

# **EU-Asia Link research project: Inter-university Network for Teaching & Research in Public Procurement Regulation**

## **1. Introduction**

This research project will establish an EU-Asia inter-university network for teaching and research in public procurement regulation, which is in an embryonic stage or non-existent in the Asian developing countries, through human resource development, curriculum development and institutional development.

The project consists of the University of Nottingham in the UK and the Copenhagen Business School in Denmark, the Central University of Finance and Economics (CUFE), Xinjiang University in China and the University of Malaya.

The project activities have been carefully designed to create the project network, taking into consideration the priorities of the Asia-link programme. These cover all three activity areas:

**Curriculum Development:** This involves developing an innovative postgraduate curriculum in public procurement for the Asian partners, as well as enhanced curricula in Europe, all including both an EU and Asian dimension, and covering both trade and good governance aspects. The project includes translating texts and legislation/policy documents, to be used in the new curriculum, for research and for disseminating information; and also creating entirely new texts for these purposes.

**Human Resource Development:** This includes joint seminars on legal methodology for procurement research; workshops on supervising Ph.D. students and on curriculum development; and staff and student exchanges.

**Institutional and Systems Development:** This involves training on operating and funding research centres, conference organisation, and creating journals on public procurement in Asia; creating an extensive bibliography; developing a website; and establishing a permanent network of scholars (PLAN) reaching to all Asian developing countries and beyond.

3 years after the initiation of the project, there will be in place:

- a network of well-established public procurement teaching and research centres, with well-trained staff, a coherent university curriculum, and adequate institutional management; plus a corpus of trained staff and a postgraduate curriculum even in institutions that currently have no capacity at all in this area
- channels to disseminate output: a permanent scholars network (PLAN), a website, publications and conferences
- capability to sustain and develop the centres and network, including by engaging international, regional and national institutions and the business community as supporting partners
- an infrastructure to build similar and develop similar capacity in other countries, including through the permanent and wide-ranging “PLAN” network, and protocols and concrete materials (such as texts and model curricula) for easy transfer of the project experience, especially across Asia

The enhanced academic capacity in Asian as well as EU universities will ultimately benefit legislators, policy makers, trade negotiators, the judiciary and practitioners in both regions.

The network between EU and Asian universities, and consequent development of academic capacity to input into procurement policy and practice, is directly relevant to the needs for the following:

a. A sound domestic regulatory framework, and its proper implementation by purchasers etc, needed to: avoid wasting resources; ensure high-quality infrastructure; secure adequate public services in areas such as health, utilities and sanitation; and fight corruption. Effective procurement regulation is also needed in Asia to: integrate environmental policies into procurement; facilitate development of competitive markets (particularly important for transition economies); to promote electronic commerce; and to achieve equity between citizens (race, gender etc). Although China has a basic legal framework on procurement, it is embryonic, certain provisions are insufficient or inconsistent, and implementation is deficient; whilst Malaysia currently has no legal regime and regulates only through informal, non-transparent mechanisms.

b. Effective participation in international trade agreements in public procurement, including an effective EU-Asia trade dialogue, needed because opening up public procurement markets to foreign competition under trade agreements, if done in an appropriate way, benefits the “opening” state by increasing competition and providing its citizens with access to cheaper and better quality goods and services, as well as giving its own industries access to foreign markets. Asian countries have much to gain in this way. Opening markets will also benefit European industry which is, in particular, interested in supplying the enormous Chinese government market. Currently markets are largely closed and neither China nor Malaysia has significant trade agreements on procurement

## **2. EU trade relevance**

The difficulties for EU suppliers in selling to the Chinese government was highlighted by the EU Trade Commissioner in a speech at Renmin University in June 2006. China is committed to starting negotiations in 2007 for joining the WTO Government Procurement Agreement, and, if these succeed, will promise to open up major government contracts to EU firms. However, the success of the negotiations and – equally important - the ability of the Chinese government to implement any commitments, depends on China’s capacity to put in place and apply suitable procurement laws.

The project will create a sustainable pool of expertise on procurement regulation in Asia and enhance this in Europe. This will provide a multilevel training, research and dissemination infrastructure in which the primary target groups of academic staff and postgraduates act as disseminators to the broader group of the government procurement community: this community will participate through conferences, as readers of the journals and other publications, and from direct academic input into policy-making. Final beneficiaries thus include policy makers, procurement officers, lawyers, the judiciary and the public. Networking with EU partners will enable the Asian Universities to provide this input by developing: adequate human resources (knowledge and skills, based on global/EU and standards), and an institutional framework and curriculum to sustain the benefits and disseminate them to other countries

## **3. Objectives**

The specific objective of the project is to establish an EU-Asia inter-university network for teaching and research in public procurement. This proposal directly addresses issues in all three activity

areas of curriculum development, human resource development and institutions/systems development and specifically provides the following:

- upgraded and enhanced skills and mobility for postgraduates, teaching staff and higher-education administrators through in-country and overseas training and facilitation of mutual recognition of postgraduate level training;
- promotion and exchange of experience and encouragement of mutual knowledge;
- increased availability of information about the EU higher education system in the participating Asian countries;
- enhanced awareness of opportunities and development of links leading to economic co-operation.

The consortium represents the minimum critical mass and breadth of expertise necessary to achieve the project's objectives. In Asia it includes one Chinese university with existing capacity but no infrastructure to ensure sustainability, and one in an underdeveloped region of China and one in Malaysia, which have no direct expertise (as is typical in Asia), but a willingness to develop it. Consultations with least developed countries revealed that institutions there do not yet have the human resources or institutional frameworks to develop sustainable activities in this field in the short term; but institutions that appreciate the developing importance of the subject have joined as associates.