations, targeting particularly vulnerable groups

Actions for the international community and civil society

The international community and civil society also have their part to play in ensuring better opportunities for vulnerable groups thanks to e-procurement. In particular they could consider the following:

- The international community could reinforce actions in decentralised regions, which are in greater need for technical assistance and capacity building
- Civil society could serve as a platform to push for transparency and inclusion by making use of data from the e-procurement system for advocacy purposes

Endnotes

¹The *Institut national de la statistique* (INS) classifies SMEs according to number of employees: micro (less than six 6 employees), small (between 6 and 49 employees), medium (between 50 and 199 employees). Other definitions apply in the legal framework, such as the one used for the Decree n° 2017-389 on financial incentives for investments or the Décret n° 2014-1039 on public procurement.

References

- EBRD (2018), *Making Electronic Public Procurement Work for SMEs in Tunisia*. [10]
- EBRD, CAF, A. (2016), *2015 KSP Joint Consulting with IOs: EBRD, CAF, AfDB*. [12]
- Liao, D., B. Orser and A. Riding (2017), *Canadian Federal Procurement as a Policy Lever to Support Innovation and SME Growth*, <https://www.womensenterprise.ca/wp-content/uploads/2018/05/Liao-Orser-Riding-2017-Federal-Procurement-and-SMEs.pdf> (accessed on 10 March 2020). [11]
- Ministère du Tourisme et de l'Artisanat, O. (2017), *Plan National de Développement de l'Artisanat 2017-2021*, <http://www.artisanat.nat.tn/wp-content/uploads/2018/09/Synth%C3%A8se-PNDA-2017-2021-27-Avril-2017.pdf> (accessed on 23 March 2020). [6]
- OECD (2019), *Améliorer l'accès des PME aux marchés publics en Tunisie: la voie à suivre*, <http://www.oecd.org/editions/corrigeanda>. (accessed on 10 March 2020). [1]
- OECD (2019), *Government at a Glance 2019*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/8ccf5c38-en>. [2]
- OECD (2018), *OECD Economic Surveys: Tunisia 2018: Economic Assessment*, OECD Publishing, Paris, https://dx.doi.org/10.1787/eco_surveys-tun-2018-en. [8]
- OECD (2018), *SMEs in Public Procurement: Practices and Strategies for Shared Benefits*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264307476-en>. [4]
- OECD (2017), *Government at a Glance 2017*, OECD Publishing, Paris, https://dx.doi.org/10.1787/gov_glance-2017-en. [3]
- Statistiques Tunisie (2017), *Statistiques Issues du Répertoire National des Entreprises*, <http://www.ins.tn/sites/default/files/publication/pdf/RNE-2017-web.pdf> (accessed on 16 March 2020). [5]
- World Bank (2019), *Data Bank: World Development Indicators*. [7]

World Economic Forum (2019), *Global Gender Gap Report 2020*, [9]
http://www3.weforum.org/docs/WEF_GGGR_2020.pdf (accessed on 16 March 2020).

Yerkes, S. and M. Muasher (2018), *DECENTRALIZATION IN TUNISIA Empowering Towns, Engaging People*. [13]

