

## Comments on SOA-QPS Consultation Paper – Nov 2007

### Categorization of Services and Suppliers

There is a need to define a more clear criteria in using the 'minor' and 'major' category, as some B/Ds might be using "mission critical" as a reason to issue a rather small value (e.g. few hundred thousand dollars) brief, in which it amounts to the cost of our resources just to respond to the brief.

The criteria should be based on the value of the brief, as 'mission critical' can be used widely.

### Participation by Suppliers

It is currently a mandatory requirement for contractors to respond to the briefs. A suggestion is to issue a RFI and see which contractors responded; the ones responded to the RFI are then qualify to respond to the brief.

By doing so, it will serve the purpose of getting minimum number of bids for the Government and also provide a choice to the vendors to respond. If we do not respond to a brief currently, our quality marks will be affected.

Also, for vendors to respond to each and every brief is prohibitively expensive; there's cost on resources and the admin cost could also get high. The industry itself cannot really afford to do this type of exercise.

### Selection of Contractors & Quality Consideration

Issues with prices, while OGCIO use the 70% - 30%, quality vs. price for the stage 1 evaluation of QPS vendors, at the end (stage 2) it is price that rules the whole deal.

A suggestion is for OGCIO to carry out a survey on how those projects are being delivered, how many of them are considered satisfactory or just average etc.

Since there are still many B/Ds, not using the QPS to issue their below 1.3m requests, there could be a satisfactory issue on the projects delivered.

### Sub-contracting

Subcontractors, while it is a great idea from OGCIO to further improve the SME IT industry in HK, there is a need to make a clear categorisation of jobs. By emphasizing on larger companies to take on smaller companies as their sub-contractors might not be a favourable situation sometimes. In particular, where there is large price competition, it might bring a negative impact to the smaller companies.

### Timing for Proposal Submission

Some tenders are very specific in nature (e.g. Lotus Notes upgrade). However, there would be briefs from several B/Ds at the similar time frame, the relevant resources would very likely be similar, therefore it would require the similar group of resources to cater such projects. It would be more effective if the invitations are issued in a more space out manner.

Clarifications - the clarification on submitted proposals sometimes only gives the contractor one business day or even less to respond after it has been issued. A minimum response time frame should be set up for clarifications as well, just as in responding to a brief where there is a preparation time of 10 to 15 business days.

### Payment Services

Many tenders have only one payment milestone that is at the end of the project. Stage payment is preferred, as some project duration tends to be prolonged at times, stage payments would enable a more effective project control.

There should also be 'exceptional case handling' in the payment structure. Sometimes there are factors that are completely outside the control of the contractor and could delay the acceptance of a deliverable and thus, the payment milestone. For example, a delay on hardware delivery - without the required hardware, the contractor just cannot perform the required tasks.

### Others

Intellectual Property Rights - as some B/Ds are developing similar solution, it is a good idea and there's really such a need to provide the vendors with a way to share and leverage existing/similar details. Overall, this is beneficial to the Government due to lower cost.