

Green ProcA

E-Procurement

Electronic procurement (e-procurement) refers to the use of electronic communication by public sector organizations when procuring supplies and services or tendering public works. Increasing use of e-procurement in Europe can generate significant savings for European taxpayers. Public entities that have already implemented e-procurement report savings of 5% and up to 20% in their procurement expenditures. The total size of the EU's procurement market is estimated to be more than 2 trillion euro, so each 5% saved could amount to roughly 100 billion euro of savings each year - which is equivalent to building more than 150 large hospitals. These savings would maximize the efficiency of public spending in the contemporary context of fiscal constraints.

E-procurement can also play a role in providing new potential for economic growth and jobs. E-procurement can significantly simplify the processes of companies, especially small and medium enterprises (SMEs), by increasing the transparency of and access to tender opportunities and by reducing the costs of participating in a tender (reduced shipment costs, less printing, etc.). Experiences in the EU and beyond show that the use of e-procurement has greatly increased the participation of SMEs in public procurement procedures.

The Digital Agenda for Europe and the eGovernment Action Plan 2011- 2015 highlighted the importance of connecting e-procurement capacities across the community market. In the context of the modernization of the European public procurement directives - adopted in December 2011 - by making these directives the standard method of procurement in the EU by mid-2016 the Commission has proposed to make e-procurement a rule rather than an exception.

Despite the ambitious political targets, E-procurement is currently only used in 5-10% of procurement procedures carried out across the EU.

[Further information](#)

