



Unice, September 30th, 2004

Workshop II

Central purchasing and framework agreements

Grete Faremo, LCA Northern Europe

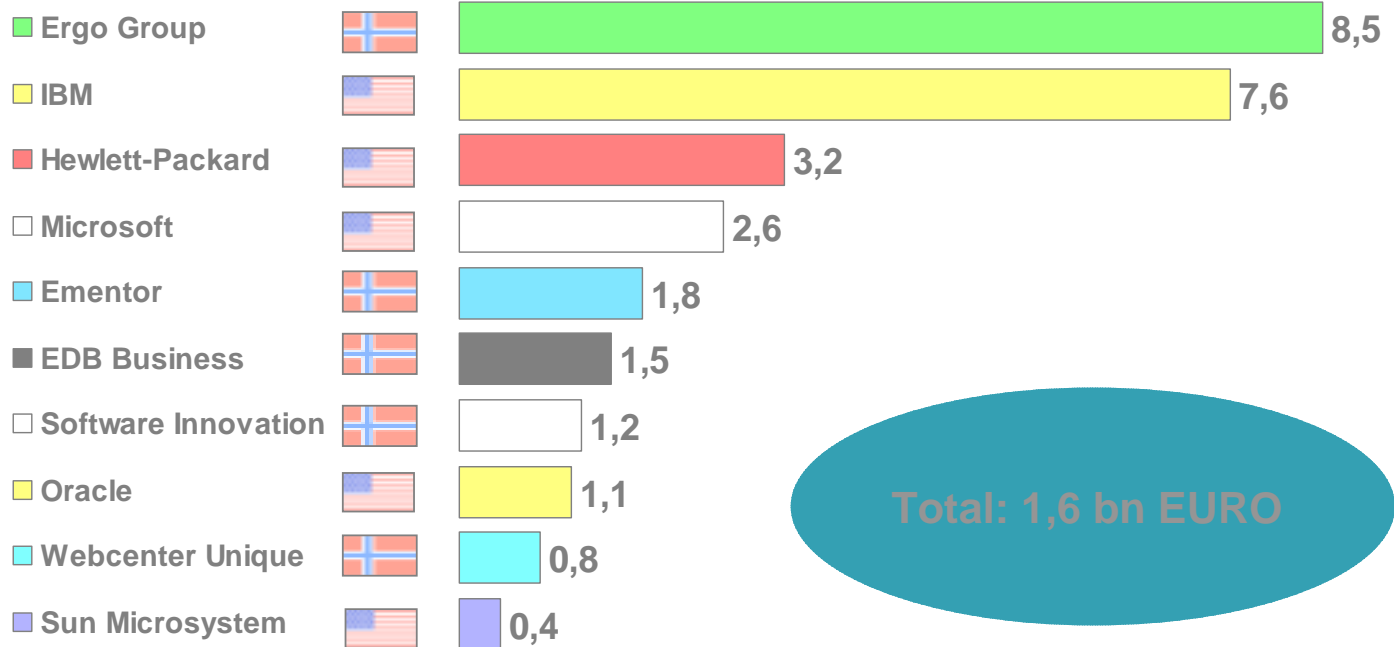
Microsoft Norway AS



Perspective: Competition with framework agreement

1

Competition - Public IT Budget market shares (%) in 2002:



Microsoft Norway 2003: Sources: "IT i Staten" 1999, suppliers, Annual Reports, Finnish Ministry of Finance (estimated 1:3 relationship between software and hardware). Salaries and social costs in public procurement organisations not included.



Norway:

Two challenges in public IT procurement

1

Competition with **more local choice** requires local procurement **competence**. This calls for a competent, national advisory office servicing local procurement.

2

Competition with **more local suppliers** requires communication between present and future IT solutions (**interoperability**)



Norway : No blueprint model of advisory service

1

In 2002, the Norwegian government, abandoned its national *Select* purchasing framework agreements, to boost competition.

However:



- In 2002 the Government proposed centralization of public health procurement, and set up national procurement company to facilitate procurement choice of the 5 Health Regions.



- In 2003, Norwegian Ass'n of Local and Regional Authorities (KS) signed national *Select* IT framework agreements.



- Government encourages regional framework coordination in local development of public broadband, telecom and IT.



- In 2004, *Asplan Viak* evaluated that EU Directives bring new clarity and might revitalize framework agreements in Norway.



Interoperability with maximum local choice

2

The Norwegian Government has a strong focus on competition

- Fair competition requires procurement neutrality
- IT standardization still some way ahead