

Government urged to regulate its software-buying practices

Louis Jonker

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The Dutch IT organization *Nederland~ICT* has urged the government to introduce new tendering legislation and greater self-regulation in terms of its software procurement practices. The company stated that this would clarify the present situation, and end the increasingly bitter row between the government and software vendors. The company also proposed that the government conduct a thorough study into the economic effects of existing tendering practices.

The row began when a member of parliament criticized the government for being too reliant on the products of just a few major software vendors. He put forward a plan to remedy the situation, suggesting that the government standardize its rules and procedures for software purchases in order to strengthen its negotiating position with vendors. The plan included suggestions that the government:

- introduce new legislation to codify standard software specifications;
- use open-source software where possible; and
- increase its buying power by promoting cooperation between government bodies.

Predictably, software vendors disagreed violently with the plan, citing fears that it would constitute an abuse of government power and may amount to an illegal cartel.

It remains to be seen whether the IT industry or the government will prevail. However, new EU regulation on tendering is expected shortly, which may help to resolve the issue.

Oosterbaan & Van Eeghen

Koningslaan 35, 1075 AB Amsterdam, The Netherlands

tel: +31.20.671.6756 / fax: +31.20.671.8669 / e-mail: info@itlawyers.nl / url: www.itlawyers.nl