



## UP- First State to Fully Adopt GeM Platform

### Why in News?

Recently, Uttar Pradesh has become the first state in India to fully integrate the [Government e-Marketplace \(GeM\) platform](#), enhancing **transparency and efficiency in public procurement**.

- This move is **projected to save Rs 2,000 crore annually** while fostering fair practices and empowering small businesses.

### Key Points

- Prior tendering systems in Uttar Pradesh lacked uniformity and were vulnerable to misuse.
- GeM resolves these issues by enforcing standardized rules, thereby reducing the chances of violations or loopholes.
- The state government aims to scale up GeM usage across all state departments, ensuring compliance and enhancing accountability.
- **Demonstrated Success:**
  - The Uttar Pradesh Building and Other Construction Workers Welfare Board used GeM to procure materials for 18 [Atal Residential Schools](#).
    - These schools, serving students from Class 6 to intermediate level, now offer exemplary learning environments, including support for children orphaned during the [Covid-19 pandemic](#).
- **Policy Reforms and Compliance:**
  - **Strict guidelines:** Policies prohibit practices such as offline contracts, price discovery bids, quantity-based bids, and unnecessary requests for samples during bid evaluations.
    - All state departments must procure at least 25% of their annual goods and services through GeM, with penalties for non-compliance.
  - **Support for Small Enterprises:** Relaxed tender eligibility criteria (e.g., turnover and past performance) create opportunities for **micro and small enterprises (MSEs)**.
  - **Worker Welfare Provisions:** Policies mandate minimum wages, [Employee Provident Fund \(EPF\)](#), and [Employee State Insurance \(ESI\)](#) benefits for outsourced employees.
    - Service providers cannot arbitrarily replace outsourced employees after hiring, ensuring job stability and fairness.
  - **Anti-Collusion Measures:** Collusion or bid manipulation incurs severe penalties, with provisions for reporting cases to the GeM team.
  - **Complaint Redressal Mechanism:** High-level committees, chaired by the Uttar Pradesh Chief Secretary, review compliance-related grievances submitted via dedicated emails.
- **Alignment with National Initiatives:**
  - GeM adoption promotes the vision of ["Digital India"](#) by enhancing transparency and accountability in governance.
  - The platform supports local suppliers and fosters fair competition, aligning with the ["Make in India" initiative](#).

### Government e-Marketplace (GeM) Platform

- **GeM** facilitates **online procurement of common use Goods & Services** required by various Government Departments / Organisations / PSUs.

- The initiative was launched in August 2016, by the Ministry of Commerce and Industry, Government of India.
- The current version of GeM, i.e., **GeM 3.0 was launched on January 26, 2018.**
- It provides the **tools of e-bidding, reverse e-auction and demand aggregation** to facilitate the government users, achieve the best value for their money and aims to **enhance transparency, efficiency and speed in public procurement.**

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