

China to Make Contract Listings Available Online

by Danielle Belopotosky
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In a move that aims to make government procurement more transparent, China earlier this month started publishing its government contract opportunities online.

Through the Development Gateway Foundation's Web site, [dgMarket](#), government bodies and development banks can post procurement opportunities. The foundation, which was created in 2001, lists opportunities in 150 countries. A local, Chinese-language version called Toubiao, which means "tenders," will be launched in June.

The "last frontier of trade liberalization is in government procurement," said Gerhard Pohl, director of operations at Development Gateway. The online tool helps create a more open, less corrupt procurement process for government, he said.

The foundation has partnered with China's Internet Information Center and Chinabidding, the official provider of government tenders, to populate the site with business opportunities.

Pohl said they expect to publish more than \$20 billion of business opportunities in China this year. But according to China's state-owned media, Xinhua, "tenders selected for publishing will be open for international bidding and, generally, will be worth \$50,000 or higher."

In addition, the site allows Chinese businesses to seek procurement opportunities from abroad. Users can request free, customized e-mails based on industry interests. More than 25,000 supplier profiles have been created to receive the e-mail alerts, Pohl said, and they are adding more than 600 per month.

Pohl said China has made some progress with its procurement reform. In 2003, it enacted a law that requires state governments to publish procurement information, including policies and tendering invitations, in the newspaper. The rules now stipulate offers may be placed online.

The rules apply "mostly" to state budget offices, but the central budget office is headed that way, he added.

During the 17th meeting of the [U.S.-China Joint Commission on Commerce and Trade](#) last week in Washington, China announced that it would begin formal negotiations to join the World Trade Organization [Government Procurement Agreement](#) by the end of 2007. China made a similar proclamation during the 2005 meeting.

In its annual report to Congress, the U.S. trade office identified Chinese procurement policies as a barrier to trade, and pending legislation is aimed at monitoring China's trade

policies, including government software procurement.

As China's procurement law evolves, Pohl said he expects to see more opportunities posted online. China said last year it would expand its procurement system to include all government bodies and institutions. In 2005, it planned to increase government procurement to \$30 billion, up from \$24 billion in 2004.

Today, China's "market is significant; tomorrow it will be huge," he said.

In all, bidders have access to more than \$500 billion worth of tenders via dgMarket each year, of which more than \$30 billion is in developing countries, said Mark Fleeton, the foundation's CEO. Putting procurement opportunities online can save costs, he said.

The site can be locally branded. It currently is available in 17 languages.

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