Adapting European eProcurement Policy Initiatives: From a Black Box to White Spots

A Qualitative Single-Case Study to the Extent of Dutch National Adaptation of European eProcurement Policy Initiatives

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Dedicated to my father
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**Executive Summary**

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The European Commission believes that inappropriate introduction of eProcurement policy in Member States carries high risks of market fragmentation in Europe. According to the Commission, the legal, technical and organisational barriers that may result from procurement online are one of the greatest challenges for policy makers. While most studies deal with legal and financial consequences of EU policy, this study aims on the practical ‘street-level’ implementation of the European Commission’s eProcurement policy initiatives in the Netherlands.

The main research question of this study is: ‘to what extents have the Dutch national administrations adapted themselves to the European Commission’s eProcurement policy initiatives?’ In this research eProcurement is defined as ‘the (a) whole process and (b) different functionalities of electronic purchasing of goods and services within the public-private and public-public sectors, by public institutions or governmental organisations, in order to equip itself and fulfil its economic, legal, political and social mission’.

I will use theories on ‘Europeanisation’ which are most often associated with the domestic adaption to policies emanating directly or indirectly from European Union membership. I will consider Europeanisation as the central penetration of national systems of governance which affects public policy. I will use a top down perspective and focus on the European factors in adapting eProcurement policy by the Dutch national administrations. A political approach to public policy provides the dominant mechanism of explanation of the extents of adaptation. I will analyse the ‘goodness of policy fit’, which consists out a qualitative measurement of the discrepancy between observed public policy on the European level and the expected public policy on the Dutch national level.

This is a single-case study to the adaptation of European policy by Member States whereby the Netherlands is an embedded unit of analysis and illustrate how European policy can affect national policy. The respondents and policy actors involved in the adaptation of eProcurement policy are identified with a snowballing technique. My understanding of the adaptation is primary based on data from document analysis and secondarily, on data from semi-structured interviews.

The main conclusion is that the extents of adaptation by the Dutch national administrations to the European Commission’s eProcurement policy initiatives is limited to corresponding interests on both levels of reducing the administrative burdens and create transparency in the procurement process. There are several white spots or policy misfits between the two levels, which supports my argument that the Netherlands clearly has only chosen to work with the obliged measurements like legal instruments, but has limited itself towards different solutions. With this study, I recommend the Dutch national administrations to: 1) start making major cost reductions by using electronic means in the procurement process 2) make a need analysis that provides arguments to create a sufficient policy map that serves public as well as private stakeholders and 3) reconsider their definition of eProcurement, and to seek connections with the European one, making a shift to working towards an European interoperable system.
Acknowledgements

‘Dulcia non meruit qui non gustavit amara’

(He has not deserved sweet unless he has tasted bitter, Ovidius, Ars Amatoria III, 5, 11)

With this thesis, my life as a student ends. This period of my life has been ‘a rollercoaster’ and brought me to far away places and closer to home, to high peaks and to low valleys. I can look back with a smile and be proud on myself for what I have accomplished. No regrets and counting my blessings! Now it is time for new things. As my father would say: “the way is forward”!

I would like to take this opportunity to thank the people who guided, supported and helped me accomplishing this result. First of all, the people of the European Affairs department of EUROCHAMBRES in Brussels. Especially Mr. Ben Butters and Mr. Vincent Tilman. Thanks to their guidance, I got the opportunity to learn the ‘ins-and outs’ of Brussels and the European policymaking process. My time at EUROCHAMRES provided me the impulse to write my thesis about the European influence on its Member States.

Secondly, the people of Het Expertise Centrum (HEC). Het Expertise Centrum offered me the opportunity to further develop my ideas of writing my thesis about European eProcurement policy initiatives and provided me an inspirational workplace. Working with Jaap Romme, Ingrid van Wifferen, Guido van Os, Tim Vens en Nathan Ducastel at the Europe unit, provided me sometimes a welcome distraction. Especially, I would like to thank drs. Evert-Jan Mulder for being my professional advisor and for his organisation and help during my internship. I have tried to go with his flow…

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### Abbreviations and Acronyms

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<th>Description</th>
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<tr>
<td>BAO</td>
<td>Besluit Aanbestedingsregels voor Overheidsproducten</td>
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<td>BASS</td>
<td>Besluit Aanbestedingsregels Speciale Sectoren</td>
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<td>BNC</td>
<td>Beoordeling Nieuwe Commissievoorstellen</td>
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<td>B2B</td>
<td>Business to Business</td>
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<td>CEN</td>
<td>European Committee for Standardisation</td>
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<td>CIP</td>
<td>Competitiveness and Innovation Framework Programme</td>
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<tr>
<td>CPO</td>
<td>Chief Procurement Officer</td>
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<tr>
<td>DG</td>
<td>Directorate-General</td>
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<tr>
<td>DIGIT</td>
<td>Directorate-General for Informatics</td>
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<tr>
<td>DPS</td>
<td>Dynamic Purchasing System</td>
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<td>EC</td>
<td>European Commission</td>
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<td>ECU</td>
<td>European Currency Unit</td>
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<tr>
<td>EDI</td>
<td>Electronic Data Interchange</td>
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<tr>
<td>EMB</td>
<td>Ethnic Minority Business</td>
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<tr>
<td>eMRO</td>
<td>electronic Maintenance Repair Operations</td>
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<td>EP</td>
<td>European Parliament</td>
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<td>ERP</td>
<td>Enterprise Resource Planning</td>
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<td>EU</td>
<td>European Union</td>
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<td>EUPL</td>
<td>European Union Public Licence</td>
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<tr>
<td>FSW</td>
<td>Faculteit Sociale Wetenschappen</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>G2B</td>
<td>Government to Business</td>
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<td>HEC</td>
<td>Het Expertise Centrum</td>
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<td>ICT</td>
<td>Information and Communication Technology</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>ICT PSP</td>
<td>Information and Communication Technologies Policy Support Programme</td>
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<td>ICTU</td>
<td>Informatie &amp; Communicatie Technology Uitvoeringsorganisatie</td>
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<tr>
<td>IDABC</td>
<td>Interoperable Delivery of European eGovernment Services to public</td>
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<td></td>
<td>Administrations, Business and Citizens</td>
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<tr>
<td>INFSO</td>
<td>Information Society and Media</td>
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<td>IMP</td>
<td>International public Management and Policy</td>
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<td>ISSS</td>
<td>Information Society Standardisation System</td>
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<td>MARKET</td>
<td>Internal Market and Services</td>
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<tr>
<td>NAO</td>
<td>National Audit Office</td>
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<td>NORA</td>
<td>Nederlands Overheids Referentie Architectuur</td>
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<tr>
<td>NTB</td>
<td>Non-Tariff Barriers</td>
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<tr>
<td>OASIS</td>
<td>Organization for the Advancement of Structured Information Standards</td>
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<td>OGC</td>
<td>Office of Government Commerce</td>
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<tr>
<td>PEPPOL</td>
<td>Pan European Public Procurement OnLine</td>
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<td>PIANOo</td>
<td>the Dutch national Public Procurement Expertise Centre</td>
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<tr>
<td>SEM</td>
<td>Single European Market</td>
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<tr>
<td>SIMAP</td>
<td>Système d’Information pour les Marchés Publics</td>
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<tr>
<td>SME</td>
<td>Small &amp; Medium Enterprise</td>
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<tr>
<td>TED</td>
<td>Tenders Electronically Daily</td>
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<tr>
<td>ToR</td>
<td>Treaty of Rome</td>
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<tr>
<td>UN/CEFACT</td>
<td>United Nations Centre for Trade Facilitation and Electronic Business</td>
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<td>USA</td>
<td>United States of America</td>
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1. Introduction

Within the Social Sciences, the discipline of Public Administration focuses on phenomena in the public administration sphere. Such a phenomenon is the growing importance of European policies and their impact on national administrations in Member States. In this study I will focus on the European Union’s (EU) eGovernment policy agenda, advancing through the modernisation of hundreds of public services in Europe.

According to Chadwick (2006), the European Union (EU) as a supranational body, with an increasing amount of influence on the administrative machinery of its Member States, has always been an important factor in defining the scope and purpose of public sector use of Information and Communication Technology (ICT) solutions and the Internet. As most policies at the European Union or national level require ICT solutions for their implementation, eGovernment has become a key policy field since the Lisbon Agenda (2000) to transform Europe into a “competitive knowledge-based economy”. Chadwick (2006, p178) indicates, “the arrival of eGovernment, which signalled the acceptance of Internet connectivity as a tool that could be used to improve efficiency, cut costs and change the way governments have traditionally interacted with citizens, constitutes a dramatic shift in the dominant ethos of public policy and administration”.

A ‘high-impact’ service on the EU’s eGovernment agenda underlines this eGovernment potential. This service is electronic public procurement. eProcurement is a procedure whereby the whole process from purchasing goods and services is streamlined and accompanied throughout the use of Internet connectivity. According to the European Commission (Website Europe’s Information Society Thematic Portal, 2009), government revenues account for some 45% of Gross Domestic Product (GDP) and public authorities purchase 15% to 20% of GDP or 1500 to 2000 billion euro in Europe every year. The European Commission believes that eProcurement could result in savings in total procurement costs of around 5% and reductions in transaction costs of 10% or more, leading to savings of tens of billions of euros annually.

As ‘Europe’ currently finds its ways to deal with the economic crisis, eProcurement as a tool for reducing costs could prove its value. But how do Member States adapt to Europe’s eProcurement policies in order to reap the potential of using this solution? In order to determine the growing importance of European policies leaving their marks on domestic administrations, this study will provide an empirical analysis of the Europeanisation of eProcurement initiatives in the Dutch national (public) administrations.

1 Public Administration (capital characters) refers to the academic study which uses theories and concepts from economics, political science, sociology, administrative law, management, and a range of related fields. Whereas public administration (small characters) refers to the development, implementation and execution of branches of government policy.
2. Research Framework

2.1 Introduction
In this chapter I will present an introduction to the framework of this research. First of all, I will provide an overview of the problem in the problem analysis. Secondly, I will explain the aim of this research. Thirdly, I will present my research questions. This chapter concludes with an outline of my research.

2.2 Problem Analysis
The harmonization of procedures by the European Commission (EC) for Public Procurement within the European Internal Market resulted in the Directives 2004/17/EC and 2004/18/EC and encouraged competition between firms by means of transparent selection procedures. It also made provision to redress procedures against awarding authorities who do not fulfil their obligations.

The EC is a political system that is composed of a political executive wing and an administrative wing. It has a wide range of functions within the EU system. Its tasks consist of policy initiation, the monitoring of policy implementations, the management of European programs, an important external relations role, and other functions which involve it as a mediator amongst the current 27 Member States and between the EU Council and the European Parliament (EP). The Commission is in the first pillar of the European Community involved in the EU policy processes from start to finish (Cini, 2007).

The initiatives to develop eProcurement policy were taken up by the EC in the late 1990’s. Besides legislation on public procurement, two action plans were set up for the adoption of eProcurement in Europe. The first is The Action Plan for eProcurement, which was adopted in 2004 for the period 2005-2007. This action plan established a set of actions for the comprehensive implementation of the legal framework by Member States, as part of the legislative package of Procurement Directives, 2004/18/EC and 2004/17/EC. Secondly, the i2010 eGovernment Action Plan adopted in 2006 for the period 2006-2010, describing actions to be implemented in five major areas of eGovernment and contains a Roadmap for eProcurement that supported the Action Plan on eProcurement (2004). Both Action Plans recognize considerable challenges for the future of implementing eProcurement policy in Europe. The eProcurement Action Plan (2004) concludes that moving public sector procurement online requires legal, institutional and organisational changes at many levels. Member states will have to decide on the type and scope of purchases to computerize, the policies to implement, the systems and tools to use and the level of administrations involved.

The Commission believes that risks of failure are not negligible regarding eProcurement policy initiatives. Inappropriate introduction of eProcurement carries high risks of market fragmentation. According to the Commission, the legal, technical and organisational barriers that may result from procurement online are one of the greatest challenges for policy makers. The i2010 eGovernment Action Plan (2006) states that “implementation of eProcurement services must focus on achieving measurable impact through widespread usage, not only on making such services available electronically”. Uneven implementation of EC rules could distort competition across the market.
2.3 Aim of Research

The first aim of this study is finding answers to a personal question which I had for a long time. I got my idea for this study during an internship at EUROCHAMBRES\textsuperscript{2} in Brussels. This organisation is the Brussels based Association of European Chambers of Commerce and Industry. EUROCHAMBRES has member organisations in 45 countries representing a network of 2,000 regional and local Chambers with over 19 million member companies. For EUROCHAMBRES, the development and implementation of eProcurement policy in Europe is a key policy field to monitor and lobby in order to represent the interest of its members throughout Europe. I have been working closely on this dossier and during this period I started to wonder, as a Dutch citizen, what choices the Netherlands had made regarding European eProcurement policy initiatives, and which policies were implemented.

The second aim of this study has a scientific nature. On the one hand, to deliver a Master thesis that is graduation worthy. I will write my research proposal under the conditions of the International Public Management and Policy (IMP) department of the Faculty of Social Science (FSW) of the Erasmus University of Rotterdam. This means that the chosen research topic will meet the following criteria: it must either be international or comparative; it must concern public policy or public management; there must be a balance between theoretical and empirical elements, and it must be researchable. On the other hand, in her study on the implementation of the Safety Data Sheets Directive in the Netherlands, Germany, the United Kingdom and Spain, Versluis (2007) concludes that “while considerable attention is paid to the legal aspect of implementation of European Directives, the practical ‘street-level’ implementation of EU law remains to a large extent a ‘black box’”. While most studies deal with legal and financial consequences of EU policy, with this study I would like to make a contribution to the literature on the practical ‘street-level’ implementation of EU policy.

The third aim of this study is to provide a case-study that can be implemented in an organisation for practical use. For this reason I have chosen to do my research on the behalf of ‘Het Expertise Centum’\textsuperscript{3} (HEC). HEC believes that EU policies are increasingly influencing the use of ICT within the Dutch national administrations. Legislation and policy deriving from a supranational level can have far-reaching consequences for the (inter)national usage and development of ICT solutions. The Europe Unit of HEC helps its clients in the public sector to understand and work with EU policy and assesses its impact on their daily work and environment. With this case-study on the national adaptation of European eProcurement policy, I hope to contribute to their mission.

Finally, the forth aim is to provide information about eProcurement initiatives on a national scale. During my desk-research I noticed that on a European scale plenty of information and literature is available on eProcurement initiatives. However, information on national scale is, in my opinion, poor and insufficient.

\textsuperscript{2} For more information visit: www.eurochambres.eu
\textsuperscript{3} Dutch for ‘The Centre of Expertise
2.4 Research Questions
Based on the challenges described in the problem analysis, I will research how the Netherlands is dealing with these challenges. This study focuses on the way the Netherlands adapts European Commission’s eProcurement policy initiatives. Therefore my research question is:

*To what extents have the Dutch national administrations adapted themselves to the European Commission’s eProcurement policy initiatives?*

In order to answer this central research question, I will answer the following sub-questions:

- *What is eProcurement?* This aspect is considered to analyze the concept, the applications and the possibilities of eProcurement to and provide a definition;

- *What is the eProcurement policy map of the European Commission in terms of actors, instruments, resources and styles?* This aspect is considered to get a full understanding of the concrete content and administrative implications of the policy initiatives decided upon in Europe.

- *What is the eProcurement policy map of the Dutch national administrations in terms of actors, instruments, resources and styles?* This aspect is considered to get a full understanding of the concrete content and the administrative implications of the policy initiatives decided upon in Netherlands.

- *What are the similarities and differences between the European level and Dutch national level policy maps?* This aspect is considered to determine where the white spots are in the Dutch adaptation to European policy initiatives.

- *What are the consequences of these similarities and differences between the European level and Dutch national level policy maps?* This aspect is considered to determine which effects these white spots could have for the Netherlands.

2.5 Research Outline
This research consists of four sections, namely;

1. Introductory part: in this section I have provided an problem analysis, an aim of research and the research questions;

2. Theoretical part: in this section I will provide the theoretical framework which consists of a conceptual analysis of eProcurement, theory on Europeanisation and public policy, conceptualisations, the operationalisations and the research design and methodologies;

3. Empirical part: this section consists of a description of the casus, the description of the research findings and an analysis of the research findings;

4. Concluding part: this section provides an answer to the main research question and recommendations.
3. Theoretical Framework

3.1 Introduction
In this chapter I present my theoretical framework for this research. For this section, I will use the following four criteria: it has to be 1) consistent (fit), 2) verifiable, 3) accurate and 4) simple, which means that the amount of variables, conditions and assumptions has to be limited. In the next paragraph I will consider the concept of eProcurement, providing theory in order to answer my first sub-question. In the third paragraph I will elaborate on the theory about Europeanisation and the aspect of adaptation, providing theory for answering my main- and other sub questions. In the fourth paragraph I will provide conceptualisations of the terms and concepts used. The fifth paragraph provides the operationalisations and research indicators for analysing public policy on a European and national level.

3.2 Electronic Procurement: Conceptual Analysis
The practice of Electronic Procurement or eProcurement has gained popularity over the last ten years. eProcurement systems experienced a diffusion in the late 1990s (Puschmann and Alt, 2005) due to “the proliferation and advances of information technology and the Internet, the tremendous potential savings achievable via this tool, and possibly also because the fear associated with the millennium issue”. The term procurement refers, according to Gershon (1999), to the whole process of acquisition from third parties and covers goods, services and construction projects. This process spans “the whole life cycle from the initial concept and definition of business needs through to the end of the useful life of an asset or end of services contract”. The term electronic refers to the fact that this process, in its most basic form, is supported by electronic means like the Internet, web and e-mail (Carayannis and Popescu, 2005; Davila et al., 2003; Roche, 2001; Subramaniam and Shaw, 2004). In this section I will provide a conceptual analysis of what is, and what is not, eProcurement in order to find an answer to the sub-question: ‘what is eProcurement’?

The concept of eProcurement has many faces. It does not consist of one specific tool, nor does it provide one single solution. Rather, it is a package of ICT applications that provides a user the means to control the process or action of purchasing. eProcurement initially finds its origin in the Business to Business (B2B) environment. However, eProcurement has its applications in the private as well as in the public sector. In the first paragraph, as a starting point I will analyse the concept eProcurement as used within the private sector. Furthermore, in the second paragraph I will analyse the application of eProcurement in the public sector. In the third paragraph, I will compare both concepts of private and public eProcurement and identify its main differences and similarities. Finally, this will lead to a definition of eProcurement which I will use throughout the rest of this research, and an answer to the sub-question.

3.2.1 Private eProcurement
Private electronic procurement is frequently defined as the sourcing of goods, services and construction goods via electronic means, usually through the Internet. In their literature review on private eProcurement, Schoenherr and Tummala (2007) conclude that studies that provided some type of definition for eProcurement have a broad set of descriptions of what eProcurement looks like. A
The recurring keyword within the private sector is purchase. But how are the concept eProcurement and its applications in the private sector described?

EProcurement can be described within different contexts. Private eProcurement can entail electronic ordering, bidding and rendering via portals, extranets, private platforms, marketplaces, and/or Electronic Data Interchange (EDI) (Dooley and Purchase, 2006). It can also involve the use of purchasing cards, reverse auctions and/or integrated automatic procurement systems (Moon, 2005). Overall, eProcurement facilitates, simplifies and enhances the corporate buying process on several levels (Presutti, 2003) and includes all forms of electronic infrastructure that connect two organisations in the purchasing process (de Boer et al., 2002; Dooley and Purchase, 2006; Min and Galle, 2003). This description leads to the question: what is the function of eProcurement?

![Diagram of eProcurement functions](image)

**Figure 1. Functions supporting internal aspects of private eProcurement**

Schoenherr and Tummala (2007) point out that several studies not only described eProcurement as the simple and efficient buying of products to reduce transaction costs, but also noted benefits and efficiencies that can be derived through process automation (Davila et al., 2003; Leipold et al., 2004). Kameshwaran et al. (2007) conceptualised eProcurement as ‘an Internet-based business process for obtaining materials and services, and managing their inflow into the organisation’, with the potential to make identification of and negotiation with suppliers more efficient (Cater, 2001). In this case private eProcurement can be defined as a tool that automates workflows, consolidates or leverages organisational spending power, and identifies new sourcing opportunities through the Internet (Davila et al., 2003; Reddick, 2004). In terms of managing inflow, Subramaniam and Shaw (2004) refer to the
search, order processing, monitoring and control, and coordination of procurement activities. Based on the above literature I have so far determined three functions eProcurement, namely, financial, communication and management function. (Figure 1.).

At this stage it is not clear what the eProcurement facilities are that provide electronic assistance during the private procurement process. Schoenherr and Tummala (2007) argue that the most frequent conceptualisation of private eProcurement is the model developed by De Boer et al. (2002), providing a good list of facets that describes eProcurement as encompassing several functionalities (Figure 2.), including:

- electronic Maintenance Repair Operations (e-MRO) and web-based Enterprise Resource Planning (ERP); the processes of creating and approving purchasing requisitions, placing purchase orders and receiving the goods or services ordered via a software system based on internet technology; e-MRO deals with indirect items (MRO), web-based ERP deals with product-related items;
- e-sourcing; the process of identifying new suppliers for a specific category of purchasing requirements using internet technology;
- e-tendering; the process of sending requests for information and prices to suppliers and receiving the responses using internet technology;
- e-reverse auctioning; enables a purchaser to buy goods and services needed from a number of known or unknown suppliers;
- e-informing; the process of gathering and distributing purchasing information both from and to internal and external parties using internet technology.

Overall, Kheng and Al-Hawamdeh (2002) conclude that eProcurement is a very powerful business tool enabled by the Internet, which will revolutionise the purchasing function during the procurement process. In this paragraph I have tried to analyse the concept of private eProcurement. I have described the concept within different contexts. Within these different contexts I have identified three functions that eProcurement supports within an organisation. These can be used internally as well as externally. Based on the six facets of eProcurement, I have provided a formal construct of the concept. In the next paragraph I will analyse the concept of public eProcurement.
Figure 2. Formative construct of private electronic procurement based on De Boer et al. (2002, adapted)

### 3.2.2 Public eProcurement

The financial, communication and management functions of eProcurement can also have potential to benefit the public sector, especially for governments. The purchasing of goods and services in the public sector is a central topic because it supports all functions of government; each governmental unit needs supplies and equipment to accomplish its mission (Thai and Grimm, 2000).

According Kierkegaard (2006), *Government procurement* is the term used for purchasing activities of governmental authorities and covers purchases of everything from pencils and paper clips to computer systems and telecommunication equipment and ship building. In general “a typical public procurement cycle involves the following processes: tendering, contracting, and trading” (Romm and Sudweeks, 1998, p104-106). The public sector has its own specific characteristics. A major characteristic of the public sector is the regulation of the procurement process by local, regional, national and international authorities. Regulation embraces “audit, accountability and compliance with national and international rules, ensuring competition for supply and transparency in the award of contracts” (NAO, 1999). The second characteristic of public procurement is that most purchases in the public sector require a bureaucratic procedure to be followed, due to the nature of the involved institutions (Hendriksen et al., 2004). The third characteristic is that the procurement process, the selection of bidders, tendering procedures and the award of contracts, should be open to public examination for a review, thus making it also a transparent process (SIGMA, 1997). Finally, the fourth characteristic of public procurement refers to that of the social responsibility of government through sustainable procurement. Sustainable procurement refers to all “policy-through-procurement” issues – where public procurement is seen as a
lever to achieve wider policy objectives (OGC, 2005) These include environmental or “green” issues; the creation of job places and wealth in generation areas; opportunities for Small and Medium Enterprises (SME’s) and Ethnic Minority Businesses (EMB’s); fair trade and the inclusion of developing countries; adult basic skills; disability, race and gender equality; innovation; and the promotion of ongoing and contestable supplier markets (Leukel and Maniatopoulos, 2005). But how can e-Procurement contribute to the needs of the private sector?

In public procurement, the majority of items are bought on requisition. This means that enormous amounts of effort are spent on sending forms and information back and forth in ‘the system’. The internal coordination costs are therefore high with respect to contracting procedure for commodities. As pointed out by Berryman et al. (1998), it is generally assumed that procurement of commodities represent the greatest potential for savings with respect to electronic purchases especially due to the reduction in work procedures, which can be automated. This is the case for the ordering process and the handling of invoices and payments. Bureaucracy combined with the regulated tendering processes makes the idea of automating procurement an attractive option for the public sector, compared with the status quo (Hendriksen et al., 2004).

In the public sector context, “the concept of e-Procurement is a collective term for a range of different technologies that can be used to automate the internal and external processes associated with the sourcing and ordering processes of goods and services and where it represents an on-line environment involving complex interactivity of public-private and public-public sectors rather than just a simple interface between government buyers and private sellers” (Leukel and Maniatopoulos, 2005).

Those benefits are both tangible and measurable with effect on cash flow directly, for example, enabling e-Business into public sector, or indirectly, such as cultural change. Within the public sector context, e-Procurement has been widely embraced by governments seeking administrative and cost reductions experienced in the private sector. As a result, a number of ‘proven’ private sector e-Procurement solutions such as e-marketplaces, desktop purchasing systems, and tendering platforms have been employed by various public sector organisations (Maniatopulos 2004; Tonkin 2003; Zulfiqar et al., 2001). It has been suggested that the public sector is likely to benefit from the use of e-Procurement solutions (Neef, 2001).

As emphasized by Thai and Grimm (2000), one of the most important challenges in government procurement is how to utilize information technology in the age of communications revolutions. Numerous researchers have discussed this concept from:

- a technological perspective (Panayiotou et al., 2004; Liao et al., 2003);
- a managerial perspective (Devadoss et al., 2003; Coulthard and Castleman 2001; Oliveira and Amorin 2001; Rajkumar 2001).

On-line purchases and payment for goods and services in virtual markets constitute crucial elements of public e-Procurement. Successful adaptation leads to potential benefits, which include the reduction of transaction costs, operational efficiencies, and a better foundation for decision making. Even if technological requirements are met and the implementation of e-Procurement systems in the public sector seems feasible, form a managerial point of view implementation has proven to be a challenging
venture (Hendriksen & Maahnke, 2005). Rajkumar (2001) pinpoints the managerial challenges by listing criteria success factors of eProcurement implementation. These include the definition of an eProcurement strategy, re-engineering of procurement processes and management expectations. Re-engineering of processes in the public sector is in itself a very demanding process (Andersen, 2004) which at times tempers the enthusiasm for implementing eProcurement.

Regardless of the perspective taken, there is among the above-mentioned sources a widespread consensus on which components constitute the concept of eProcurement and what the benefits of eProcurement are (Hendriksen & Maahnke, 2005). According to Somasundaram and Damsgaard (2005), eProcurement is a central theme in electronic Government or so called eGovernment. It has been argued that eGovernment refers to “government’s use of technology, particularly web-based Internet applications to enhance the access to- and delivery of government information and service to citizens, business partners, employees, other agencies, and government entities. It has the potential to help build better relationships between government and the public by making interaction with citizen’s and smoother easier and more efficient” (Layne & Lee, 2001, p125). The concept of public eProcurement may be positioned within the broad eGovernment context using two guiding dimensions in the framework as proposed by Marche and McNiven (2003). To consider the impact of the Internet in the government, in one axis Marche and McNiven compared eGovernment with eGovernance (Figure 3.). eGovernance is a broader topic that deals with the whole spectrum of the relationship and networks within government regarding the usage and application of ICTs (Sheridan and Riley, 2006). In the other axis Marche and McNiven made comparison between citizen centric and organisation centric. eProcurement implementation requires government to automate procurement activities both vertically and horizontally, mainly to enhance efficiency in operations. Hence it is identified as an organisation centric activity. The public sector procures a large variety of goods and services from businesses (G2B) to carry out its daily activities. Public eProcurement is identified as an activity critical for the functioning of eGovernment.

![Figure 3. Impact of the Internet on government (Marche and McNiven, 2003, adapted)](image-url)
In this paragraph I have tried to analyse the concept of public eProcurement. I have described the context of government procurement and its importance within a government. Based on the literature, four characteristics can be conceptualized in relation with eProcurement. I have argued that eProcurement is an attractive option within the public sector; however, attention should be paid to its implementation. Finally, I have placed public eProcurement within the context of eGovernment, where it has to comply with the key and broadly accepted principle underlying a modern public administration, which is:

- an open (transparent) competition;
- unrestricted;
- universal access to the procurement market.

In the next paragraph I will compare both concepts of private and public eProcurement and describe its similarities and differences.

3.2.3 Defining eProcurement

Whilst eProcurement has similarities with private sector context in terms of deriving economic value and quality, it differs in terms of its social welfare implications (Panayiotou et al., 2004). These differences result in a number of specific regulations and standards that have been developed for public eProcurement.

One group of these standards addresses how to classify and describe products and services as an object of all procurement activities. For example, while standards for product classification play an important role in establishing a shared understanding of a product domain, there are still no over-arching standards for both public and private eProcurement, nor are there competitive standards in these two sectors agreeing on common concepts, exchange formats, data models, standardization processes, and intellectual property rights that could all contribute to semantic interoperability (Leukel and Maniatopoulos, 2005).

Public sector institutions also have different objectives towards the implementation of eProcurement, and because government institutions pursue a wide variety of goals due to their different nature, those cannot be seen simply as extensions of commercial eProcurement applications. Within this context, the political and legislative environment where public sector institutions operate requires conformity to a range of requirements that have little or nothing to do with economic output (Maniatopoulos, 2004).

Undoubtedly government agendas are typically more extensive and complex than those of private organisations where efficiency, cost reduction and time savings are sufficient justifications for eProcurement adaption (Coulthard and Castleman, 2001). These considerations have the potential to substantially influence the development of government eProcurement systems as well as its policies, legislation, and standard roles. Therefore, the main objective of government policy in relation to its interactions with the business and community sectors should be to seek promotion and enhancement of efficient and affordable connectivity and interoperability (Leukel and Maniatopoulos, 2005).
Based on these considerations, when I use the concept of eProcurement, I refer to the following definition: ‘the (a) whole process and (b) different functionalities of electronic purchasing of goods and services within the public-private and public-public sectors, by public institutions or governmental organisations, in order to equip itself and fulfil its economic, legal, political and social mission’.

This definition is also the answer to my first sub-question. In the next section I will describe the theory of Europeanisation related to the concept of adaption in order to find the answer to my other research question.

3.3 Europeanisation of Public eProcurement Policy

‘Europeanisation’ is most often associated with the domestic adaption to policies emanating directly or indirectly from European Union (EU) membership. More and more policy areas are affected by policymaking ‘in Brussels’. This is also the case for national eProcurement policy in the Netherlands.

According to van Nispen (syllabus, 2008), “the capacity to solve policy problems within a given society has become ever more dependent on actors and factors which operate outside the domain of national politics”. The study of Europeanisation of public policy can be divided into two tracks: attention to European factors in determining national policies (the politics of adaption), and the national factor in making European policies (the politics of influence). Based on personal interest, I have not chosen to research on national factors in making European policies, but to focus on European factors in adapting national eProcurement policy in the Netherlands. The starting point of this theoretical framework has therefore a top down perspective (Figure 4). As Featherstone and Raedelli (2003, p 57) conclude, “the move to a top down perspective is desperately needed in order to fully capture how Europe and the European Union matter”.

Figure 4. Two tracks of Europeanisation (van Nispen, syllabus 2008, adapted)
Van Nispen (syllabus, 2008) argues that a resulting policy matrix based on the Europeanisation process represents a simple chessboard-like structure which helps to explain trans-border policy processes that may be studied at any level of interest: the development of individual actors or ‘dossiers’, at the level of sectors or countries. Van Nispen continues to point out the possibility to go one step further, by putting these developments in a cross-national perspective. “Actual policies do not perfectly fall apart along the adaptation-influence line, but may be characterized as a two-way process”. Due to limited time and the resources, I have chosen to study the adaption line to which policy falls. The ‘dossier’ is in this case eProcurement policy, the level of interest is the national level: the Netherlands. Van Nispen (syllabus, 2008) concludes that “the Europeanisation of public policy is a complex process due to the interplay of levels, sectors and influence vectors which in addition show a degree of uniqueness for individual countries”. In order to answer the research question ‘to what extents have the Dutch national administration adapted themselves to the European Commission’s eProcurement policy initiatives’, I will use the theory of Europeanisation to analyse the extents of the unique adaptation of the EC’s eProcurement initiatives by the Dutch national administrations of the.

I want to note that in this study, the extent of national adaptation in the Netherlands is the dependent variable to be explained. The explanation of the supranational policy formulation process which led to the selection of the European eProcurement policy to be adapted is not within the scope of this study. This does not mean that the entire supranational policy formulation will be excluded from this research. Rather, this will be considered to get a full understanding of the concrete content and the administrative implications of the eProcurement policy decided upon.

In the first paragraph, I will analyse different definitions of the concept ‘Europeanisation’, bearing Haverland’s (2003) remark in mind that “it is important to clarify what Europeanisation means in various contexts and to define what Europeanisation is not”. As mentioned above, the concept of Europeanisation has many aspects. To be clear, I will not consider Europeanisation as convergence, harmonisation, integration and policy formation. I consider Europeanisation as the adaptation of EU policy. The analysis will lead to a definition of the concept that will be used throughout this research. In the second paragraph, I will focus on four different approaches for analysing public policy. In the third paragraph, I will focus on the outcomes of Europeanisation. By determining the ‘goodness of fit’ between the Europeanisation of policy processes on the one hand, and national policy on the other, different outcomes can occur within a domestic structure. In the fourth paragraph, I will present the conceptualisation and in the fifth paragraph the operationalisations of the research indicators.

### 3.3.1 Defining Europeanisation

The concept of Europeanisation has different connotations. According to Haverland (2003), Europeanisation research has oriented towards and benefited from general theories of political and social science. Olsen (2002, p 923-924) argues that the issue raised is not what Europeanisation ‘really is’, but whether and how the term can be useful for understanding the dynamics of the evolving European polity. That is, how it eventually may help us give better accounts of the emergence, development and impacts of a European, institutionally-ordered system of governance. He distinguishes five different phenomena for understanding Europeanisation:
1. The change in external boundaries. “This involves the territorial reach of a system of governance and the degree to which Europe as a continent becomes one single space”;

2. The development of institutions at the European level. “This signifies centre-building with a collective action capacity, providing some degree of coordination and coherence”;

3. The central penetration of national systems of governance. “This involves the division of responsibilities and power between different levels of governance”;

4. The exploration of political organisation. Europeanisation can be seen as “exporting forms of political and governance that are typical and distinct for Europe beyond European territory”;

5. A political unification project. This refers to “the degree to which Europe is becoming more unified and stronger political entity”.

In this paragraph, I do not want to go too deep into the different notions and phenomena of Europeanisation. I would rather like to focus on the adaptation of European policy in Member States and exclude the risk of different interpretations and obscurity. It is in the interest of this study to limit the concept and present the theoretical and conceptual choices, to study the empirical situation. I want to research the Europeanisation of public policy, namely eProcurement policy, with the objective to make the concept amendable to empirical analysis and to connect it to the explanation of the situation in the Netherlands. Therefore, I will use Olsen’s third approach: Europeanisation as the central penetration of national systems of governance. As I have determined the direction and approach of Europeanisation, the next step is to define the process.

Lawton (1999) suggests that Europeanisation is the ‘de jure’ transfer of sovereignty to the EU level. Since I want to limit the concept for studying eProcurement policy and not European legislation this definition is not useful. However it does give an indication of the sharing power between national government and the EU. Börzel (1999, p 574) goes a step further in her conceptualisation and defines Europeanisation as “a process by which domestic policy areas become increasingly subject to European policymaking”. This definition focuses on what happens, once the power has been transferred to a European level. This notion gives a good direction; however it is not specific enough to distinguish what this process of ‘becoming subject’ entails and what the outcomes are.

Cowles et al. (2001, p3) have provided a definition for studying the effects of Europeanisation at the national level. They define Europeanisation as “the emergence and the development at the European level of distinct structures of governance, that is, of political, legal, and social institutions associated with political problem solving that formalize interactions among the actors and of policy networks specializing in the creation of authoritative European rules”. This definition emphasises the institutional building process at the European level. They refer to the formalization of interactions among actors and policy networks. The ‘formalization’ of a process refers to following the rules. In my opinion this definition is static and limited; because it does not say anything about the process of following the rules which I argue is the process of adaptation.

Ladrech (1994, p 69) puts an emphasis on Europeanisation as a process by defining Europeanisation as an “incremental process re-orienting the direction and shape of politics to the degree that European
Community political and economic dynamics become part of the organisational logic of national politics and policy-making. By ‘organisational logic’ he means “the adaptive processes of organisations to a changed or changing environment” (Ladrech, 1994 p 71). In this definition the adaptation aspect plays an important role. However, by referring to a process of re-orienting to European dynamics, it is not clear what the influences are that play a part in the adaptive process.

Featherstone & Raedelli (2003, p17) provide a clearer definition. They argue that “Europeanisation consists of processes of (a) construction (b) diffusion and (c) institutionalisation of formal and informal rules, procedures, policy paradigms, styles, ‘ways of doing things’, and shared beliefs and norms which are first defined and consolidated in the EU policy process and then incorporated in the logic of domestic (national and sub national) discourse, political structures and public policies”. According Featherstone & Raedelli (2003, p 36) the Europeanisation of public policy can take different forms. “In principle, it can affect all the elements of public policy such as actors, resources, and policy instruments. Additionally, Europeanisation can affect the policy style for example, by making it more or less conflictual, corporatist, or pluralist, or more or less regulative”. As the domain of Europeanisation can also affect politics and polity, this study is about public policy, more specific eProcurement policy. In the next section I will explore different approaches of analysing public policy.

3.3.2 Analysing Public Policy

Public policy can be considered as a flexible concept. It is not a constant factor; it keeps changing together with the ‘ever evolving society’. In order to analyse the adaption of public eProcurement policy initiatives one has to have an angle or focus, in order to approach the empirical situation. Whereas, the definition of Featherstone and Raedelli (2003) provides no specific elements in order to analyse public policy, Bekkers (2007) describes four policy approaches that complement the definition. According to Bekkers (2007, p53), there are four analytical approaches to policy, namely: the rational approach; the political approach; the cultural approach and the institutional approach. Every approach has its own dominant model of explanation, i.e. the explanation for the nature and course of policy processes. In this research the nature and course is determined by the theoretical approach of Europeanisation of public policy.

The rational approach described by Bekkers (2007, p54) has several characteristics and focuses on the realisations of the proposed goals. The rationalisation of these goals is the important mechanism of explanation within the rational approach. The strength of this approach is the contribution to knowledge about the shaping and implementation of policy. The weakness, however, is the limited capacity of processing information by policymakers and organisations, which can be labelled as ‘bounded rationality’. Usually this approach is used to judge the effectiveness, consistency and efficiency of policy. Since these judgements are not relevant for this research, nor do they give a (in)direct answer to my research questions, I will not use this approach.

In the cultural approach of policy (Bekkers, 2007 p. 72), the attention of policy is drawn to the embodiment of certain patterns of meaning wherein policy can be considered as a social construct. Every different perception of the reality is a factor in the development and implementation of policy. The main point in this approach is the idea that people and groups of people are focussed on interaction. This interaction gives meaning to for example images and symbols i.e. means of
communication. Since this research is not solely focussed on the communication of policy, nor to the perception of people i.e. the politics of meaning, this approach will not be used in this research.

The institutional approach is about giving meaning and interaction of different parties. Bekkers (2007, p79) argues that the shape and content of policy and policy processes is determined by the norms, rules, and practices, while positions and dependant relations between parties are embedded in rules and conventions. Within this approach, policy is conceived as the outcome of historically grown and anchored rules in society. This approach could be used in order to analyse policy in combination of the definition of Europeanisation by Featherstone and Readelli (2003). It fits only with the process of institutionalisation of formal and informal rules, procedures, policy paradigms, styles, ‘ways of doing things’, and shared beliefs etc. and leaves no room for explaining the extent of adaption that is based on the will of actors.

Therefore, I will use a political approach to public eProcurement policy. According Bekkers (2007, p308), in the political approach to analyse policy, the judgment about the success of policy is related to the support of the interested parties who play a part in the development and execution of policy. The dominant mechanism of explanation is power and interest which can determine the extent of adaptation. In the next section I will explore the outcomes of the concept Europeanisation within the domain of public policy.

3.3.3 Determining the Outcomes of Europeanisation

For this research, I define the outcomes of the process of Europeanisation as situations which arise as a result of the confrontation between European and national public policy. European public policies can lead to a policy misfit between European rules and regulations, and domestic policies on the other. This situation can have different outcomes and can be determined by analysing the ‘goodness of fit’, which consists out a qualitative measurement of the discrepancy between observed public policy on the European level and the expected public policy on the national level. The goodness of fit (Risse et al. 2001) can be described as the compatibility between the European and the domestic level. This compatibility or so called ‘fit’ determines the degree of pressures for adaptation generated by Europeanisation on the Member States. The lower the compatibility, the higher the adaptation pressure. The goodness of fit i.e. the degree of adaptational pressures can be determined by identifying the white spots between the European and Dutch national policy maps. The capacity of pressures determines the extent of adaptation.

Cowles et al. (2003, p6) argues that in order to determine the ‘goodness of fit’ one must first identify the relevant Europeanisation processes, which consist of formal and informal rules, regulations, procedures, and practices at the European level. These Europeanisation processes constitute the starting point my conceptual framework. On EU level, based on formal and informal rules, regulations, procedures, and practices, public eProcurement policy instruments, styles and resources are defined and constructed. Actors diffuse these through a process of Europeanisation to the national level of Member States. I consider the four factors together as the European eProcurement policy map. Based on this theoretical notion I will focus on the empirical situation and find the answer to the sub-question: ‘what is the eProcurement policy map of the European Commission in terms of actors, instruments, resources and styles’?
The second step in the framework identifies the ‘goodness of fit’ between the Europeanisation processes on the one hand, and the national policy, rules and practices on the other hand. On the national level, policy is incorporated into the ‘domestic structures’, which I define as national actors, policy instruments, resources and policy styles. I will focus on the empirical situation and find the answer to the sub-question: ‘what is the eProcurement policy map in of the Dutch national administrations in terms of actors, instruments, resources and styles’?

Figure 5 is a conceptual framework that I will use to determine the ‘goodness of policy fit’. The resulting policy matrix will be based on the framework of the Europeanisation process and provide a simple chessboard-like structure which helps to explain to what extents the Dutch national administrations adapted themselves to the European Commission’s eProcurement policy initiatives. Based on this theoretical notion I will focus on the empirical situation and find the answer to the sub-question: what are the similarities and differences between the European level and Dutch national level policy maps?

![Diagram of Europeanisation process of public eProcurement policy](image)

If the policy fit is high, not much structural adaption was required and the extent of adaptation is high. However, the lower the policy fit, the higher the pressure on the domestic structure, much structural adaption is required and the extent of adaptation is low. This will lead to a policy misfit between EU-level and the national level. Policy misfits can exert adaptational pressures on underlying institutions (political and administrative). If the adaptational pressures are high, EU policy challenge the identity,
constitutive principles, core structures and practices of national institutions. According to Featherstone and Raedelli (2003, p 37-38), this situation can have four outcomes, namely:

- **Inertia**: this is a situation of lack of change. “This may happen when a country finds that EU political architectures, choices, models or policy are too dissimilar to domestic practice. Inertia may take the form of lags, delays in the transposition of directives, implementation as transformation, and sheer resistance to EU-induced change. In the long term however, inertia can become impossible to sustain (economically and politically)”;

- **Absorption**: this indicates change as adaption. “Domestic structures and policy legacy provide a mixture of resiliency and flexibility. They can absorb certain non-fundamental changes, but maintain their ‘core’”

- **Transformation**: “paradigmatic change occurs when the fundamental logic of behaviour changes”.

- **Retrenchment**: “this implies that national policy becomes less ‘European’ than it was”.

Taken together, these situations cover both the magnitude of change and the direction (Featherstone & Raedelli, 2003, p 37). I will focus on the empirical situation and find the answer to the sub-question: *what are the consequences of these similarities and differences between the European level and Dutch national level policies?*

### 3.4 Conceptualisation

According Babbie (2004, p122), “conceptualisation is the mental process whereby fuzzy and imprecise notions (concepts) are made more specific and precise”. In this section I will present the conceptualisations of the different notions used in my research questions. The purpose is to provide a clear understanding of the concepts used throughout this research. In this paragraph, I will first present the ones most relevant to this research (further conceptualisations can be found in Appendix I), namely:

#### a. eProcurement

As earlier established I have defined the concept ‘eProcurement’ as “the (a) whole process, (b) different functionalities of electronic purchasing of goods and services within the public-private and public-public sectors, by public institutions or government organisations, in order to equip itself and fulfil its economic, legal, political and social mission”.

#### b. Policy initiatives

Hoogewerf & Herweijer (2003, p20) define ‘policy’ as striving towards reaching goals with certain resources and stipulated time choices. According the Oxford Dictionary (1988) ‘initiatives’ can be described as the first steps or lead. The concept of ‘policy initiatives’ refers in this research to the lead of the European Commission in the first steps of reaching goals regarding the usage of eProcurement solutions in 27 Member States of the EU, with the recourses at hand and within a stipulated time
c. Policy map
In this research, the concept ‘policy map’ indicates the overview of activities that serve a policy that is commended on a national and/or international level of execution. As defined in paragraph 3.3.3, the policy map is mapped out into four ‘routes’: actors, instruments, resources and styles.

d. Policy Actors
In this research, a ‘policy actor’ is an entity that enacts a certain policy action related to the European Commissions eProcurement policy initiatives. I want to emphasize that in this case a policy actor can be found on both national and supranational level. There is a clear difference between enacting and influencing. In this research I will not consider a policy actor as an entity that influences a certain policy action.

e. Policy Instruments
According to Hoogewerf & Herweijer (2003, p242) a ‘policy instrument’ is an instrument or tool that an actor can use to reach a certain aim. The usage of the instrument leads direct or indirect to the aimed situation. Hoogewerf & Herweijer argue that these instruments can be divided into legal, economic and communicative policy instruments. I agree with these arguments and therefore determine that policy instruments consist out of these three aspects.

f. Policy Resources
In this research I consider ‘policy resources’ as the means of supplying what is needed to make policy happen. This can be financial means, but also knowledge resources that contribute to policy.

g. Policy Styles
In this research I consider ‘policy styles’ as the combination of policy making and policy content.

3.5 Operationalisation and Research Indicators
The transition from theory to empirical research is indicated as the operationalisation of theoretical concepts. According to Babbie (2004, p45) “operationalisation is one step beyond conceptualisation. Operationalisation is the process of developing operational definitions, or specifying the exact operations involved in measuring a variable”. In this qualitative research, these definitions can consist of characterisations, relations, conditions, causes and consequences. In this section I will present the operationalisation of the four variables (Appendix II provides a flowchart of the relation between the variables).

3.5.1 Policy Actors
In order to measure the variable ‘policy actors', I will use a network analysis as described by Bekkers (2007, p169) to identify:

- the task and position of the actor regarding eProcurement policy;
- the interest in eProcurement policy from the actors point of view;
- dominant perception of the problem regarding eProcurement policy;
- dominant perception of the relevant eProcurement policy approach of the policy actor.
Table 1. provides a model of the research indicators for measuring the variable ‘policy actors’. I will focus on the political-administrative actors within the European Commission and the Dutch national administrations. While being aware of their presence, I will not involve social actors, target groups and beneficiaries as policy actors in this research. I consider these type of actors influential in the (supra)national policy formulation process, however not in the actual policy formulation and adaptation process. As conceptualized in paragraph 3.4 (d), a ‘policy actor’ is an entity that enacts a certain policy action that is related to the European Commissions eProcurement policy initiatives, and can be found on the European as on the national level. It can be identified as an entity who, having access to the necessary instruments and resources, participate in the ongoing basis of the construction, diffusion, institutionalisation, implementation and adaptation of eProcurement policy. This entity can be:

- several individuals (e.g. an office or a section within the Commission or national administrations);
- or a legal entity (e.g. Directorate-General, Ministry, Agencies, Advisory Councils, self-regulatory organisations).

Table 1. Model for analysing policy actors (Bekkers, 2007, adapted)

<table>
<thead>
<tr>
<th>Policy Actors Indicators</th>
<th>Actor A</th>
<th>Actor B</th>
<th>Actor C</th>
<th>Etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task and position</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Interest</td>
<td></td>
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<tr>
<td>Dominant perception of the problem</td>
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<tr>
<td>Dominant perception of the relevant approaches</td>
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</tbody>
</table>

### 3.5.2 Policy Instruments

A policy instrument is an instrument or tool that an actor can use to reach a certain aim. The usage of the instrument leads directly or indirectly to the aimed policy situation, which in this case is the development and use of eProcurement solutions. A commonly used typology is from van der Doelen...
(1989, p53-57 in Bekkers, 2007), who connects policy instruments to three conceptions of steering, namely: a legal steering model, an economic steering model and a communicative steering model. Table 2. provides a model of the research indicators for measuring the variable ‘policy instruments’. The legal model refers to the way actors are forced to conform with the in certain laws and rules prescribed norm or behaviour to witch rights and duties can be derived. Most often these are coupled with sanctions if one does not comply. The economic steering model refers to an incentive. Instruments aim to change the costs and wages that actors make. In the communicative steering model, the goal is to influence the behaviour of actors by providing information in order to change preferences towards alternatives. Furthermore, van der Doelen distinguishes per model different aspect namely:

- The constituting aspects: this refers to an entity that takes action into own control;
- The directing aspects: this refers to a entity influencing behaviour of actors in such a way that they contribute to the preferred goal;
- The individual aspects: these are specific measurements to a specific situation or actor;
- The general aspects; these are specific measurements to a general situation or a quantity of actors;
- The limited aspects; these refers to the prevention and punishing of behaviour;
- The broadening aspect; these refers to provoking and stimulating behaviour;

Table 2. Model for analysing the policy instruments  (van der Doelen, 1989, adapted)

<table>
<thead>
<tr>
<th>Policy Instruments</th>
<th>Legal</th>
<th>Economical</th>
<th>Communicative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constituting/Directing aspect</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual/General aspect</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Limited/Broadening aspect</td>
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</table>

3.5.3 Policy Resources
The ‘policy resources’ are the means of supplying what is needed to make policy happen. Bekkers (2007) describes that the power of these resources, used by policy actors, determines the form en content of policy. One can identify several power- or organisation resources (Morgan, 1986, p158; van der Krogt & Vroom, 1988, p162 in Bekkers, 2007), namely:
Material resources: the substances or components with certain physical properties that are used as inputs to policy, for example machines, buildings and computers;

Financial resources: the financial means that are used as input to policy, for example capital;

Professional Knowledge and Skills resources: sources of knowledge, information, experience, expertise used as input to policy;

Information and Communication Technologies resources: ICT solutions that are used as input to policy for example websites, standards and data.

Table 3. Model for analysing the policy resources (van der Krogt & Vroom 1988, adapted)

<table>
<thead>
<tr>
<th>Policy Resources</th>
<th>Material</th>
<th>Financial</th>
<th>Professional Knowledge and skills</th>
<th>Information &amp; Communication Technologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>The limitation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The indispensability</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The inexhaustibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The transferability</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The tenability</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The tradability</td>
<td></td>
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</table>

The level of power that an actor can use is determined by the amount of characteristics of the power resources (Table 3.). In this research, the following characteristics are important in order to determine its power in eProcurement policy initiatives (van der Krogt & Vroom 1988, p167-168 in Bekkers, 2007):

- The limited use of power resources: e.g. the execution of power based on the legal tasks and competences is only possible within the domain of the law;
- The indispensability of a power resource: e.g. national level activities can be dependant on European subsidies. This creates indispensability;
- The inexhaustibility of a power resource: e.g. money can be an important resource, but when the budget has run out, it loses its power;
- The transferability of a power resource: e.g. information can be easy to transfer, skills or image not;
• The tenability of a power resource: e.g. information is tangible, it can be outdated after a certain time;

• The tradability of a power resource: e.g. money and information can be easily traded.

3.5.4 Policy Styles

The ‘policy styles’ are the combination of policy making and policy content. Bekkers (2007, p12) concludes that policy styles have to do with preferences of the chosen resources and instruments in order to achieve the policy goal. Richardson et al. (1982) define policy styles as “the interaction between (a) the government’s approach to problem solving and (b) the relationship between government and other actors in the policy process”. Based on this definition, Richardson et al. provide a classification in types of styles along two dimensions, namely:

1. anticipatory versus reactive;

2. consensus seeking versus imposing.

The first dimension indicates how policy makers respond to the issues on the policy agenda. If the decision makers anticipate societal problems or have a technocratic approach, one can argue that the policy style is anticipatory. On the other hand, if a decision maker merely react to societal problems and deploy a diplomatic approach, on can argue that the policy style is reactive. The second dimension shows the relative autonomy of the decision maker vis-à-vis other actors involved. If the decision maker is seeking consensus among actors, one can argue that the policy style is consensus seeking. On the contrary, when the decision maker simply imposes their decisions to the executing actors, one can argue that the policy style is imposing (Richardson et al. 1982 p12-13). Table 4. presents typologies of policy styles and research indicators.

Table 4. Model typology of policy styles (Richardson et al., 1982, adapted)

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Anticipating/Reactive</th>
<th>Consensual/Imposing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technocratic approach/diplomatic approach</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Autonomy of the decision maker vis-à-vis other actors involved/decision makers impose their decisions to the executing actors</td>
<td></td>
<td></td>
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</tbody>
</table>
4. Research Design

4.1 Introduction

“A research design is the logic that links the data collected (and the conclusion to be drawn) to the initial questions of study” (Yin, 2003, p 19). In this chapter the questions: what questions to study, what data are relevant, what data to collect and how to analyse the results that are relevant. (Philliber et al., 1980). In the next paragraph, I will explain the unit of analysis, where I will define what ‘the case’ is. In the third paragraph, I will explain the methodology where I provide a justification for the methods used to collect the data. Finally, in the fourth paragraph, I will provide the criteria for judging the quality of research.

4.2 Unit of Analysis

This is a case study on the adaption by the Dutch national administration to the European Commission’s eProcurement policy initiatives. The immediate topic of the case study is the adaptation process of Dutch national administration and can be considered as ‘one case’ which consists of several actors. Yin (2003, p 23) argues that one have to beware of these types of topic, because it is not easily defined in terms of the beginning or end point of the ‘case’. “For example, a case study of a specific program may reveal (a) variations in program definitions, depending on the perspective of different actors, and (b) program components that pre-existed the formal designation of the program. I have tried to avoid this risk by delineating the case specifically in the conceptualisations of paragraph 3.4. and operationalisation in paragraph 3.5. The context for this research is the European Commissions eProcurement initiatives. Understanding the concept of eProcurement and the development, monitoring diffusion and implementation of pubic policy by the European Commission is part of this context. To summarize, this is a case study to the adaptation of European policy by Member States whereby the Netherlands is an embedded unit of analysis and illustrate how European policy can affect national policy. The case is studied in a period of six and a half months, starting on the 14th of April 2009 till the end of October 2009.

4.3 Methodology

I have chosen a qualitative approach to the research questions using a single case-study. The rationale behind this choice is that the case represents a unique situation, i.e. the unique adaptation by the Dutch national administration, to the European Commission’s eProcurement policy initiatives. By using this approach, the lessons learned can be informative about the experiences of institutions involved (Yin, 2003). The respondents and policy actors involved in the adaptation of eProcurement policy are identified with a snow balling technique (Moriarty and Bateson, 1982). The first contact was established with a representative of one of the central policy actors. Next, by using a triangulation of documents analysis and semi-structured interviews, I gained knowledge about the adaptation process and eProcurement policy. I learned about the network of policy actors involved in eProcurement policy as I conducted this research. This means that a research sample was not possible ‘a prior’. In sum, my understanding of the adaptation of EC eProcurement initiatives was primary based on data from document analysis and secondarily, on data from semi-structured interviews.
4.3.1 Document Analysis

Documentation analysis is commonly used in case studies. “This type of information can take many forms and should be the object of explicit data collection plans” (Yin, 2003, p 85). It is useful in several ways. First, it can be helpful in verifying correct spelling and titles or names of organisations. Secondly, documents can provide other specific details that can corroborate with my information. I consider the documentation as communication among parties attempting to achieve their objectives. That is why I will try to be critical and remain aware of the potential over-reliance on documents. The documents are collected over a period from April 2009 till August 2009. For this research I will use the following documents:

- Announcements
- Written reports
- Administrative documents
- Proposals and written reports
- Progress records
- Internal records
- Formal studies
- Evaluations
- Policy documents
- Legislation
- Communications

The strengths of document analysis are that it is a stable form of analysis and it can be repeated if necessary. The weaknesses of the analysis can be that the documents reflect a known or unknown bias of the authors. To limit this weakness, semi-structured interviews will be held.

4.3.2 Semi-Structured Interviews

The interview questions will be of an open-ended nature, and will be used to ask key respondents about the facts of a matter as well as their opinions about events. The semi-structured interviews have two objectives, namely:

- To obtain a descriptive account of what the concept eProcurement is;
- To understand what the public policy eProcurement policy is in Europe and the Netherlands.
The objectives require probing questions on issues relating to policy and the concept of eProcurement. During the fieldwork, digital voice recordings of interviews will be made, transcribed and reviewed (Appendix III, interview manuscripts are available on request). Where issues were unclear or required further elaboration, follow up contacts via telephone or mail were made for clarification. The interviews lasted approximately one hour. Due to limits of distance and time some interviews were conducted by telephone in a screened set-up. The interviewees were free to create extra reports. The selections of respondents were:

- Elite interviews: persons selected are prominent within the research situation, for example leading figures, policy makers etc;
- Informants;
- Experts;
- Key persons.

The analyses of the interviews were a prelude to the interpretative understanding of the adaptation of eProcurement of the European Commission by the Dutch national administrations.

### 4.4 Criteria for Evaluating the Quality of Research

In order to determine the quality of this research design, I will use four concepts commonly used in social science research. These concepts are: construct validity, internal validity, external validity and the reliability of research.

#### 4.4.1 Validity

The construct validity of a research is about establishing the correct operational measures for the concepts being studied (Yin, 2003, p34). In the conceptualisation (3.3.) and operationalisation (3.4.) of this research, I have tried to develop a sufficient set of measures to avoid subjective judgements which could be used to collect data. Furthermore, for this research I used multiple sources of evidence, namely document analysis and interviews. Regarding the composition of this research I have a key informant that can review the draft of the case study report.

The three factors mentioned meet the test of construct validity. Internal validity is according Yin (2003, p36) “a only concern for causal or explanatory case studies, in which an investigator is trying to determine whether even x led to event y. This is inapplicable to descriptive or explorative studies”. Yin continues by mentioning that internal validity can be extended to the broader problem of making inferences. As an investigator of the case I will try to infer that a particular event (policy adaptation in the Netherlands) resulted from early occurrence (European Commission’s eProcurement initiatives), based on my semi-structured interviews and document analysis collected as part of this research. The first step of achieving a high internal validity relies on my theoretical propositions of Europeanisation and the political approach of policy analysis. The second step is relying on the accurate description of the concepts and operationalisations. The third step is relying on my accurate case description. Therefore I argue that by following these steps, my internal validity is high.
The external validity establishes the domain to which a study’s finding can be generalised beyond the immediate case study. As this is a single-case study, it offers a poor basis for generalising finding to other countries dealing with the adaptation of eProcurement initiatives. However findings in this research can be used for generalising to theory that will help to identify other cases of adaptation of European Commission’s eProcurement policy initiatives. To sum up, the strengths of my methodological approach is the in-depth research which creates a high internal validity. The weaknesses is that this approach has a low external validity because this is a single-case study in which \( N=1 \).

### 4.4.2 Reliability

According to Ying (2003, p34), with the ‘reliability’, a research demonstrates “that the operations of a study, such as the data collection procedures, can be repeated with the same results”. The goal of reliability is to minimize the errors and biases in the study. In order to guarantee certain reliability for this research, Scheme 1. provides a case study protocol. “The protocol contains the instruments as well as the procedures and general rules to be followed in using the protocol” (Yin, 2003, p 67).

<table>
<thead>
<tr>
<th>A. Introduction to the case study and purpose of protocol</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A1. The research questions are:</strong></td>
</tr>
<tr>
<td>- What is eProcurement?</td>
</tr>
<tr>
<td>- What is the eProcurement policy map of the European Commission in terms of actors, instruments, resources and styles?</td>
</tr>
<tr>
<td>- What is the eProcurement policy map in terms of actors, instruments, resources and styles at the Dutch national administrations?</td>
</tr>
<tr>
<td>- What are the similarities and differences between the European level and Dutch national level policy maps?</td>
</tr>
<tr>
<td>- What are the consequences of these similarities and differences between the European level and national level policies?</td>
</tr>
<tr>
<td>- What recommendations can be made based on these findings?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>A2. Theoretical framework for the single-case study is:</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Theory on electronic private and public procurement;</td>
</tr>
<tr>
<td>- Theory on Europeanisation, using the approach of central penetration of national systems of governance and focussing on the adaptation aspect between European and national level. Using this theory one can argue what the outcomes are;</td>
</tr>
<tr>
<td>- Theory on policy analysis, using a political approach. By determining the ‘goodness of policy fit’ between the two levels, one can determine the extent of adaptation. By doing a qualitative measurement of the discrepancy between observed public policy on the European level and the expected public policy outcomes on the national level, the policy actors, instruments, styles and resources can be identified. This provides a policy ‘blueprint’ for each level which can be compared.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>A3. Role of protocol in guiding the case study investigator</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- This protocol is a standardised agenda for an investigators line up.</td>
</tr>
</tbody>
</table>
B. Data collection procedures

B1. Unit of Analysis

- This is a case study to the adaption of the Dutch national administration to the European Commission’s eProcurement policy initiatives.

B2. Methodology

- Policy actors are identified using a snowballing technique;
- Document analysis, considering the documentation as a communication among parties, attempting to achieve their objectives;
- Semi-structured interviews to obtain a descriptive account of what the concept eProcurement is and to understand what the public policy eProcurement policy is in Europe and the Netherlands.

B3. Expected preparation prior to the interviews on National en European level

- Announcements
- Written reports
- Administrative documents
- Proposals and written reports
- Progress records
- Internal records
- Formal studies
- Evaluations
- Policy documents
- Legislation
- Communications

C. Outline of case study report

C1. The practice in operation: case description

- Presenting a short case description of eProcurement policy initiatives on both European and national level, structured by means of the reason, the objectives and the execution
- Describing the policy map containing: actors, instruments, styles and resources on the European level regarding eProcurement policy initiatives;
- Describing the policy map containing: actors, instruments, styles and resources on the Dutch national level regarding eProcurement policy initiatives.

C2. The practice in operation: empirical analysis

- Confronting the ‘blue prints’ of both policy maps and analyse similarities and differences
- Translating these similarities and differences as an outcome of the adaptation process and determining the consequences.

C3. The practice in operation: conclusion and recommendations

- Formulate conclusion and recommendations by answering the main research- and sub question.
5. Case Description Part I: the European Level

5.1 Introduction
This chapter is divided into two parts. The first section describes the eProcurement policy initiatives on a European level, with the goal to provide a synoptic overview of the situation in which I provide the reasons, the objectives and execution of eProcurement policy initiatives in Europe. In the second section, I will describe the empirical findings of the European eProcurement policy map. I will present the obtained empirical material in a controllable and transparent manner. The ordering will be presented conform the concepts described in the theoretical framework. Therefore in the second section, the ordering starts with the presentation of the actors involved. Secondly the instruments used, thirdly the resources and finally the styles. In this section, each paragraph starts with an overview of the findings presented in a table.

5.2 European eProcurement Policy Initiatives

5.2.1 The Reasons
In the Treaty of Rome (ToR), which established the European Community in 1957, Member States committed themselves to non-discrimination and freedom of movement for their goods and services. This commitment is the fundamental thought behind the use of electronic procurement in Europe. According to the Respondent responsible for the eProcurement dossier, DG Internal Market, European Commission (Interview, 2009) “eProcurement is really part of European public procurement initiatives in general. eProcurement is not considered as something separate, but rather applies the traditional public procurement principles, but than in an electronic environment”. In the mid-1980s discriminatory (buy national) public purchasing was identified as one of the obstacles to the completion of the Single European Market (SEM). Prompted by the SEM initiative, virtually all public procurement except for defense equipment was subjected to European Union (EU) rules which prohibit discriminatory purchasing policies (Martin et al, 1999; Cox, 1993, p32). In the 1990’s, the costs of not encouraging intra-EU competition (costs of non-Europe) if not deliberately rejecting it, were substantial. According to Martin et al. (1999) the public sector paid more than it should for goods it bought and, in doing so, supported sub-optimal enterprises in the European Union. Market fragmentation made the European Industry less competitive than otherwise and thus less able to compete major economic powers such as Japan and the United States of America (USA) in the global market. In the 1990’s, the emergence of Information and Communication Technologies (ICT’s) provided opportunities to deal with these challenges. Green Paper on Public Procurement in the European Union was issued by the European Commission in 1996, recognizing the potential benefits of information technology in the public procurement procedure. Among others it stated that ”in the short term, new information technologies are helping us to introduce electronic notification of tender notices and the dissemination of information to suppliers. In the long term, the use of computer systems and telecommunications will revolutionize the way in which contracts are awarded” (Green Paper, 1996, p23-24). This Green Paper introduced the first European policy initiatives regarding the usage of eProcurement.
5.2.2 The Objectives

The main objectives of EU public procurement policy stated in Green Paper (1996, p1) were: “the creation of the conditions of competition necessary for the non-discriminatory award of public contracts, the rational allocation of public money through the choice of the best offer presented, suppliers access to a truly single market with significant business opportunities, and the reinforcement of competition among European enterprises”. These four objectives can be in general considered as the main objectives of the EU regarding procurement policy. However, over time and with the development of ICT solutions these objectives obtained multiple interpretations. In a Communication on Public Procurement in the European Union (1998) the Commission highlighted the priorities of public procurement policy and indirect eProcurement policy. It referred to the need for a new framework in order to achieve the goal of a single market in the field of public procurement. Therefore the EU set the objective to start coordinating all national procurement procedures with the goal of creating an open single market where all firms could compete for contracts on equal footing. However, the goal was ambiguous. According the Commission (1998), efficient public procurement would not only lead to an improvement in the quality of public services, economic growth, competitiveness and job creation, but would also contribute to the fight against corruption in the European Union⁴.

Furthermore, the Communication analysed the introduction of ICT as a tool towards a more efficient way of purchasing. Two years later, at the Lisbon EU summit in 2000, web-enabled eProcurement as such came into clearer focus. “The emergence of the new Information and Communication Technologies (ICT’s) offers promising opportunities as regards the efficiency, transparency and opening-up of public procurement” (The Commission, 2000). Gradually, the emphasis on the four main objectives of policy shifted from closing a single market to policy that, with the smart usage of ICT solutions, could also cover a wider range of objectives like effectiveness, efficiency, transparency and fighting fraud. Since this statement was made, two of legislative directives concerning e-procurement have been outlined in 2004, namely: Directive/2004/17/EC and Directive/2004/18/EC.

These two directives combine a number of existing directives on procurement into two versions. These two directives set out the procedural rules for the use of electronic means in pubic procurement and cover the first phases of the procurement process. All extras are regulated by other acts. The two directives have two main objectives namely: to simplify and clarify the existing Community Directives; the second is to adapt them to the modern administrative needs in a changing economic environment. Until then, EU procurement legislation did not contain specific rules regarding the use of electronic means in the procurement process.

⁴ In order to achieve this, the Commission gave priority to establishing a more simplified and more flexible legal framework by ‘clarifying’ provisions which were obscure or complex and adjusted the rules in force where the problems to be addressed could not be solved through interpretation of provisions.
5.2.3 The Execution

An Action Plan (2004) was proposed by the Commission, under the auspices of DG Internal Market, for the implementation of the new legal framework for electronic public procurement. It provided a framework for conducting procurement electronically in an open, transparent and non-discriminatory way, establishing rules for tendering electronically and fixes conditions for modern purchasing techniques based on electronic means of communication. It structures activities in three areas, namely: ensuring a well functioning internal market, achieving greater efficiency and working towards an international framework for electronic public procurement. It also makes sure that cross border eProcurement can take place as it is foreseen and required in the two directives.

Regarding the second area, it helps Member States making the most of the new proposed tools. The Action Plan, with the two directives are considered as ‘the policy map’ of eProcurement in Europe (Interview Respondent DG Internal Market, 2009). The Commission is only competent for the first phases in the eProcurement process and not the whole procurement process. The thought behind this approach is that if you want to implement an efficient eProcurement system the process does not stop at the first two phases. You will have to implement the whole system. This means that the Action Plan discusses additional measurements, but is not the Commission’s focus.

Besides this policy map, complementary initiatives add to what have been done regarding eProcurement policy. In 2006, the Commission, under the auspices of DG Information Society and Media (INFSO) presented the i2010 eGovernment Action Plan as an integral part of its i2010 initiative for jobs and growth in the information society. In this Action Plan, not only a major contribution is made to the Lisbon Agenda but also to other European Community policies like procurement policy.

One of the five major objectives of this plan is the implementation of high impact key services for citizens and businesses, with electronic public procurement as one of the initial concept. As the Action Plan (2006, p7) stated; “implementation of these flagship services must focus on achieving measurable impact through widespread usage, not on making such services available electronically”. It continues by referring to the fact that “cross-border eProcurement has been chosen as the first application to focus on (i2010 Action Plan, p8).

The Action Plan encourages cross border eProcurement operational projects, but does not mention for instance cross border projects. The initiative is a complementary sources where funding is key. In summary, the eProcurement Action Plan provides elements for national policy maps to be built. One of the strongest recommendations of the Plan is to focus on the ‘building blocks’ that the Commission provides and consider important. It is an incremental, step by step approach (Interview Respondent DG Internal Market, 2009).

5.3 The European eProcurement Policy Map

The description and analysis of the four variables on European level provides an answer to the second sub question of this research, namely: what is the eProcurement map of the European Commission in terms of actors, instruments, resources and styles?
### 5.3.1 European Level Actors

Table 5. European Level Actors

<table>
<thead>
<tr>
<th>Policy Actors Indicators</th>
<th>DG MARKT</th>
<th>DG INFSO</th>
<th>DG DIGIT</th>
</tr>
</thead>
</table>
| **Task and position**    | - Coordinate European Commissions policy on the European Single Market  
- In charge of law and policymaking process of procurement public policy and booster behind eProcurement policy initiatives  
- Support developments and use of ICT’s for the benefit of all citizens in the EU  
- Make sure that the eGovernment initiatives comply with the Lisbon Agenda, and meet the requirements of interoperability and cross border usage  
- Define the IT strategy of the Commission  
- Deployment of pan-European eProcurement services in Member States  
- Implementation of the correct technique, standard, norm and values of ICT solutions | - Use of information and communication technologies (ICT) in the public procurement process to adapt and maintain a competitive European industry  
- Coordination and harmonisation of ICT policy initiatives | - Ensure that eProcurement policy developed by the Commission works in practice as well as in Member States, as in its own organisation. |
| **Interest**             | - Uneven implementation of eProcurement solutions in Europe which can lead to market fragmentation  
- The risk of ICT fragmentation, which slows down innovation and creates obscurity in policy objectives | - To avoid the risk of non generic ICT solutions which can not cope within a pan European environment |
| **Dominant perception of the problem** | - Stimulate the usage of ICT solutions in the procurement process among Member States.  
- Coordination of (legal) procurement procedures within Europe, with the emphasis on the benefits and possibilities originating from the use of eProcurement | - Emphasise on the implementation of eProcurement in Member States according both Action Plans  
- Work with the tools and information available, focusing on achieving measurable impact through widespread usage | - Facilitating technical standards, knowledge and information regarding the use and implementation of interoperable eProcurement solutions |

38
Based on the case description of the eProcurement initiatives on a European level and the European eProcurement policy map (Interview Respondent DG MARKT, 2009) and the European eProcurement overview report (2006) I have identified three main policy actors (Table 5.) within the European Commission, namely:

1. Directorate-General Internal Market and Services;
2. Directorate-General Information Society and Media;
3. Directorate-General Informatics.

**Directorate-General Internal Market and Services**

*Task and position*

The Directorate-General Internal Market and Services (DG MARKT) main task is to coordinate the European Commissions policy on the European Single Market. The goal is to complete the European Single Market by striving to the freedom of movement of people, goods, services and capital within the European borders. By doing so, DG MARKT seeks to remove unjustified barriers and obstacles to European trade, in particular in the field of services and financial markets. The DG designs and delivers policies of economic reform that make the EU’s economy dynamic and more competitive. This by (website DG Internal Market, 2008):

- bringing forward proposals for legislation aiming to remove barriers, thus simplifying life for consumers and for businesses, stimulating competition, reducing prices and widening choice.

- ensuring that the opportunities offered by the Single Market are fully exploited. It does so by controlling the full and timely respect of Community law in co-operation with the Member States and by monitoring closely how EU law is being applied in practice.

- Informing citizens and businesses about the rights they have within the Single Market and of the benefits available to them.

With the objective of closing the European Single Market, the position of DG MARKT within the Commission is that of an institution that is in charge of the law and policymaking process of procurement public policy and the booster behind eProcurement policy initiatives in the EU.

*Interest*

According to my findings, the main interest of DG MARKT regarding eProcurement is the use of information and communication technologies (ICT) in the public procurement process in order to adapt and maintain a competitive European industry. DG MARKET believes that fully-fledged electronic procurement will allow the procurement process to take place much more rapidly and significantly reduce transaction costs over the entire lifecycle of the goods or services purchased (Communication, 1998). By using electronic means in the procurement process, not only closing the single market can be achieved, but also costs reduction in the procurement process, which can benefit government and SME’s.
Dominant perception of the problem

As the Impact Assessment of an Action Plan on electronic public procurement (2004) concludes, there is a rather fragmented landscape and uneven development of an operational electronic procurement system in Europe. DG MARKT believes that inappropriate introduction of eProcurement carries high risks of market fragmentation and a threat to the objective of closing the European Single Market. Furthermore, as the eProcurement Action states (2004), the legal, technical and organisational barriers that may result from procurement online are considered as one of the greatest challenges. Based on these findings, the dominant perception of the problem by DG MARKET is the problem of uneven implementation of eProcurement solutions in Europe which can lead to market fragmentation.

Dominant perception of the relevant approaches

According to DG MARKT (website, 2008) “public procurement is subject to Community and international rules although not all public procurement is subject to these obligations” The legislative package of public procurement Directives, approved in 2004 by the European Parliament and the EU's Council of Ministers, will help simplify and modernise procurement procedures, for example by facilitating electronic procurement in the public sector. Therefore the Commission defines the concept eProcurement as the whole process of electronic procurement from the pre-contractual phase to the post-contractual phase. For instance, by adding an electronic contract, electronic ordering and electronic invoicing to the process. The correct and rapid implementation of the new Directives should help open up public procurement, improve the functioning of the Internal Market and enable the EU to reap the full benefits from an enlarged Internal Market”. The dominant perception to the relevant approaches are therefore threefold, namely (Action Plan 2005):

1. Ensure a well function Internal Market when public procurement is conducted electronically
2. Achieve greater efficiency in procurement and improve governance
3. Work towards an international framework for electronic public procurement

Based on these findings, I believe that DG MARKT’s dominant perception of the relevant approaches is firstly to initiate a start in the usage of ICT solutions in the procurement process among Member States. Secondly, in addition a stronger and more specific coordination of procurement procedures within Europe, whereby the emphasis lies on the benefits and possibilities that originate from the use of electronic innovation in the procurement process.

Directorate-General Information Society and Media

Task and position

Based on my findings, the Directorate General Information Society and Media (DG INFSO) main task is to support the development and use of Information and Communication Technologies (ICT’s) for the benefit of all citizens in the European Union. Its main tasks (website DG INFSO, 2009) are to:

- Support innovation and competitiveness in Europe through excellence in ICT research and development;
• Define and implement a regulatory environment that enables rapid development of services based on information, communication and audio-visual technologies, so fostering competition that supports investment, growth and jobs;

• Encourage the widespread availability and accessibility of ICT-based services, especially those that have the greatest impact on the quality of life of the citizens;

• Foster the growth of content industries drawing on Europe’s cultural diversity;

• Represent the European Commission in international dialogue and negotiations in these fields, and promote international cooperation in ICT research and development.

I believe that the position of DG INFSO is to support eProcurement solutions, since they are part of eGovernment and ICT developments in Europe and can be characterised as innovation within Member States. Based on my findings, I assume that DG INFSO makes sure that the European eGovernment initiatives comply with the Lisbon Agenda, and meet the requirements of interoperability and cross border usage in order to serve the goal of creating a Single European Market as is foreseen by DG MARKT (Action Plan, 2006).

Interest

The main interest is based on the responsibility of DG INFSO for ICT solutions in Europe. First of all, in the eGovernment Action Plan (2006) eProcurement is considered as a high impact service which is an example for the modernisation of public services and a tool for the achievement of the Lisbon Agenda. Second of all, the two Directives on public procurement issued by DG MARKT only cover the first phases of eProcurement in the procurement process. All the others phases, such as eCatalogues and eSignatures are regulated by other acts (interview, DG MARKT, 2009). DG INFSO is directly responsible for the legislation and policy regarding eSignatures (website DG INFSO, 2009). In order to maintain a clear policy goal and to avoid the risk of ICT solutions that cannot work in harmony within a European context, I believe that the interest of DG INFSO is substantial in coordinating and harmonising policy initiatives, however has a complementary role in primary eProcurement policy initiatives.

Dominant perception to the problem

Based on the task, position and interest of DG INFSO, I believe that the problem is the risk that eGovernment policy initiatives like eProcurement at national level lead to new barriers on the single market due to fragmentation and lack of interoperability. It would be problematic if complementary ICT solutions like eSignatures presented by DG INFSO could not work within a European eProcurement framework. Therefore the dominant perception of DG INFSO to the problem is the risk of ICT fragmentation, which slows down innovation and creates obscurity in policy objectives.
Dominant perception to the relevant approaches

Based on my findings, I believe that the dominant perception to the relevant approach by DG INFSO is to emphasise on the implementation of eProcurement in Member States according to both Action Plans, to work with the tools and information available and focusing on achieving measurable impact through widespread usage, not only on making such services available electronically (Action Plan, 2006). Only when a coherent national eProcurement framework is developed according the standards of the European Commission the possibilities can be fully exploited within a European context and serve the European policy goals.

Directorate-General for Informatics

Task and position

The Directorate-General for Informatics (DG DIGIT) mission is to define the IT strategy of the Commission. As main tasks, DG DIGIT has the responsibility to (website DG DIGIT, 2008):

- define the IT Strategy of the European Commission
- provide the EC and whenever appropriate other European Institutions and bodies with high quality and advanced IT infrastructure solutions and e-services support services, and telecommunications facilities
- deliver information systems required to support EC corporate business processes within the framework of the e-Commission strategy
- promote and facilitate, in full collaboration with European public administrations, the deployment of pan-European eGovernment services for citizens and enterprises

Since eProcurement solutions and policy initiatives are a part of eGovernment services, established in the eGovernment Action Plan (2006), I believe that the position of DG MARKT within the Commission regarding eProcurement policy is twofold. First of all, it is an institution that is responsible for the development and deployment of pan European eProcurement services in Member States. Second of all, it is responsible for the implementation of the correct technique, standard, norm and values of ICT solutions developed by the Commission.

Interest

First of all, based on the tasks and position of DG DIGIT, I believe that the main interest is that eProcurement policy developed by the Commission works in practice as well as in Member States, as in its own organisation. The Commission would lose its credibility if they would not comply with eProcurement policy initiatives. The usage of eProcurement solutions can create transparency, efficiency and even contribute as a tool to achieve goals in other policy area’s (as mentioned in chapter 3.2) which serve all policy goals of the European Commission. Second of all, with the overall responsibility for the facilitation and promotion of eProcurement within public administrations in Europe, it is in the interest of DG DIGIT that all initiatives are widespread and thus pan-European.
Dominant perception to the problem

DG DIGIT believes that inappropriate introduction of eProcurement policies in Member States carries high risks of the fragmentation of ICT solutions, which are a threat to the objective and task of facilitating eProcurement services to public administrations, business and citizens in an interoperable and generic way which creates awareness of the benefits and opportunities of eProcurement (Action Plan 2004). Therefore the dominant perception of DG DIGIT to the problem is to avoid the risk of non-generic ICT solutions which can not cope within a pan European environment.

Dominant perception to the relevant approaches

Based on my finding, DG DIGIT is involved in analysing the need of standards and normalisation i.e. the technical barriers of eProcurement. It also focuses on testing national eProcurement solutions such as eInvoicing in the European Commission environment and facilitates this knowledge among the Members States. Furthermore it gathers eProcurement professionals and projects around a single virtual table: the eProcurement Forum and conducts studies on standardisation and mutual recognition of business attestations frequently required in public procurement. Therefore, I believe that the dominant approach of DG DIGIT is facilitating technical standards, knowledge and information regarding the use and implementation of eProcurement solutions (website IDABC, 2009).

5.3.2 European Level Instruments

Table 6. European Level Instruments

<table>
<thead>
<tr>
<th>Policy Instruments</th>
<th>Legal</th>
<th>Economical</th>
<th>Communicative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicators</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constituting/Directing aspect</td>
<td>- Two directing public procurement Directives 2004/18/EC and 2004/17/EC including provisions on electronic procurement</td>
<td>- The implementation and operational management of the Action Plan on electronic procurement (2004) is funded by the directing IDABC programme</td>
<td>- The eProcurement Action Plan helps Member States remove obstacles to cross-border eProcurement, increase efficiency and encourages cross border projects</td>
</tr>
</tbody>
</table>
Legal instruments

Constituting/Directing aspect

Table 6. provides an overview of the European level Instruments. The two public procurement Directives 2004/18/EC and 2004/17/EC were issued with a transposition deadline in 2006 and provide and coordinate possibilities for the conduct of eProcurement which in principle have to be offered by Member States in Europe. The directives allow to the public administrations the possibility to use exclusively electronic procedures. In addition, they define two new procedures, specifically conceived to be carried out by electronic means, namely: DPS (Dynamic Purchasing System) and eAuctions (European eProcurement report, 2006). In order to meet the objectives described in the eProcurement Action Plan, “the use of legal instruments available at European level has a “classic approach” namely, focused and limit number of actions in order to ensure the full and correct transposition of the new provisions in national laws, to prevent the emergence of legal barriers and to complete the legal framework by adopting specific instruments (e.g. fully standard forms, updated CPV) including international disciplines for electronic public procurement” (Commission Staff Working Document, 2004). Therefore these legal instruments have a directing purpose.

Individual/General aspect

Throughout the Directives there are certain provisions which say something about the design and arrangement of electronic procurement in general. A procurement procedure stops after the deal is closed. All initial procurement legislation is limited to the pre-contractual phase. The Directives
contain detailed provisions for the use of electronic means and thus only cover the first or pre-contractual phases of the procurement process. Both Directives establish a legal framework that establish the free use of eProcurement solutions on every level of government and specifies procedures, which notably have to be observed. Therefore the legal instruments have a general aspect (Interview Respondents DG MARKET, 2009)

Limited/Broadening aspect

“The rationale for the legal provisions devoted to eProcurement is that each and every economic operator across the European Union should be able to participate, with the simple and commonly used equipment and basic technical know-how, in a public procurement process which takes place partially or entirely by electronic means (Commission Staff Working Document, 2005). Since the Directives do not directly refer to the punishment of behaviour if electronic means are not used by Member States, these legal instruments have a broadening aspect and stimulate the use of eProcurement solutions.

Economical instruments

Constituting/Directing aspects

The implementation and operational management of the Action Plan on electronic procurement (2004) is funded by the IDABC programme (Interoperable Delivery of European eGovernment Services to public Administrations, Business and Citizens), and managed by DG DIGIT in association with DG INFSO and DG MARKT. “The IDABC programme is the successor of the IDA and IDA II programmes, which have been contributing to European eGovernment since 1995. The programme has been set up for a duration of 5 years. It will invest 150 million EUR in eGovernment projects until the end of 2009” (European eProcurement report, 2006). This programme wants to “take advantage of the opportunities offered by information and communication technologies with the goals to encourage and support the delivery of cross-border public sector services to citizens and enterprises in Europe, to improve efficiency and collaboration between European public administrations and, to contribute to making Europe an attractive place to live, work and invest” (website IDABC, 2009). The IDABC programme issues recommendations, develops solutions and provides financing to projects addressing European policy requirements. An example of such a project is the IDABC eProcurement Demonstrators & helpdesk. The objective of this project is to help software editors and contractual agents in Europe to develop eProcurement systems in line with the EU legislative framework (The eProcurement Map, 2008). In doing so, this influence contributes to the goal of European eProcurement objectives. However, the programme gives no subventions and therefore cannot help private investors. The economical instruments have a directing aspect.

Individual/General aspects

The Commission is funding an eProcurement pilot project, namely the Large Scale Pilot project on eProcurement PEPPOL (Pan European Public Procurement OnLine). This pilot will connect existing national systems, crucial for allowing businesses to bid for public sector contracts anywhere in the EU. The pilot is funded by the Information and Communication Technologies Policy Support Programme (ICT PSP) and is a major component of the EU’s Competitiveness and Innovation Framework Programme (CIP) of DG INFSO. The ICT Policy Support Programme will run from 2007 to 2013 with
a total budget of 730 million euro. The programme is related to eBusiness and eGovernment initiatives and each one is intended for a main purpose, for instance devoted to research and devoted to helping with the implementation and validation of existing solutions (that is, no research). The overarching aim of ICT PSP is to stimulate innovation and competitiveness through the wider uptake and best use of ICT by citizens, governments and businesses. (website Europe’s information Society Thematic Portal, 2007). This is specific measurement of connecting existing national systems, which contributes to the general situation of developing and stimulating the use of eProcurement systems in Europe. Therefore the economical instruments have a general aspect.

Limited/Broadening aspects

The PEPPOL project strives to the usage of standards which are made binding for Member States by means of comitology. Therefore it can be argued that this pilot project has a limited aspect. However, since both programmes do not refer to financial sanctions or fines (e.g. punishing behaviour) if one does not comply or participate, I believe that the economical instrument have a broadening aspect.

Communicative instruments

Constituting/Directing aspects

There are a lot of communicative instruments used by the Commission. In case of eProcurement policy the primary source of communication regarding eProcurement is the eProcurement Action Plan (2004). The eProcurement Action Plan seeks in particular to help Member States remove obstacles to cross-border electronic public procurement and further increase efficiency (website DG MARKT, 2008). The Action Plan encourages cross border eProcurement operational projects, however it does not mention pilots and projects specifically (for instance, PEPPOL). It informs Member States of its policy structuring in three areas, which contribute to the development and usage. It provides tools to make the most of eProcurement, but it does not control actions. Additional measurements are discussed, but is not the primary focus. It is up to the Member States what to do with this Action Plan (2004). It can influence the behaviour of actors, but is does not control behaviour. Therefore I believe that the Communicative instruments used have a directing purpose.

Individual/General aspects

The Commission has developed guidelines and tools to help administrations, IT editors and business to adapt their systems to the new directives. I will mention four forms of communication, namely background studies, functional requirements, Data models and learning demonstrators (European eProcurement Map, 2006). Firstly, the background studies analyse the European status which are available. “One of the most relevant is the State of the Art study. This report analyses existing initiatives in Europe, in order to assess the state of the art in electronic public procurement. It presents the status of eProcurement and deduces practices from reviewed systems across Europe” (eProcurement Map, 2006 p8). Secondly, “from the analysis of the directives and the experiences examined in the background studies, the Commission has produced Functional Requirements. They summarise technical elements to take into account when implementing eProcurement systems. The functional requirements are intended for application developers” (eProcurement Map, 2006 p8). Thirdly, the Data Models, which are a more technical set of documents. “They are technical models to
built systems exchanging messages to implement eInvoicing, eOrdering, eTendering and eAwarding. The target users are the standardisation bodies and application developers” (eProcurement Map, 2006 p8). And fourth, the learning demonstrators which are “simulators of eProcurement applications that give a visual example of a partial implementation of a real system. These are technical tools but can easily be understood by non-technicians. For instance, they have been used for presentations to managers and lectures at the university” (eProcurement Map, 2006 p8). Based on these findings I conclude that the communicative instruments of the commission have a general aspect. Different instruments and tools address specific parts of the usage of eProcurement but provide measurements to the general situation of developing eProcurement solutions

Limited/Broadening aspects

The eProcurement forum of the Commission is sponsored by the IDABC programme. It is an instrument that provides a community and network for practitioners, in order to exchange eProcurement knowledge and experience. It focuses on dissemination of information and cooperation between practitioners in Member States, but also within the Commission. It is a key example of how the Commission tries to stimulate and provokes behaviour. Therefore, I believe that the communicative instruments used by the Commission have broadening aspects.

5.3.3 European Level Resources

Table 7. European Level Resources

<table>
<thead>
<tr>
<th>Policy Resources</th>
<th>Financial</th>
<th>Professional Knowledge and skills</th>
<th>Information &amp; Communication Technologies</th>
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<tbody>
<tr>
<td>The limitation</td>
<td>- The power of execution of the IDABC programme is based on Decision 2004/387/EC, the power of execution of the CIP programme is based on Decision 1639/2006/EC</td>
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<tr>
<td>The indispensability</td>
<td>- For some Member States the financial means to invest in national administrations can be crucial and create a level of indispensability</td>
<td>- If a Member State does not comply with common standards it is most likely that it will isolate its IT environment from the other participating Member States.</td>
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</table>
### Table 7. Financial Resources Overview

<table>
<thead>
<tr>
<th><strong>The inexhaustibility</strong></th>
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<tr>
<td>- The budget runs out in the end of the project in 2013</td>
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<tr>
<td>- The inexhaustibility of the two policy resources is based on these settings of the programme.</td>
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<tr>
<th><strong>The transferability</strong></th>
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<tbody>
<tr>
<td>- Money is a mean that can be easily transferred, however both funding programmes have strict conditions for projects who request funding</td>
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<td></td>
</tr>
<tr>
<td>- The professional knowledge and skills resources spread as much information, skills and knowledge by means of background studies, functional requirements</td>
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<thead>
<tr>
<th><strong>The tenability</strong></th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>- ICT developments can create a certain tenable pressure on existing resources</td>
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<tr>
<td></td>
<td>- European eProcurement policy initiatives are a long term project. There is a risk that resources will become outdated</td>
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**Financial resources**

Table 7. provides an overview of the European level Resources. There are two financial resources i.e. funding programmes made available for eProcurement policy initiatives by the European Commission, namely:

1. the IDABC programme (2004) by DG DIGIT;
2. the CIP programme (2007) by DG INFSO.
The limitation

The limitation of these financial resources are based on two decisions, which are binding instruments provided by secondary EU legislation. The power of execution of the IDABC programme is based on Decision 2004/387/EC on interoperable delivery of pan-European eGovernment services to public administrations, businesses and citizens (IDABC). This decision was issued with the competence to eliminate obstacles to electronic communication between public administrations at all levels and with businesses as well as with citizens. It provides legal tasks for the implementation of measurements. It states for example that “in order to ensure sound management of the financial resources of the European Union and to avoid needless proliferation of equipment, repetition of investigations and diversity of approach, it should be possible to use services developed under the IDABC programme in the framework of common foreign and security policy and police and judicial cooperation in criminal matters in accordance with Titles V and VI of the Treaty on European Union” (Decision IDABC, 2004). The power of execution of the CIP programme is based on Decision 1639/2006/EC, establishing a Competitiveness and Innovation framework Programme (CIP). This decision was issued with the competence “to contribute to the enhancement of competitiveness and innovation capacity in the Community, the advancement of the knowledge society, and sustainable development based on balanced economic growth” (Decision CIP, 2006). Just like the decision on the ADABC programme, the decision on the CIP programme provides tasks for the implementation of measurements. For example, “the funding granted shall fully comply with Community State aid rules and accompanying instruments. Community rules concerning public access to documents shall apply. The principles of transparency and gender mainstreaming shall be taken into account” (Decision CIP, 2006, Art. 6.2).

The indispensability

The two funding programmes are to a certain extent indispensable for Member States. The IDABC programme provides funding for generic solutions and services for national and European administrations. Combined with providing a forum for the coordination of national eGovernment policies, the IDABC programme contributes to the i2010 initiative of modernising the European public sector. Something which Member States committed themselves after the re-launch of the Lisbon Strategy in 2005. Therefore, for some Member States the financial means to invest in national administrations can be crucial and create a level of indispensability. What the extent is, is out of the scope of this research. The CIP programme provides funding for three programmes with one programme focusing on ICT policy support. Within the ICT policy support programme, the PEPPOL project facilitates electronic cross border exchange of orders, invoices and catalogues, with a team of EU Member States which are involved in this project in order to ensure that the development of new technologies in different countries does not create barriers to the Single Market. These Member States are dependant on the financial resources of the Commission. The total costs of the PEPPOL project is 19.6 million euro for which the EU contributes by means of the CIP programme 9.80 million euro. This is 50 % of the total budget. Again, the extent of indispensability is not within this scope of this research. However, this is a considerable amount and I believe this creates a degree of indispensability.
The inexhaustibility

According to the Final Evaluation of the IDABC programme (Deloitte, 2009, p2) “The budget of IDABC was originally set at approximately €150 million, but has been reduced to €131 million because of the demand for additional funding for REACH, to which 17 million euro were diverted. The annual budgets have been regularly spent, with the exception of 2005 when an under-spending of 10.8 million was registered. Based on this empirical finding I can assume that the IDABC programme will run out of budget at the end of 2009 and that it will lose its power as a policy resource. Within the CIP programme that runs form 2007-2013 the total amount of the ICT PSP budget for 2008 was €52.312 million. € 44.584 million of these were attributed to activities of the 2008 work programme, the rest of € 7.728 million had been frontloaded for supporting actions of the 2007 work programme (CIP ICT-PSP Implementation Report, 2008). I assume that the budget runs out in the end of the project in 2013. The inexhaustibility is based on a budget and time limit. Both programmes which provide funding have a time span in which budget is made available. There are certain moments in the programmes when money is made available for projects and activities related to policy. This is most of the time a yearly matter. The inexhaustibility of the two policy resources is based on these settings of the programme.

The transferability

Money is a mean that can be easily transferred, however both funding programmes have strict conditions for projects who request funding. For example, in the IDABC Decision (2004) article 3 to 7 provide implementation and additional principles for projects of common interest and horizontal measurements. If the projects meet the requirements, funding is made available. If not, the request of funding will be denied. To conclude, the transferability of the power resource is considerable, but tied to strict conditions, rules and regulations.

Professional Knowledge and Skills resources

The scope of eProcurement developments is considerable large. It is a complex concept with many forms and applications. At the European level there are several resources that provide professional knowledge and skills as input to the European Commissions eProcurement policy initiatives. They can be divided into three categories, namely:

1. knowledge and skills resources dealing with guidance, tools and services;
2. knowledge and skills resources dealing with standardisation and shared activities;
3. knowledge and skills resources in the form of working groups that keep track of international developments.

Within the first category, the Commission has developed different guidelines and tools available to help administrations. Sometimes in association with other parties. This can be background studies, which analyse for example the European status available, functional requirements, data models and learning demonstrators. Within in the second category, there are three major power resources concerning eProcurement standardisation. First of all, the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT), which is a United Nations organisation for facilitating the
creation of standards? Secondly, the European Committee for Standardisation (CEN) with its Information Society Standardisation System (ISSS), which is one of the officially recognised organisations for establishing standards in Europe. Thirdly, the Organisation for the Advancement of Structured Information Standards (OASIS), which is a non profit organisation for the development of IT standards. These three organisations cooperate at different levels and in different ways and provide the Commission a huge amount of professional knowledge and skills, which contribute to the European eProcurement policy initiatives. Within the third category, several working groups are active at the European level in the field eProcurement. For example, the IDABC eProcurement working group, which is composed with experts coming from European national administrations? The group assists IDABC in the identification of needs and gives advice (European eProcurement report, 2006).

The indispensability

The level of indispensability of the professional skills and knowledge resources is mainly based on the second category. IT standards determined by UN/CEFACT, CEN/ISSS and OASIS are most likely to become European used standards. For instance CEN has 30 national members who participate in the development and determination of used standards. “With one common standard in all these countries, and every conflicting national standard withdrawn, a product can reach a far wider market with much lower development and testing costs” (website CEN, 2009). If a Member State does not comply with these standards it is most likely that it will isolate its IT environment from the other participating Member States. Member States are thus indispensable on the standards determined by these organisations to prevent isolation.

The transferability

The first category of the professional knowledge and skills resources is a good example of the efforts by the European Commission to spread as much information, skills and knowledge by means of background studies, functional requirements etc. A good example are the Data models made available by the Commission. These are models to built systems exchanging messages to implement eInvoicing, eOrdering, eTendering and eAwarding. With these models, the Commission tries to target national standardisation bodies and application developers (European eProcurement report, 2006).

Information and Communication Technology resources

The Commission has several ICT resources which it uses as a mean to supply what is needed to make eProcurement policy happen. As the abbreviation ‘ICT’ indicates, technology is used to communicate desired policy information to the receivers, which in this case are the Member States. Firstly, all documentation related to eProcurement policies are made available on the websites of the different actors of the Commission, which are accessible to everyone (websites DG MARKET, DG INFSO, DG DIGIT). The Commission provides facts and news on eProcurement and other eGovernment activities in Europe. The programme IDABC and CIP both sites for the developments, documents, projects, workshops, etc. Secondly, the eProcurement forum is a community of experts hosted by the ePractice portal of the Commission. It gathers and analyse activities that have an impact on the development of electronic procurement in Europe. The community is mainly focused on technical and organisational aspects of eProcurement (website ePractice, 2009). Thirdly, the Commission have put the eProcurement learning demonstrators online with the objective to simulate functional requirements for
public procurement systems based on the Public Procurement Directives (2004) and give a look and feel of how such systems could look like. The demonstrators are free and fully open source under the European Union Public Licence (EUPL). The demonstrators and its resources are downloadable at the IDABC website. In addition a CD-ROM with the demonstrators and all the remaining documentation can be requested (European eProcurement report, 2006). Furthermore, the Publications Office, an inter-institutional office whose task is to publish the publications of the European Community institutions in cooperation with the DG internal Market, offer services of notices on their websites of TED (Tender Electronically Daily) which is the supplement to the Official Journal of the European Union and SIMAP (Système d’Information pour les Marchés Publics), a portal that provides access to most important information about public procurement in Europe (European eProcurement report, 2006).

The transferability

The potential of the transferability of the ICT resources are very high. All the resources are made available to everyone and are relatively easy to find on the internet. The best example of the transferability of the ICT resources is are the learning demonstrators online. It provides Member States a ICT resource to experiment with national eProcurement solutions and provides information and building blocks to develop a system or application (European eProcurement report, 2006).

The tenability

In my analysis I have not found any indications for the tenability of the ICT resources. However, I would like to note that it is imaginable that ICT developments create a certain pressure on existing resources. Since the European eProcurement policy initiatives in Europe are a long term project there is a reasonable chance that innovation and developments regarding technology, standards and also the need for solutions changes. Therefore there is a risk that the solutions can be outdated after a certain time.

5.3.4 European Level Styles

Table 8. European Level Styles

<table>
<thead>
<tr>
<th>Policy Styles</th>
<th>Anticipating/ Reactive</th>
<th>Consensual/ Imposing</th>
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<tbody>
<tr>
<td><strong>Indicators</strong></td>
<td></td>
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<tr>
<td>Technocratic approach/diplomatic approach</td>
<td>- Anticipating. Green Paper on Public Procurement in the European Union (1996) illustrates the responds to the issue of eProcurement on the policy agenda</td>
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<tr>
<td></td>
<td>- Technocratic ‘expert’ approach in the diffusion, construction, development, and implementation of its policy initiatives.</td>
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</table>
Technocratic approach/diplomatic approach

Table 8. provides an overview of the European level Styles. Green Paper on Public Procurement in the European Union (1996) illustrates the responds to the issue of eProcurement on the policy agenda. Based on the developments of ICT solutions and the Internet, the Commission foresaw the opportunities of information technology in the public procurement process. In the short term, the Commission recognized ICT solutions in general. In the long term, the Commission acknowledged the revolution in the process of awarding a contract electronically. Since Green Paper on Public Procurement, the policy initiatives regarding eProcurement evolved, with the two Directives and an Action Plan as result. In the diffusion, construction, development, and implementation of its policy initiatives, the Commission multiple uses experts (see abovementioned paragraph 5.3.2 and 5.3.3.). Therefore along the first policy dimensions by Richardson et al. (1982) I argue that the European level policy style has a technocratic approach and therefore is anticipatory.

Autonomy vis-à-vis Actors/Imposing actors

Based on the policy instruments and the policy resources used by the Commission, I argue that the policy style along the second dimension by Richardson et al. (1982) is consensus seeking. First of all, the autonomy vis-à-vis actors involved is based on recommendations and understanding of the concept of eProcurement by the Commission and the Member States (Interview DG MARKT, 2009). The policy instruments are all directing and have broadening aspects and leave room for national implementation. Secondly, the used resources provide a platform for discussion and the exchange of information between the Commission and Member States, but also between Member States. The eProcurement forum on the website ePractice.eu is a good example of the mobilisation of eProcurement experts who discuss the eProcurement policy initiatives and provide indirect the Commission valuable information for its policy process. By using these instruments and resources, the Commission is constantly seeking for consensus among its Member States.
6. Case Description Part II: the Dutch National Level

6.1 Introduction

This chapter is divided into two parts. The first section describes the eProcurement policy initiatives on the Dutch national level, with the goal to provide a synoptic overview of the situation in which I provide the reasons, the objectives and execution of eProcurement policy initiatives at the Dutch national level. In the second section I will describe the empirical findings of the Dutch eProcurement policy map. I will present the obtained empirical material in a controllable and transparent manner. The ordering will be presented conform the concepts described in the theoretical framework. Therefore in the second section, the ordering starts with the presentation of the actors involved. Secondly the instruments used, thirdly the resources and finally the styles. In this section, each paragraph starts with an overview of the findings presented in a table.

6.2 Dutch eProcurement Policy Initiatives

6.2.1 The Reasons

The reasons for Dutch eProcurement initiatives are threefold. According to the Respondent from PIANOo (Interview PIANOo, 2009) the first reason was the construction fraud in the Netherlands. In 2001, a scandal emerged after a Dutch whistleblower revealed that the complete construction sector in the Netherlands systematically and in an organised manner, mutually made agreements on prices and thus committed fraud. This scandal lead to a Parliamentary Inquiry Commission investigating the matter and came in 2002 to the conclusion that the construction sector had structurally committed fraud in the Netherlands.

The second reason for Dutch eProcurement policy initiatives was the European developments regarding public procurement policy. In 2004, the Netherlands had as a Member State of the EU agreed with the two new Directives on public procurement. A year later, during the Ministerial conference, held under the auspices of the UK’s EU Presidency in Manchester in November 2005 there was a clear commitment from all the 25 Member States, including the Netherlands to continue to develop their existing strategies to modernize public administration using e-government services to widen the availability and access to those services from a number of different platforms (Nixon and Koutrakou, 2007).

That same year, the Dutch association for Employers (VNO/NCW) had issued a very critical report on governmental procurement processes in the Netherlands, and provided the third reason. It stated among others that: “over 60 % of the companies considered the demands of government so out of line that they no longer considered the government as a serious client”. This report did not focus however on eProcurement, but indirectly gave the incentive to focus on procurement policies in the Netherlands in general (Report, DG Internal Market, 2007).
6.2.2 The Objectives
In the cabinet response to the report of the parliamentary inquiry Commission, the Dutch cabinet promised the shaping of a binding uniform procurement policy framework for all invitations to tender and putting out to tender services. The aim of this national procurement policy was in line with the European Directives (2004) for awarding public contracts. The objectives of national policy became in compliance with that on European level twofold, namely: offering equal chances for proposers of work, supplies and services for competing for public contracts; and the promotion of the efficiency of government expenditures. Overall, the Dutch national policy aims on the improvement and compliance of the procurement rules and on the correct application of these rules (Visiedocument, 2004).

6.2.3 The Execution
The most important developments proposed for the new procurement policy were creating a clear and uniform legal framework and the usage of instruments to reinforce compliance with the rules and introducing standards that benefited the enlargement of competition in the Netherlands, based on the European policy initiatives (Visiedocument, 2004). Since the eProcurement Action Plan (2005) presented no obligations, but only contained proposals for the development of eProcurement initiatives, the Dutch government perceived the plans of the Commission as a good beginning for the realisation of eProcurement in the Netherlands (workgroup Beoordeling Nieuwe Commissievoorstellen BNC-fiche, 2005).

This inspired the Ministry of Economic Affairs to set up a knowledge network organisation which could serve organisations dealing with public procurement in the Netherlands, namely the Dutch Public Procurement Expertise Centre (Dutch abbreviation: PIANOo). This organisation is officially a department of the Ministry of Economic Affairs, but at the level of implementation has its own responsibilities. The aim of PIANOo is to enhance professional skills of purchasers e.g. around market, risks, innovative tendering and the interpretation of rules (website PIANOo, 2008).

One of its tasks is to develop an electronic procurement system for services, supplies and works in the Netherlands: TenderNed. Originally, the idea for electronic procurement was taken up by ProRail (responsible for the rail network in the Netherlands) and the Ministry of Transport, Public Works and Water Management. ProRail and the Ministry of Transport, Public Works and Water Management did not have any European goals in mind during the development. It was developed from a practical and national point of view. They developed a system called TenderNed, which had the potential for national implementation and it was offered to the Ministry of Economic Affairs. This system is still under construction.

While Europe defines the concept eProcurement as the whole process of electronic procurement, the Netherlands defines eProcurement as the whole process of electronic purchasing on the market from beginning to the end. For instance, placing an electronic announcement, providing an electronic platform to communicate and provide information electronically, doing a selection electronically, tendering electronically and doing an electronic allotment.
Generally, the discussions regarding this topic in Europe take the applications for eProcurement further than these steps. For instance, by adding an electronic contract, electronic ordering and electronic invoicing to the process. Based on these considerations one can distinguish a pre-contractual phase and a contractual phase. PIANOo and the Ministry of Economic Affairs have awarded eProcurement in a national context as a pre-contractual phase, as Europe defined eProcurement as both pre- and contractual phase in procurement (Interview Respondent PIANOo, 2009)

6.3 The Dutch eProcurement Policy Map

The description of the four variables on the national level provides an answer to the third sub question of this research, namely: what is the eProcurement policy map of the Dutch national administrations in terms of actors, instruments, resources and styles?

6.3.1 National Level Actors

Table 9. National Level Actors

<table>
<thead>
<tr>
<th>Policy Actors</th>
<th>Ministry of Economic Affairs</th>
<th>Ministry of Internal Affairs and Kingdom Relations</th>
</tr>
</thead>
</table>
| Task and position | - Coordinating Ministry for public procurement and eProcurement policy in the Netherlands. It defines, implements, and regulates the enforcement of economic policy  
- It has the overall role for policy formulation in the area of public procurement, including the introduction of an operational electronic public procurement system | - Its main task is to prepare legislation and regulations to ensure an effective and efficient national public administration  
- It coordinates, supervises and implements national eGovernment policy |
| Interest | - Public procurement policy and indirect public eProcurement policy has to comply with the European procurement Directives 2004/18/EC and 2004/17/EC  
- The realisation of electronic procurement to improve the internal market  
- Reduce the administrative burdens and create a national transparent, effective public procurement process | - Ensuring the practical implementation and quality of the civil services and thus eGovernment solutions in the Netherlands |
Dominant perception of the problem

- With the European Directives on public procurement and a series of incidents related with national procurement procedures such as the fraudulent construction businesses, the Ministry of Economic Affairs feels obliged to undertake action to improve its public procurement policy

- The Ministry of Internal Affairs believes that contact or interaction by citizens, businesses and institutions with the government should always be possible whatever and whenever

Dominant perception of the relevant approaches

- Focus on the streamlining legislation, stimulating the compliance with European legislation and the facilitation of the practice of procurement including the monitoring of the effects

- Improve services to citizens and to reduce the administrative burdens in the Netherlands

- Development, facilitation, connection and controls of the use of basic eGovernment provisions in the Netherlands

Based on the BNC-fiche (Fiche 1, 2005), the Impact Assessment: Action Plan on electronic Public Procurement (2004, p160) and interviews (interviews with respondents, Ministry Economic Affairs, TenderNed, PIANOo, 2009), I have identified two main policy actors within the national administrations of the Netherlands (Table 9.), namely:

1. The Dutch Ministry of Economic Affairs;

2. The Dutch Ministry of Internal Affairs and Kingdom Relations

The Ministry of Economic Affairs

Task and position

The Dutch Ministry of Economic Affairs is the coordinating Ministry for public procurement and eProcurement policy in the Netherlands. It defines, implements, and regulates the enforcement of economic policy. (Interviews with respondents, Ministry of Economic Affairs, TenderNed, PIANOo 2009). Its key policy areas and tasks are (website Ministry of Economic Affairs, 2009):

- Knowledge economy and innovation: to make the Netherlands one of the most attractive knowledge economies for innovative development;

- Competition and dynamic: by improving the information supply to the consumer, promoting competition and strengthening regulation of markets;

- Room to do business: targeting specific area’s affecting the start-up, growth, and transfer of business studies in education and simplification of the business start-up process
Its main position is to play a key role in “the overall role policy formulation in the area of public procurement, including the introduction of operational electronic public procurement system and in the collection of experiences on the ministerial use of electronic tendering” (Impact Assessment: Action Plan on eProcurement, 2004, p160).

**Interest**

First of all, it is the responsibility and in the interest of the Dutch Ministry of Economic Affairs that public procurement policy and indirect public eProcurement policy complies with the European procurement Directives 2004/18/EC and 2004/17/EC in order to comply with the goals of providing equal opportunities and the promotion of efficiency of government spending (Visiedocument, 2004). Secondly, in the BNC-fiche (2005) the provisional conclusion is that the Action Plan for eProcurement (2005) by the Commission is a good start “for the realisation of electronic procurement to improve the internal market”. Furthermore, the vision document on procurement (Visiedocument 2004, p7) states that it is in the interest of the Ministry of Economic Affairs that all phases, from announcement to tendering can be supported throughout the use of electronic means. This can reduce the administrative burdens and create transparency, especially when tendering services are going to use eProcurement services.

**Dominant perception to the problem**

The Ministry of Economic Affairs has a wide ranging government ICT policy agenda. For a long time, the issue of public procurement has not been high on the policy agenda at the national political and administrative level. With the European Directives on public procurement and a series of incidents related with national procurement procedures such as the fraudulent construction businesses, the Ministry of Economic Affairs feels obliged to undertake action to improve its public procurement policy (Visiedocument aanbesteden, 2004).

**Dominant perception to the relevant approaches**

The Netherlands has committed itself to the Manchester Ministerial Declaration (2005) which declares that “by 2010 all public administrations across Europe will have the capability of carrying out 100% of their procurement electronically, where legally permissible, thus creating a fairer and more transparent market for all companies independent of a company’s size or location within the single market”. This will be achieved by the focus on the streamlining legislation, stimulating the compliance with European legislation and the facilitation of the practice of procurement including the monitoring of the effects (Visiedocument aanbesteden, 2004).

**The Ministry of Internal Affairs and Kingdom Relations**

**Task and position**

The Ministry of Internal Affairs serves a minor complementary role in the Dutch eProcurement policy initiatives. Its main task is to prepare legislation and regulations to ensure an effective and efficient national public administration. Among others, the Ministry is responsible for (website Ministry of Internal Affairs, 2009):
• the coordination, supervision and policy implementation of eGovernment policy and EU related eGovernment activities;

• the promotion of the quality of the civil service and the coordination of management and personnel policy for all civil servants.

Interest

Since eProcurement is one of the highlighted high-impact services for citizens and businesses in the i2010 eGovernment Action Plan (2006) these European developments regarding eGovernment are of interest of the Ministry of Internal Affairs because this Ministry is responsible for the practical implementation and quality of the civil services and thus eGovernment solutions (website Ministry of Internal Affairs, 2009).

Dominant perception to the problem

With the eGovernment developments on European and national level, the Ministry of Internal Affairs has become aware of the possibilities of the usage of ICT solutions in order to create transparency, efficiency and reduce administrative burdens for citizens and businesses. The Ministry of Internal Affairs believes that contact or interaction by citizens, businesses and institutions with the government should always be possible whatever and whenever (website Ministry of Internal Affairs, 2009).

Dominant perception to the relevant approaches

On 18 April 2006, the Minister of administrative renewal and kingdom relations of the Ministry of Internal Affairs and the Presidents of the VNG (Association of Dutch Municipalities), IPO (which is the association of the twelve provinces of the Netherlands) and the UvW (Dutch Association of Regional Water Authorities) signed the intention declaration 'Better service, less administrative burdens with the electronic government’ (website e-Overheid, 2009). With this declaration the goal was set to improve services to citizens and to reduce the administrative burdens in the Netherlands. Furthermore in order to coordinate better services, the Ministry of Internal Affairs believes that it is necessary that building blocks are provided for the development of eGovernment systems within different governmental environments. In addition, the same cooperation of actors of the intention declaration started in 2008 the NUP programme (national programme of execution), which develops, facilitates, connects and controls the use of basic eGovernment provisions in the Netherlands (website Ministry of Internal Affairs, 2009).
### 6.3.2 National Level Instruments

Table 10. National Level Instruments

<table>
<thead>
<tr>
<th>Policy Instruments</th>
<th>Legal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Constituting/Directing aspect</strong></td>
<td>- Both Directives were literally translated from the Directives and transposed within the Dutch law as Royal Decision BOA and BASS</td>
</tr>
</tbody>
</table>
| **Individual/General aspect** | - Throughout the Decisions there are certain provisions which say something about the design and arrangement of electronic procurement in general.  
- The Decisions contain detailed provisions for the use of electronic means and cover the first or pre-contractual phases of the procurement process. Both Decisions contribute to the establishment of a legal framework for eProcurement solutions on every national level of government. Therefore they have a general aspect |
| **Limited/Broadening aspect** | - Since the Decisions do not directly refer to the punishment of behaviour if electronic means are not used, these legal instruments have a broadening aspect and stimulate the use of eProcurement solutions. |

### Legal Instruments

*Constituting/Directing aspect*

Table 10. provides an overview of the national level Instruments. Dutch public procurement is regulated by a framework law that constitutes the basis for existing and future European procurement legislation. EU Directives are indicated as mandatory in the legal text and thus the Dutch Law substantially coincides with the provisions of the Directives. Besides what is indicated by Community Law, general Dutch law principles apply. Both Directives 2004/18/EC and 2004/17/EC were implemented on the 6th of September 2005 and some minor amendments were further introduced in December” (Briefing Note DG Internal Policies, 2006). The executive measures regarding public procurement are laid down in two Royal Decisions in 2005, referred as ‘BAO’ (Dutch abbreviation for: ‘Besluit aanbestedingsregels voor overheidsopdrachten’) and ‘BASS’ (Dutch abbreviation for ‘Besluit aanbestedingen speciale sectoren’. These decisions entered into force on the first of December 2005. Both Directives were literally translated from the Directives and transposed within the Dutch law. They subscribe the purpose to prevent the emergence of legal barriers and to completion of the legal framework by adopting specific instruments. (Respondents: DG MARKT; Ministry of Economic Affairs; PIANOo; TenderNed, 2009).
Individual/General aspects

Throughout the Decisions there are certain provisions which say something about the design and arrangement of electronic procurement in general. A procurement procedure stops after the deal is closed. All initial procurement legislation is limited to the pre-contractual phase. The Decisions contain detailed provisions for the use of electronic means and thus only cover the first or pre-contractual phases of the procurement process. Both Decisions contribute to the establishment of a legal framework for eProcurement solutions on every national level of government. Therefore the legal instruments have a general aspect

Limited/Broadening aspects

Since the Decisions do not directly refer to the punishment of behaviour if electronic means are not used, these legal instruments have a broadening aspect and stimulate the use of eProcurement solutions.

6.3.3 National Level Resources

Table 11. National Level Resources

<table>
<thead>
<tr>
<th>Policy Resources</th>
<th>Professional Knowledge and skills</th>
<th>Information &amp; Communication Technologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>The limitation</td>
<td>- The TenderNed system has to comply with all procedures and legislation of the European public procurement Directives 2004/18/EC and 2004/17/EC which were transposed as the Royal Decisions BOA and BASS.</td>
<td></td>
</tr>
<tr>
<td>The indispensability</td>
<td>- NORA provides insights, good practices, information and coordinates cooperation about standards in order to develop and implement eGovernment solutions.</td>
<td>- TenderNed is a key instrument in meeting the European Commission’s objectives for eProcurement</td>
</tr>
<tr>
<td>The transferability</td>
<td>- PIANOo provides information and knowledge about public procurement to procurement professionals. By organising meetings, workshops and conferences about the practice of procurement PIANOo coordinates and monitors procurement developments</td>
<td>- The TenderNed system provides a functional platform to process information of the procurement process</td>
</tr>
</tbody>
</table>
**Professional Knowledge and skills**

Table 11. provides an overview of the national level Resources. There are three categories of professional knowledge and skills resources within the national administrations of the Netherlands. They can be distinguished by three characteristics, namely:

1. knowledge and skills dealing with guidance tools and services among professionals in public procurement;
2. knowledge and skills dealing with procurement among the ministerial departments in the Netherlands;
3. knowledge and skills dealing with standardisation and shared activities

Firstly, within the Dutch national administrations, the main power resource that provides professional knowledge and skills regarding public procurement and indirect eProcurement is: PIANOo, the national Public Procurement Expertise Centre. PIANOo’s main objective is to bring together experiences and knowledge in the field of public procurement. PIANOo offers a platform and brings together experiences and knowledge both physically (face to face, congresses and workshops) as virtually (internet, forum, service-desks) in the field of public procurement, for all contracting authorities to share problems encountered and to discuss applied solutions. For example local authorities, provinces, water boards, national government, but also universities and schools. PIANOo itself has no policy tasks, but instead is being directed at the practical side of public procurement. The Dutch Ministry of Economic Affairs is politically responsible for PIANOo. The mission of PIANOo is ‘to professionalise procurement services’. This mission is supported by research and methodologies and the usage of policy instruments like a project which is called; TenderNed, a national eProcurement system. This is an eProcurement system for services, supplies and works in the Netherlands (website PIANOo, 2008; interview respondent PIANOo, 2009; interview respondent TenderNed).

Secondly, the Central Control Office for Procurement. The head of office is the CPO (Chief Procurement Officer) who acts as an administrative and coordinating nodal point to the outside world and political parties, in order to boost the cooperation between the Dutch ministries regarding procurement procedures and policies. As PIANOo focuses more on spreading knowledge for all governments, the control office aims especially at the cooperation between the ministries (website digitaal bestuur, 2006). The Dutch Ministry of Internal Affairs is politically responsible for The Central Control Office for Procurement. Thirdly, the ICTU is a foundation that strives to better working government with the help of innovative usage of ICT solutions. Among others, the ICTU focuses on the eGovernment solutions in the Netherlands dealing with standardisation and shared activities. Its goal is to help governmental organisations with the introduction and implementation of ICT solutions (website ICTU, 2009).
**The transferability**

The transferability of these power resources is mainly based on the efforts of PIANOo to provide information and knowledge about public procurement to procurement professionals. By organising meetings, workshops and conferences about the practice of procurement PIANOo coordinates and monitors procurement developments. Furthermore it provides news, factsheets, columns and newsletters regarding this subject. With their website, PIANOo offers news and practical information, such as best practices, manuals, guidelines, regulations and links to other relevant organisations (website PIANOo 2008; interview respondent PIANOo, 2009).

**Indispensability**

One of the programs of ICTU is a knowledge centre that facilitates input within the eGovernment domain. This program is called the Nederlands Overheids Referentie Architectuur (NORA). It provides insights, good practices, information and coordinates cooperation between stakeholders who develop and implement eGovernment solutions. The focus of this program is on the management of architecture of standards and knowledge sharing regarding ICT standards. This creates a level of indispensability for the executors of eProcurement policy.

**Information and Communication Technologies**

Within the Netherlands, the most important ICT resource that is used for national eProcurement policy initiatives is TenderNed. As mentioned earlier, TenderNed is an initiative of the Dutch Ministry of Economic Affairs. The development and national launch of TenderNed is being coordinated by PIANOo. In theory, the website of TenderNed presents news and information and an overview of the latest contract notices. I use the words ‘in theory’ carefully, because the system is still under construction and will be ready in the beginning of 2010. TenderNed automatically publishes contract notices that exceed the EU threshold on Tenders Electronic Daily (TED) (website TenderNed, 2009; Interview Respondent TenderNed, 2009).

**Limitation**

The TenderNed system has to comply with all procedures and legislation of the European public procurement Directives 2004/18/EC and 2004/17/EC which were transposed as the Royal Decisions BOA and BASS.

**Indispensability**

TenderNed supports the government and business community in procurement processes for services, supplies and works. It is a key instrument in meeting the European Commission’s objectives for eProcurement.

**Transferability**

The TenderNed system provides a platform to process information of the procurement process. For example, contracting authorities can publish contract notices on TenderNed. Economic operators can respond by submitting a tender online.
6.3.4 National Level Styles

Table 12. National Level Styles

<table>
<thead>
<tr>
<th>Policy Styles</th>
<th>Anticipating/ Reactive</th>
<th>Consensual/ Imposing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Technocratic approach/diplomatic</strong></td>
<td>- Reactive: the diplomatic approach to the formulation of national orientated eProcurement preferences, need and objectives are based on the transposition of the European Directives 2004/18/EC and 2004/17/EC</td>
<td>- The Ministry of Economic Affairs imposed all its tasks regarding eProcurement policy initiatives on PIANOo</td>
</tr>
<tr>
<td>approach</td>
<td>- Regarding eProcurement, the use of policy instruments and resources are limited and focussed on legal aspects.</td>
<td></td>
</tr>
<tr>
<td><strong>Autonomy of the decision maker vis-à-vis other actors involved/decision makers impose their decisions to the executing actors</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Technocratic approach/diplomatic approach**

Table 12. provides an overview of the national level Styles. In the vision document on public procurement (2004), the Ministry of Economic Affairs responded to three reasons for new public procurement policy, namely the Dutch Cabinet’s reaction to the report that investigated the fraudulent construction business in the Netherlands, the wish to comply to the EU Directives on procurement and to the fact that there was insufficient legislation for tendering services in the Netherlands.

The objectives of new procurement policy in the Netherlands partly resembled with the European procurement policy objectives. First of all, there was no formulation of national orientated preferences and objectives, nor did the Ministry of Economic Affairs question the ‘eProcurement policy need’ within the Netherlands. It used European legislation as a panacea for the national policy, while interest, perception of the problem and approach between the actors on the European and national level differ. Secondly, based on the abovementioned national policy instruments, the efforts to develop, implement and invest in European eProcurement initiatives is limited and focussed only on legal instruments. The resources used focus primarily on public procurement and not eProcurement.
With the vision document (2004), the Ministry of Economic Affairs reacted to the societal problems, however deployed a diplomatic approach to the problem. It seems that eProcurement initiatives in the Netherlands have no priority (Interview Respondent Ministry of Economic Affairs, 2009; Interview Respondent TenderNed) Therefore I argue that the national policy style is reactive.

**Autonomy vis-à-vis Actors/Imposing actors**

Based on the policy instruments and the policy resources used by the Dutch national administrations, I believe that the policy style along the second dimension by Richardson et al. (1982) is imposing. The Ministry of Economic Affairs imposed all its tasks regarding eProcurement policy initiatives on PIANOo, which executes the knowledge management regarding procurement policy in general and the development of the TenderNed eProcurement system. The Ministry of Internal Affairs imposed all tasks regarding procurement within the ministerial environment on the Central Control Office for Procurement.
7. Analysis: Confronting the Policy Maps

7.1 Introduction
In this section, I will confront both policy maps and analyse whether there are similarities and differences (white spots) between both levels. The confrontation of the policy maps provides an answer to the fourth and the fifth sub-questions, namely: ‘what are the similarities and differences between the European level and Dutch national level policy maps’ and ‘what are the consequences of these similarities and differences between the European level and national level policies’?

7.2 From an Actor’s Interest to Approach: a Shift of Expectations
On the European level, three actors within the European Commission are involved in the eProcurement policy formulation process. Each actor has its own task and position and they work all three closely together. The primary EC interest which is ‘the engine’ behind the European eProcurement policy initiatives is ensuring the Single European Market. ICT solutions provide the tools to achieve this objective. In order to ensure the widespread usage of these solutions among Member States, it is in the interest of the Commission that they are benefitting citizens and businesses and comply with the Lisbon goals. Therefore technical, organisational and functional requirements are set and have to meet the specific condition of interoperability.

Three risks dominate the perception of the policy problems, namely market fragmentation, ICT fragmentation and non-interoperability. Therefore the Commission actively stimulates Member States to start reforming their public procurement process and offer them tools and information in order to coordinate eProcurement developments and to avoid the abovementioned risks.

On the Dutch level, two actors are involved in the eProcurement policy formulation process. The primary interest which is ‘the engine’ behind Dutch eProcurement is fighting fraud, reducing national administrative burdens and ensuring efficiency and transparency in the national public procurement process. It is in the interest of the national administrations that this is conforming the set of national norms regarding quality for the civil services. Since it is proved that national procurement policy is not adequate to streamline social problems regarding public procurement, improving the public procurement process is the Dutch dominant perception of the problem. In order to deal with this situation the dominant approach is to streamline legislation in compliance with European legislation and the facilitation of the practice of national procurement processes.

There are several similarities and differences between the actors involved. First of all, the number of European actors differs from the Dutch actors involved. This can be explained by the three interests on the European level. DG MARKT’s interest is closing the Single Market, DG INFSO’s interest is the adequate use of eGovernment solutions and DG DIGIT’s interest is the interoperability within Europe. On the Dutch level, the first two interests are similar with the Ministry of Economic Affairs and Internal Affairs, however the difference is that pan-European interoperability is not an interest that seems to exist on the Dutch national level and thus not directly associated with an actor within the national administration.
Secondly, there is a difference between the dominant perception on the European, and that on the Dutch level. On the European level, three risks dominate the perception to the problem that relate to closing the Single European Market. On the Dutch level the dominant perception of the problem is based on how to deal with European and national influences instead of finding a way to contribute to closing the European Single Market and benefitting from the provided tools and information. The consequence of both different perceptions of the problem lead to different dominant perceptions of the policy approach on the European level and the national level. The approaches of the EC are to stimulate the use and coordinating procurement procedures within Europe, with the emphasis on the benefits and possibilities originating from the use of eProcurement. This by actively emphasising on the implementation of eProcurement in Member States according to both Action Plans and facilitating technical standards, knowledge and information regarding the use and implementation of eProcurement solutions. On the Dutch level, the dominant approach primarily focuses on streamlining legislation and stimulating compliance with European legislation. The facilitation of the practice of public eProcurement including the monitoring of the effects together with the improvement of services to citizens in order to reduce the administrative burdens in the Netherlands play a minor secondary role.

**Summary:**

- The number of European actors (3) differs from the Dutch actors (2) involved in eProcurement policy initiatives.
- Two national interests are similar with the three European interests. The difference is that Pan-European interoperability is not an interest which can be identified on the Dutch national level.
- Both levels have different perceptions of the policy problem. A consequence is that both levels therefore have different dominant perceptions to the relevant approach dealing with eProcurement policy.

### 7.3 Taking the Tools and Instruments

On a European level I have identified three types of instruments that contribute to the European eProcurement policy initiatives, namely legal, economical and communicative instruments. On the Dutch national level I have identified one type of instrument that is related to eProcurement initiatives.

The European legal instruments provide the ‘hard law’ and the fundament on which further eProcurement policy initiatives can be built. The two Directives provide provisions on the usage of electronic procurement, but do not specify or oblige measurements. They can be considered as soft measurements, which do not have any legally binding force for the use of electronic means. One has to take into account that the provisions on electronic means play a small role in the overall purpose of the two Directives. Primarily the two Directives are issued for the coordination of public procurement procedures in Europe. By incorporating provisions on electronic means, the Commission tries to stimulate Member States to start reform their public procurement procedures to make them more
efficient, transparent and interoperable for European wide usage in order to close the European Single Market. The challenge that the usage of electronic means brings is the general migration form paper-based environment to an electronic one, and still provides the same guarantee to bidders. The change is not only quantitative, as in doing the process electronically, but also qualitative, as in demanding placed more on confidentiality and security.

On the national level, both Directives where transposed before their deadline in national legislation as two Royal Decisions. The two Decisions are the outcome of the literal translation of the two Directives. On the national level the Decisions primarily concern is to provide public procurement legislation in the Netherlands conform European legislation. At the national level, the provisions on the usage of electronic means are also considered as soft measurement. The Netherlands were forced to conform with certain laws and rules, prescribed norms and behaviours and rights and duties. The choice of a literal translation of the Directives into the Royal Decisions can be explained by one of the main interest of the Dutch national administrations, which is complying with European legislation. The direct transposition and translation in the Netherlands has its advantages and disadvantages. The advantages are the certainty that national legislation fully complies with European legislation. However, the disadvantage is that this approach rules out the inventory of national needs and the possibility to adjust legislation to those needs.

On both levels, the legal instruments have a similar directing character and try to influencing behaviour of stakeholders in such a way that they contribute to the preferred policy goals as for example using electronic means in the procurement process. The provisions in both Directives and Royal Decisions have a broadening aspect, since on both levels there is no reference to punishing behaviour if one does not use electronic means in its procurement process.

On the European level two economical instruments provide incentives and aim on changing the costs and wages that stakeholder make in order to develop, implement and use eProcurement solutions. The IDABC programme provides Member States among others funding for the implementation and operational management of the eProcurement Action Plan. The CIP programme of the Commission is devoted to research, helping with the implementation of solutions and is for example funding a large scale eProcurement project named PEPPOL which connects national systems in order to bid for public contracts in the whole of Europe. Both economical instruments on a European level are focused on providing economical incentives for Member States to work with the European eProcurement policy initiatives. There are no specific programmes for individual situations or Member States, and the programmes contribute to generic policy solutions regarding the usage of ICT in the procurement process. The programmes are mainly focused on the stimulation of behaviour of Member States and have therefore a broadening aspect.

On the Dutch national level, no indicators could be found of the use of economical instruments directly related to (European) eProcurement policy initiatives. I believe this choice is deliberate. A striking example of this situation is that the Netherlands does not participate in the PEPPOL project. This because of three reasons namely: firstly, the expectation that the influence of the Netherlands would not be substantial in the project. Secondly, the doubt of the feasibility of connecting the national TenderNed system to a pan-European system. Thirdly, the lack of input of available financial means and personnel (Memo PIANOo, 2008; interview respondents Ministry of Economic Affairs, 2009). An
explanation for not participating in the PEPPOL project can be found in the fact that the interest on the Dutch national level of administration is limited to implementing legislation, reducing fraud and administrative burdens and not pan-European cooperation which are the main objective of the PEPPOL project. Furthermore, the Netherlands considers dealing with legislation, fraudulent business and developing sufficient procurement policy as a problem. A pan-European system does not fit within the dominant perception of the relevant approaches of the Netherlands to deal with these problems.

There a big differences regarding the use of economical instruments on the European level and on the Dutch national level. On a European level several activities are deployed in order to change behaviour of Member States by incentives, to alter their preferences regarding the use of electronic means in their national procurement processes. According to my findings these differences can be explained by the interest and approaches to the problem by the different actors on both levels.

The European Commission repeatedly uses ‘soft law’ as communicative policy instruments. This in the form of quasi-legal instruments as for example guidelines, functional requirements, data models and communications. Besides the two Directives, the eProcurement Action Plan is the main communicative instrument that directs Member States to remove obstacles to cross-border eProcurement and stimulates efficiency and transparency in national procurement processes. It has a clear goal of serving the main thought behind the usage of eProcurement, namely closing the European Single Market. The i2010 eGovernment Action Plan serves as a complementary instrument and adds priority on the usage of eProcurement via eGovernment solutions for citizens and businesses. Key strategy of the communicative instruments is to provide as much information as possible in a transparent and open way, accessible to everyone.

On the Dutch national level there are no indications of the usage of communicative instruments regarding the use of eProcurement. There are no functional requirements, data models nor communications that are about the usage, development or implementation of eProcurement solutions in the Netherlands I believe this has two reasons. First of all, based on my research, I argue that there is a difference in perception in what the definition of eProcurement is on a European level and on a national level. On a European level, eProcurement is perceived as ICT applications that fulfil a role in every step of the whole procurement procedure. So from the pre-contractual phase to the post-contractual phase every phase is made electronically (see paragraph 3.2.1.). However, on the Dutch national level eProcurement is considered only as the usage of electronic means in the pre-contractual phase, which means placing an electronic announcement, providing an electronic platform to communicate and provide information electronically, doing a selection electronically, tendering electronically and doing an electronic allotment. Generally the discussions regarding this topic in Europe take the applications for eProcurement further than these steps. For instance by adding an electronic contract, electronic ordering and electronic invoicing to the process (interview respondent PIANOo, 2009). Second of all, the developments regarding public eProcurement are coordinated by the Ministry of Economic Affairs and are limited to eProcurement solutions for the central level of governments. Besides the Ministerial and provincial level, no private parties, suppliers and other stakeholders are involved. It is an autonomous project of PIANOo which does not require involvement of other parties and stakeholders.
The different perceptions of eProcurement and the autonomous position of the executing organisation of the Ministry of Economic Affairs do not require the use of communicative instruments. This approach differs from the European approach, which is focussed on a wide spread communication strategy. The result of the European communicative strategy is that it provides opportunities to acquire and share knowledge in order to define the adequate need. This is not the case in the Netherlands.

Summary:

- Both levels only have one type of instruments similar, namely the usage of legal instruments.
- On both levels the legal instruments provide similar provisions on the usage of electronic procurement, but do not specify or oblige measurements.
- On the European level two economical instruments provide incentives and aim on changing the costs. In the Netherlands none.
- The differences of using economical instruments can be explained by the interest and approaches to the problem by the different actors on both levels.
- The European Commission repeatedly uses ‘soft law’ as communicative policy instruments. This is a difference with the Netherlands who do not use communicative instruments regarding the use of eProcurement.
- An explanation for not using communicative instruments could be that on a European level, eProcurement is perceived as ICT applications that fulfil a role in every step of the whole procurement procedure. On the Dutch national level eProcurement is considered only as the usage of electronic means in the pre-contractual phase.

7.4 Supply to the Need: Resources Make Policy Happen

The European Commission has chosen for a broad spectrum of resources to support its eProcurement initiatives. I have distinguished three forms of resources, which all have their different characteristics that determine the level of power and influence it has on the policy initiatives. The three resources are financial, professional knowledge and skills and information and technology resources. There were no indications of the use of material resources on the European level. On the Dutch national level only two policy resources can be identified, namely professional knowledge and skills and information and communication technology resources. There were no indications of the usage of material and financial resources.

The financial resources on the European level execute their power based on the legal tasks and competences set in two Decisions. They provide financial means to invest in eProcurement solutions and can be for some Member States indispensible. The two programs have both a considerable budget, spread over a certain timeframe. After a period of time, the budget runs out, which creates a level of inexhaustibility for participating Member States and other stakeholders? Money is a financial mean
that can be easily transferred, however if one wants to use these resources they have to follow the strict rules and conditions. Based on the four identified characteristics of the financial resources, I believe that this is a very powerful resource at the European level, and is an essential part of the European eProcurement policy initiatives by the European Commission. This is a big difference with the Netherlands, were no indications of the usage of financial resources were found. I believe that by providing financial resources to Member States, the Commission uses its power to influence developments according to their will and policy objectives. By not choosing for using these kinds of resources, the Netherlands limits its power to influence national eProcurement developments.

The usage of professional knowledge and skills resources at the European level is considerable. Three categories of knowledge and skills resources contribute to the eProcurement policy initiatives dealing with the function and solutions, standards and international developments. This wide variety indicates that knowledge and skills play an important role within the European Commission. I believe that this can be explained by the fact that the Commission provides policy for 27 Member States, which all have their different preferences. In order to streamline consistent policy, which is applicable within Member States, one has to consider as much knowledge and skills available to achieve a generic operative policy that complies with the different European needs. As eProcurement is an ICT casus, the indispensability of knowledge and skills is mainly based on ICT related matters, such as standards, operational data and programmes. The advantage of this matter is that there are enough possibilities to facilitate and spread this knowledge and skills via a medium like the Internet. Combined with the aspect of information as a relatively easily transferable asset makes it an attractive resource to use. Based on the two characteristics that determine the power of this resource, I argue that the Commission tries to influence Member States to develop their eProcurement initiatives conform “European” standards and methods and therefore play an important role. However, based on two power characteristics, I believe that the Commission uses these power resources to encourage Member States, not to persuade them.

Within the Netherlands, there are also three categories of professional knowledge and skills that contribute to eProcurement policy initiatives. One characteristic is similar with a European one, namely professional knowledge and skills regarding standards and shared activities. The other two are different and deal with skills and knowledge for national public procurement professionals and within the ministerial environment. The main resource is the national Public Expertise Centre (PIANOo). As an organisation PIANOo fulfils a role as intermediary between European and national level eProcurement initiatives. First of all, the organisation obtained the responsibility by the Ministry of Economic Affairs for the development of TenderNed, the national eProcurement system in the Netherlands. The development started in 2005 and will be ready in the beginning of 2010 (website TenderNed, 2009). Initially the system was planned to be ready by the end of 200b, but due to technical and organisational issues this deadline was not met (Interview Respondent TenderNed, 2009; Respondent Ministry of Economic Affairs, 2009). As a system TenderNed was qualified to participate in the pan-European PEPPPOL project, but as mentioned earlier due to the unwillingness to finance and unavailable personnel, the choice was made not to participate. However, via PIANOo the Netherlands participates in the sounding board of the pilot project. “When the national system is fully ready and functional, than we can maybe reconsider if we want to participate in such a pan-European system” (Interview Respondent Ministry of Economic Affairs, 2009). Secondly, the eProcurement
developments are closely being followed by PIANOo. This by participating in workshops, conferences and working groups (Interview Respondent PIANOo, 2009). I argue that PIANOo is a major source of professional knowledge and skills regarding national and international eProcurement issues. However based on my analysis, I identified only one characteristic to determine the level of power of this resource, namely the transferability. PIANOo provides information and knowledge mainly about public procurement in general. The knowledge and skills aspects of eProcurement are limited to the TenderNed project. PIANOo is a relatively powerless resource which in my opinion only focuses on delivering these skills and knowledge to organisations in the public sector. I believe that with this strategy, they overlook the substantial amount of (private) stakeholders who want to participate in, develop and implement eProcurement solutions. The similarity with the European level is that on the national level professional skills and knowledge are made available by PIANOo, however the difference is that the European level resources focus on the broader aspects and needs of eProcurement. Instead this national resource focuses on general information on public procurement only within the private sector. Another professional knowledge and skills resource on the national level is the central control office for procurement headed by the national Chief Procurement Officer (CPO). No indications could be found of activities or projects regarding eProcurement, which means according theory that it does not have any power to influence national eProcurement policy initiatives. Seen in the light of the CPO function and the ambitions of the central control office for procurement, one could assume that this resource should deploy activities regarding eProcurement.

The ICT resources used by the Commission mainly serve the goal of collecting and spreading information and data for the development of eProcurement solutions. A sticking aspect of these resources is the accessibility. The power of these resources is based on the transferability and tenability. As seen on the European level, on the Dutch national level there are ICT resources that contribute to eProcurement initiatives. The Netherlands is developing a national eProcurement system that has the potential to serve the public sector in procurement procedures. The difference with the European level is that TenderNed is a worked out concept of ICT solutions that can be used. The main difference is that on European level ICT resources are focused on developing instead of the national level, were the focus is on functionality.

Summary:

- On both levels, there were no indications of the use of material resources. There is a difference in the amount of resources used on both levels. On both levels, there are indications of the usage of Professional Knowledge and Skills resources and ICT resources. The difference is that the Netherlands do not use financial resources.

- The European Financial Resources are an essential part of the European eProcurement policy initiatives by the European Commission and very powerful considered the four characteristics that determine the level of power.
7.5 Styling the Preferences

Both levels have different approaches in styling their policy preferences. From a historical point of view, the European Commission has always been occupied with economical policy and the goal of closing the European Single Market. In the 70’s and 80’s national public procurement became an obstacle for the European Single Market objectives. At the end of the 90’s ICT developments provided a solution to deal with these obstacles. These developments can be seen as an explanation for the anticipatory approach that the European Commission makes use of in styling the eProcurement policy preferences. In order to make these policy preferences work, the Commission seeks continuously the input and help of professionals among Member States that can provide knowledge and skills as an input to create generic applications and solutions for Member States. The course of history in the Netherlands is another story, which resulted in a different approach of styling their preferences. As one of the 27 Member States, the Netherlands faced the challenge of incorporating European eProcurement policy initiatives. This combined with the national acknowledgement that national public procurement policy in general was insufficient, the Netherlands developed a reactive policy style with an emphasis on transposing European legislation. Both approaches resulted in different styles of relationships with decision makers and executing organisations. At a European level resources are used to collect as much input for policy initiatives, in order to achieve a form a consensus among experts but also Member States. At the Netherlands however, the national administration imposes their policy on executing organisations that will have to find a way to shape the policy outcomes. The resources at the national level are therefore imposing policy measurements, rather than seeking consensus among stakeholders.

**Summary:**

- There are considerable differences in the policy styles on both levels.

- The Commission seeks continuously the input and help of professionals among member states that can provide knowledge and skills as an input to create generic applications and solutions for Member States.

- The Netherlands is focused on incorporating functional European eProcurement policy initiatives.

- On both levels there are different styles of relationships with decision makers and executing organisations.
7.6 A Matter of Goodness of Fit?

In this paragraph, I will determine the consequences of the similarities and differences. The analysis shows considerable white spots between the European and Dutch level. The policy confrontation reveals that there is a certain degree of adaptation of interests. Both levels have an institutional environment that have similar tasks and positions when it comes to eProcurement policy initiatives and deal with coordinating procurement policy and better services for businesses and citizens. This makes it plausible that these interests at the European level were easily transferred to the Dutch national level.

However, while two out of three interests are adapted at the Dutch national level, the third interest of interoperability proves to be a distinct white spot. Interoperability is on a European level considered as a significant interest that contributes to the fundament on which European eProcurement policy initiatives are built on. This assumption can be supported by the fact that this aspect within this policy area is specifically assigned to DG DIGIT. Since the empirical findings show that this interest is overlooked at the national level, I believe that this has a dominant effect on the adaptation of the perceptions of the problem and the relevant approaches towards eProcurement policy on the national level. The perception of the problems between the two levels shows that the Dutch adaptation is not only based on European interests, but also on the national procurement policy legacy. Nonetheless, I believe that by not considering the European interest of interoperability, there is a risk that this particular white spot can exert adaptational pressures on underlying national institutions, and challenges the national policy practices regarding eProcurement and interoperability in a European context.

**Consequence:**

- A risk of high adaptational pressures on national interoperability activities.

The confrontation of the policy instruments between both levels shows prominent white spots at the level of adaptation of instruments on the national level. While both levels make use of the same type of legal instruments, on the European level the Commission complements these instruments with a range of economical and communicative instruments. It seems that the Netherlands has limited itself by only using the legal instruments as a mean to comply with European legislation. The European possibilities for stimulating the usage of eProcurement initiatives, besides legislation, are not used at the Dutch national level. I believe that the explanation for this situation can be derived form the empirical indications of a misfit between the definition of eProcurement on a European level and the definition of this concept on the national level. As Europe defined eProcurement as the use of electronic means in the whole concept, the Dutch national administrations defined this process as the use of electronic means in the post-contractual phase of procurement. There are no indications that explain this choice by the Dutch national administration. This leaves questions open such as: is the Netherlands not capable of developing post-contractual applications, does the Dutch national administrations have not got the intentions to exploit the benefits of eProcurement solutions, or in what way does this choice stimulate the preferred objective of the cost reduction?
The empirical findings of the policy resources show that both levels attribute considerable professional knowledge and skills and ICT resources to eProcurement policy. However, after comparing both levels, there are differences between the used resources. First of all, there are white spots in the number of resources used. The confrontation shows that on the European level, three power resources are used, on the national level only two. Additionally, there are white spots in the degree of power that these power resources have. On the European level, the three identified power resources have eight characteristics of power and support the eProcurement policy initiatives, whereas on the national level two power resources are present with only five power characteristics. Taking this into account, I believe that there is a risk that at the Dutch national level, the usage of these resources can not fully contribute to the European and Dutch policy objectives, as they have limited power. Another white spot between both levels is that the European level resources seems to focus on development of policy and eProcurement applications, while on the national level the focus seems to be on the functionality eProcurement policy. Based on these findings I argue that there is a considerable degree of misfit between the resources.

Consequence:

- By limiting its definition of eProcurement as the usage of electronic means in the pre-contractual phase, there is the risk of high adaptational pressures on the way the Dutch national administration exploits the full potential of eProcurement as a solution for reducing the administrative burden and creating transparency.

- In the long term, there is the risk that the Netherlands will fall behind with its eProcurement solutions in respect to other Member States who use the European definition of electronic means in the pre and post contractual phase. This can create high adaptational pressures on the European economic potential of using eProcurement solutions in the Netherlands.

The strongest indications of white spots are based on the confrontation between the policy styles. Europe, in the role as ‘policy sender’, maintains an anticipatory policy style with an emphasis on seeking consensus. While the Netherlands, as ‘policy receiver’, seems to maintain a reactive style and implements only the measurements necessary in order to comply to their legal obligations as a Member State. The result is a situation whereby there is a risk that the European technocratic approach is in conflict with the Dutch national diplomatic approach. My findings show that the Netherlands only

Consequence:

- There is a risk of high adaptational pressures on the national power resources who limit their actions and solutions to national functionality issues, instead of European developments.
react by imposing the necessary policy initiatives on executing organisations. I believe that this will lead to a situation whereby national needs will be overlooked.

**Consequence:**

- By only imposing European policy eProcurement initiatives on executing organisations, the Dutch national administration overlooks their national need which creates adaptational pressures on executing organisations.

Overall, I believe that the six consequences of the white spots can be perceived as policy misfits between the European level and national level. They give an indication of the poor goodness of fit of eProcurement policy between both levels. Based on my findings, I believe that the Dutch national administrations have difficulties in modelling their eProcurement policy to EU policy. By not fully adapting European eProcurement policy initiatives, it seems that there is a considerable amount of resistance to these initiatives, resulting into inertia in the Netherlands. The biggest consequence is that these misfits can lead to a lack of change.

**Consequence:**

- There is a high risk that the identified white spots (i.e. misfits) lead to a lack of change in the Netherlands.

However, this situation can only occur when other Member States adapt European eProcurement solutions according to the ‘European model’. This research limits itself by only looking at the extent of Dutch adaptation to eProcurement solutions. It would be interesting to see how other Member States have adapted themselves to European eProcurement policy initiatives in order fully understand and oversee the extents of adaptation by the Dutch national administrations. This would be an interesting starting point for further research.
8. Conclusion and Recommendations

The problem analysis of this thesis shows that there is a ‘European concern’ that the inappropriate introduction of eProcurement policy in Member States carries high risks of market fragmentation among Member States. This notion, together with a personal fascination—the will to complete my Master programme and to contribute to the academic field of EU policy implementation—has lead to this research. In order to answer the main research question ‘to what extents have the Dutch national administrations adapted themselves to the European Commission’s eProcurement policy initiatives?’, I have formulated five sub-questions.

My Findings in Answering the Research Questions

The first sub-question was: ‘what is eProcurement’? Based on my literature review, the usage of eProcurement solutions in the public sector can be defined as (a) the whole process and (b) different functionalities of electronic purchasing of goods and services within the public-private and public-public sectors, by public institutions or governmental organisations, in order to equip itself and fulfil its economic, legal, political and social mission.

The second sub-question was: ‘what is the eProcurement policy map of the European Commission in terms of actors, instruments, resources and styles’? The eProcurement policy map consists of four variables and is described as the actors involved, the policy instruments used, the policy resources at hand and the policy styles utilized. At the European level, I have identified three actors. They all have different tasks and positions that lead to the European interest of facilitating eProcurement policy among Member States. These three interests combined form the fundament of the unambiguous European eProcurement policy initiatives. Three types of policy instruments, namely legal, economical and communicative instruments, are used by the European Commission. All three instruments have directing aspects, which means that these instruments provide guidance for Member States in order to choose, reform, develop or implement eProcurement solutions. The choice of how to shape national policy is left to the Member States, therefore the instruments have general aspects that focus on development of national solutions, instead of the specific functionality of national solutions. No instruments on the European level limit Member States in their choices by punishing unwanted behaviour, for example, by means of financial sanctions. Instead, the Commission stimulates Member States in thinking together with European policy makers in numerous ways, for example, by providing a platform for discussion. Therefore, the instruments have a broadening aspect.

The European Commission has three resources which it can utilize in order to supply what is needed to facilitate policy implementation among Member States, namely financial, professional knowledge and skills and ICT resources. The number of power characteristics determines the impact on the supply for eProcurement policy. My analysis shows that the financial resource is the most powerful resource of the European Commission to influence the choices that Member States can make. Resources in professional knowledge and skills play an important role in the facilitation of IT standards and functional requirements for Member States. However, the level of power is based on two characteristics. The ICT resources play an important role as supportive resources for developing and
implementing eProcurement solutions. These resources also have two power characteristics, which mainly influence technical aspects of national solutions. The European policy style can be described as technocratic and anticipated on societal issues within the European Union. The European Commission is constantly seeking consensus among actors and stakeholders according to their competences established in the international treaties.

The third sub-question was: ‘what is the eProcurement policy map of the Dutch national administrations in terms of actors, instruments, resources and styles’? The Dutch eProcurement map also consists of four variables and can be described as the actors involved, the policy instruments used, the policy resources at hand and the policy styles utilized.

At Dutch national level two actors can be identified. They have different tasks and positions which lead to the Dutch national interest in deploying eProcurement policy initiatives. These two interests provide basic principles for national eProcurement policy. One type of policy instrument is used by Dutch national administrations, which are the usage of legal instruments. The legal instruments have a directing aspect: it provides guidance for actors and stakeholders within the Netherlands. There are no indications for specific guidance within the Netherlands, which means, the legal instruments have a general aspect. They do not refer in any case to the punishment of behaviour if one does not comply to legislation, which leads to the conclusion that these legal instruments have a broadening aspect.

Two types of policy resources --professional knowledge and skills and ICT resources-- were identified at the Dutch national level. Resources in professional knowledge and skills play an important role in the facilitation of knowledge about eProcurement among professionals and the ministerial environment, as well as in the establishment and adoption of standards at the national level. The ICT resources play an important role in the development of a national functional eProcurement system. The professional knowledge resource has two characteristics that determine its power. The ICT resource has three characteristics and is the most powerful policy resource in the Netherlands.

Within the Netherlands, there is a reactive approach to eProcurement developments. Mostly the reaction is based on the influence and input that comes from the European level. Within this context, the Netherlands has developed a diplomatic approach towards eProcurement policy. The Netherlands implements policy by imposing tasks to different organisations of execution which leads to an imposing policy style.

The fourth sub-question was: ‘what are the similarities and differences between the European level and Dutch national level policy maps’? The comparison shows similarities and differences between the European and national policy map. There is a difference between the number of actors involved on the two levels. As three actors represent an interest at the European level, only two actors at Dutch national level represent an interest. I conclude, based on this specific difference, that the important interest of interoperability at the European level is not considered within the Dutch national scale? This difference in interests has its impact on the dominant perception of the problem and the approaches, which differ considerably on both levels. Both levels have only one type of instruments in common, namely the usage of legal instruments. On both levels the legal instruments have the same indicators of directing, general and broadening aspects. On both levels there was no indication of the usage of material resources. The two levels have similar usage of resources in professional knowledge
and skills and ICT resources. The difference lies in the focus of these resources. As the European Commission has determined that their financial resources is an important resource to influence behaviour of Member States, the Netherlands has not felt the necessity to use these resources, nor has it made these kind of resources available on a national scale. Policy styles are different and can even be considered as opposite styles. The Commission uses an anticipatory approach in determining eProcurement policy, while the Netherlands uses a reactive approach. The Commission is continuously looking for consensus among actors and stakeholders; the national administration of the Netherlands imposes its policy without consensus on executing organisations.

The fifth sub-question was: 'what are the consequences of these similarities and differences between the European and Dutch national level policy maps'? I conclude that the comparison between both policy maps shows a considerable amount of white spots which can be perceived as misfit indicators for the goodness of fit between both policy maps. Based on my empirical research, I believe that there is a situation of policy misfit in which the Netherlands finds it difficult to make policy choices and to model their eProcurement policy to the European model. Theoretically, I argue that within the Netherlands the consequence of these differences has led to the situation of inertia. This means that there is a risk that the Netherlands will create a policy framework that is bound to fail within the European policy framework, especially when it comes to interoperability. However this can only occur when all Member States work according the European eProcurement model.

The main conclusion that can be drawn from this research is that the extents of adaptation by the Dutch national administrations to the European Commission’s eProcurement policy initiatives is limited to corresponding interests on both levels of reducing the administrative burdens and create transparency in the procurement process. Based on my empirical analysis there are several white spots or policy misfits between the two levels, which supports my argument that the Netherlands clearly has only chosen to work with the obliged measurements like legal instruments, but has limited itself towards different solutions such as economic or communicative instruments, the participation in European pilot projects and other resources to make the EC’s eProcurement policy happen. It seems that the Netherlands has done well in the legal implementation of European eProcurement initiatives, but struggles with the practical implementation. As empirical national findings refer to the fact that the priority of eProcurement solutions in the Netherlands are very low, these are in strong contrast with national empirical findings which provide arguments for the need of a functional national eProcurement system that meets the markets need and the goal of closing the European Single Market.

**Academic Contributions**

First of all, this analysis provides a satisfying answer to my personal question of what choices the Netherlands had made regarding European eProcurement initiatives, and which policies were implemented. Secondly, the results of this research analysis provide a comprehensive image of the process of adaptation of public policy from a European level to a national level. I believe it meets the question posed by Verluis (2007) as an example of street-level implementation of EU policy, which provides insights of what is in the ‘black box’. The result is the identification of several white spots between the European level and Dutch national level. Thirdly, for this research I have used the theory of Europeanisation in order to analyse the process of adaptation of European public policy in Member States. Europeanisation can affect policy, polity and politics. By using a top-down approach I have
considered Europeanisation as the central penetration of national systems of governance i.e. public policy. The usage of the definition of Featherstone and Readelli (2003) lead me to the conclusion that it is too broadly formulated and needs more specification in order to be applied empirically. The definition is in my opinion not useful as such. By adding the political approach chosen out of the four approaches described by Bekkers (2007) to analyse public policy, I have tried to give the definition more practical direction to the concept of Europeanisation. This research does not give an answer to the question whether the Dutch eProcurement policy has been ‘Europeanised’. In order to answer this question one has to consider the institutional goodness of fit to. Therefore, I believe that this research provides a good reason to research the goodness of institutional fit, in order to determine to what extents the institutional environment of the Dutch national administrations have adapted EC’s eProcurement initiatives.

My Recommendations

- While the Netherlands, and the rest of the European continent, is heavily influenced by the economic crisis, I believe that eProcurement within the Netherlands provides a prefect opportunity to start making major cost reductions by using electronic means in the procurement process;

- In order to start developing efficient eProcurement solutions I would advice the Dutch national administrations to make a need analysis that provides arguments to create a sufficient policy map that serves public as well as private stakeholder;

- In order to compete within the European and even the global market, I would recommend the Dutch national administration to reconsider their definition of eProcurement, and to seek connections with the European one and make a shift to working towards a European interoperable system.

Limits and Reflection

There are some limitations to this research. Firstly it can be argued that the selection of primary data can reflect an unknown bias of the author. Also the secondary data resource of semi-structured interviews can be biased by inter-cultural differences. At the European level there are multiple cultures that can be more resistant in providing accurate information than the Dutch culture that tends to be more direct. Secondly, the political approach used gives an indication of the support of interested parties who play a part in the development and execution of public policy. The main logic of my interpretation is based on the power of interest that determines the extent of adaption. It would be interesting for further research to see whether the same research scheme (see sub-paragraph 4.4.2.), using for instance the cultural approach, would provide the same type of differences and similarities and see what the outcome would be if the dominant mechanism of explanation would be based on for example communication of policy. Furthermore, in this research the question remains unanswered whether the national developments are induced by European developments, or were they already present while Europe was starting to diffuse their policy preferences. Nevertheless, I believe that my findings provide arguments for further research.
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Appendices

Appendix I: Further Conceptualisations

h. **Similarities**
In this research the meaning of the concept of ‘similarities’ is that the context mentioned has the same kind of nature, shape or content.

i. **Differences**
In this research the meaning of the concept of ‘differences’ is that the context mentioned has a degree of unlikeness in the nature, shape or content

j. **European level**
With the concept ‘European level’ I refer to the social, moral and intellectual standards and goals which are developed, incorporated and accustomed within the European institutional environment.

k. **National level**
With the concept ‘national level’ I refer to the social, moral and intellectual standards and goals which are developed, incorporated and accustomed within the national institutional environment in the Netherlands.

l. **Consequences**
With the concept ‘consequences’ I refer to that which follows from any cause, situation or condition in this research.

m. **Extent**
This concept refers according the Oxford Dictionary (1988) to the space covered, width of application and scope. In this research the concept refers to the width of application of the adaptation to European Commission’s eProcurement initiatives. Based on this width of application I can formulate arguments whether the Netherlands meets European eProcurement policy preferences or not. This enables me to make a case what consequences are.

n. **The Dutch National Administration**
The concept of ‘Dutch national administrations’ consist of public departments and agencies at the national level of government, which perform tasks to enhance civil society and provide an effective public service within the borders of the Kingdom of the Netherlands.

o. **Adaptation**
The term ‘adaptation’ originates form the word ‘adapt’ and has according the Oxford Dictionary (1988) different connotations, namely: fit, adjust; make suitable; modify and alter. In this research adaptation refers to the fit between the processes of (a) construction (b) diffusion and (c) institutionalisation of formal and informal rules, procedures, policy paradigms, styles, ‘ways of doing things’, and shared beliefs and norms which are first defined and consolidated in the EU policy process on the one hand, and the incorporation in the logic of national policies on the other.
p. The European Commission

‘The European Commission’ was designated as both secretariat and pro-executive in the EU institutional system. The Commission is chaired by a President, chosen with other colleagues, historically by ‘common accord’ in the Council, under the Treaty of Nice (ToN, 2004) by qualified majority vote (QMV), with five other commissioners as vice presidents, each responsible for a strategic policy area. The Commission is as an institution organized into Directorates-General (DGs) named of each main area of policy activity. The staff of the DGs makes up the European civil service, recruited mostly in competitions across Member States, and supplemented by second national experts and temporary staff. One DG leads on each policy topics, but most policy issues require coordination between several DGs, sometimes master-minded by the Secretariat-General under the power of Secretary-General (SG). The power of the Commission varies a good deal between policy domains. The way that the Commission operates has different aspects (Wallace et al., 2005, p52-53).

“In competition policy it operates many of the rules directly; in many domains it drafts the proposals for legislation, which than have to be approved by the Council and the EP; it defines in consultation with the other member governments, the way in which spending programmes operate; it monitors national implementation of EU rules and programmes; in external economic relations it generally negotiates on behalf of the EU with third countries or in multilateral negotiations; in some areas one of its key functions is to develop cross-EU expertise, on the basis of which national policies can be compared and coordinated; and in yet other areas the Commission is a more passive observer of cooperation among member governments” (Wallace et al., 2005, p53).

In this research I consider the ‘European Commission’ mainly as a supranational institution which drafts legislation and monitors the national implementation of EU rules and programmes. Specifically in the field of eProcurement and eGovernment, the Commission develops cross-EU expertise, on the basis of which national policies can be compared and coordinated.
Appendix II: Flowchart Variables

Variable: European Actors  
Variable: European Instruments  
Variable: European Resources  
Variable: European Styles

Variable: National Actors  
Variable: National Instruments  
Variable: National Resources  
Variable: National Styles

White spots  
White spots  
White spots  
White spots

Goodness of fit  
i.e. the degree of pressures

Low  
High

The extent of adaption
## Appendix III: List with Respondents Interviews

The full manuscripts of the interviews are available. Please send your request to: t.j.vanoortmerssen@gmail.com

<table>
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<th>#</th>
<th>Date</th>
<th>Name</th>
<th>Organisation</th>
<th>Function</th>
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<tbody>
<tr>
<td>1</td>
<td>02-07-09</td>
<td>Mr. Henk Wijnen</td>
<td>PIANOo</td>
<td>Project Manager</td>
</tr>
<tr>
<td>2</td>
<td>09-07-09</td>
<td>Mr. Leo Baaijen</td>
<td>TenderNed</td>
<td>Legal Advisor</td>
</tr>
<tr>
<td>3</td>
<td>20-07-09</td>
<td>Mr. Ger van der Wal</td>
<td>ProRail</td>
<td>Manager Procurement</td>
</tr>
<tr>
<td>4</td>
<td>21-07-09</td>
<td>Mrs. Aimee Verhulsdonck</td>
<td>Ministry of Economic Affairs</td>
<td>Senior Policy Advisor Procurement</td>
</tr>
<tr>
<td>5</td>
<td>21-07-09</td>
<td>Mrs. Maaike Danen</td>
<td>Ministry of Economic Affairs</td>
<td>Senior Policy Advisor Procurement</td>
</tr>
<tr>
<td>6</td>
<td>29-07-09</td>
<td>Mrs. Julia Ferger</td>
<td>European Commission DG Internal Market and Services</td>
<td>Commission Official Public Procurement, responsible for the eProcurement dossier</td>
</tr>
<tr>
<td>7</td>
<td>04-08-09</td>
<td>Mr. Ward Möhlmann</td>
<td>European Commission DG Internal Market and Services</td>
<td>Case handler Netherlands and Belgium at the Unit C1 Formulation and Enforcement of Public Procurement Law I; International Dimension</td>
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