

The State Procurement Agency of the Republic of Azerbaijan

Welcomes the participants of the 11th Public Procurement Knowledge
Exchange Forum

*“Procurement Oversight and Monitoring – a means for
effective project implementation”*

9-12 June, 2015

Batumi, Georgia

ST
BAKU 2015
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Azerbaijan

country profile

- ❖ Population – 9,593.000 mln.
- ❖ Area – 86.6 thousand km²
- ❖ Capital – Baku (population – 2. 181 mln.)
- ❖ State budget (2012) 17,3 bln AZN / 22,049 bln USD
(2013) 19,159 bln AZN / 24,419 bln USD
(2014) 18,384 bln AZN/ 23,569 bln USD
(2015) 19,438 bln AZN / 18,512 bln USD
- ❖ Total amount of public procurement (2014) – 4,919 bln AZN/ 6,306 bln USD

History and Legal Base of public procurement system

- ❖ Law on “Tenders”, February 11, 1997
- ❖ Law on Public Procurement, December 27, 2001
- ❖ Law on Public Procurement was amended, March 17, 2010
(creation of new website , tender announcements and notices to be published on official website, etc.)
- ❖ Law of the Republic of Azerbaijan on Electronic Signature and Electronic document, March 9, 2004
- ❖ Law of the Republic of Azerbaijan on Electronic Trade, May 10, 2005
- ❖ National Anti-corruption Plan for 2012-2015 years, September 5, 2012

Public Procurement System in Azerbaijan

1. *The System is non-centralized and covers more than 800 procuring entities. A procuring entity is a state enterprise and organization (administration), having 30 or more percent of state share in its charter fund, for purchasing goods (works and services) and in charge of:*

- Determining needs;
- Planning its procurement;
- Determining estimated price;
- Establishing its Tender Committee;
- Preparing Tender Documents;
- Publishing tender announcements and notices;
- Accepting tender proposals;
- Carrying out evaluation and awarding the winner

There have been carried out **9 549** competitions by procuring entities in **2014**.

Total amount of awarded contracts is **4.919 billion AZN/ 6.306 billion USD**.

In the result of held competitions **255 788 000 AZN (5.2 %)** state fund was saved.

2. The State Procurement Agency (SPA) was established under Decree No.583 by the President of the Republic of Azerbaijan dated May 16, 1997 to carry out state policy in the field of procurement of goods (works and services) purchased by state funds.

Agency's Duties

SPA is charged with the following duties:

- establishment and improvement of normative-legal base regulating public procurement in the Republic of Azerbaijan;
- ensuring control over the legality of procurement of goods (works and services) purchased by state funds on the basis of tender and implementation of contracts;
- carrying out measurements as provided by the existing legislation to improve the qualification level of specialists of contracting authorities in the field of public procurement;
- Hearing complaints and conflict solution;
- creation of a public procurement database, as well as the fulfilment of other duties as determined by the legislation of the Republic of Azerbaijan.

Organizational Chart of the Agency

SPA has 40 staff members who are considered civil servants





TRAININGS

SPA organizes trainings on “public procurement” which are regularly held for employees of the ministries, committees, institutions and organizations as well as employees of departments of education, health, culture, local executive authorities, municipalities of the cities and regions of the Republic of Azerbaijan to improve the qualification level of specialists involved in public procurement procedures from procuring entities.

For the first time SPA organized a course on the theme “State Procurements in Azerbaijan” for students in Azerbaijan State University of Economics in the current year.

Cooperation with International Organizations



«E-services» - a factor for efficient implementation of procurement

1. E-services provided by SPA:

- Online Submission of complaints
- Online Submission of tender announcements, request for proposals and request for quotations
- Online submission of notices about contract awards
- Online submission of procurement plans

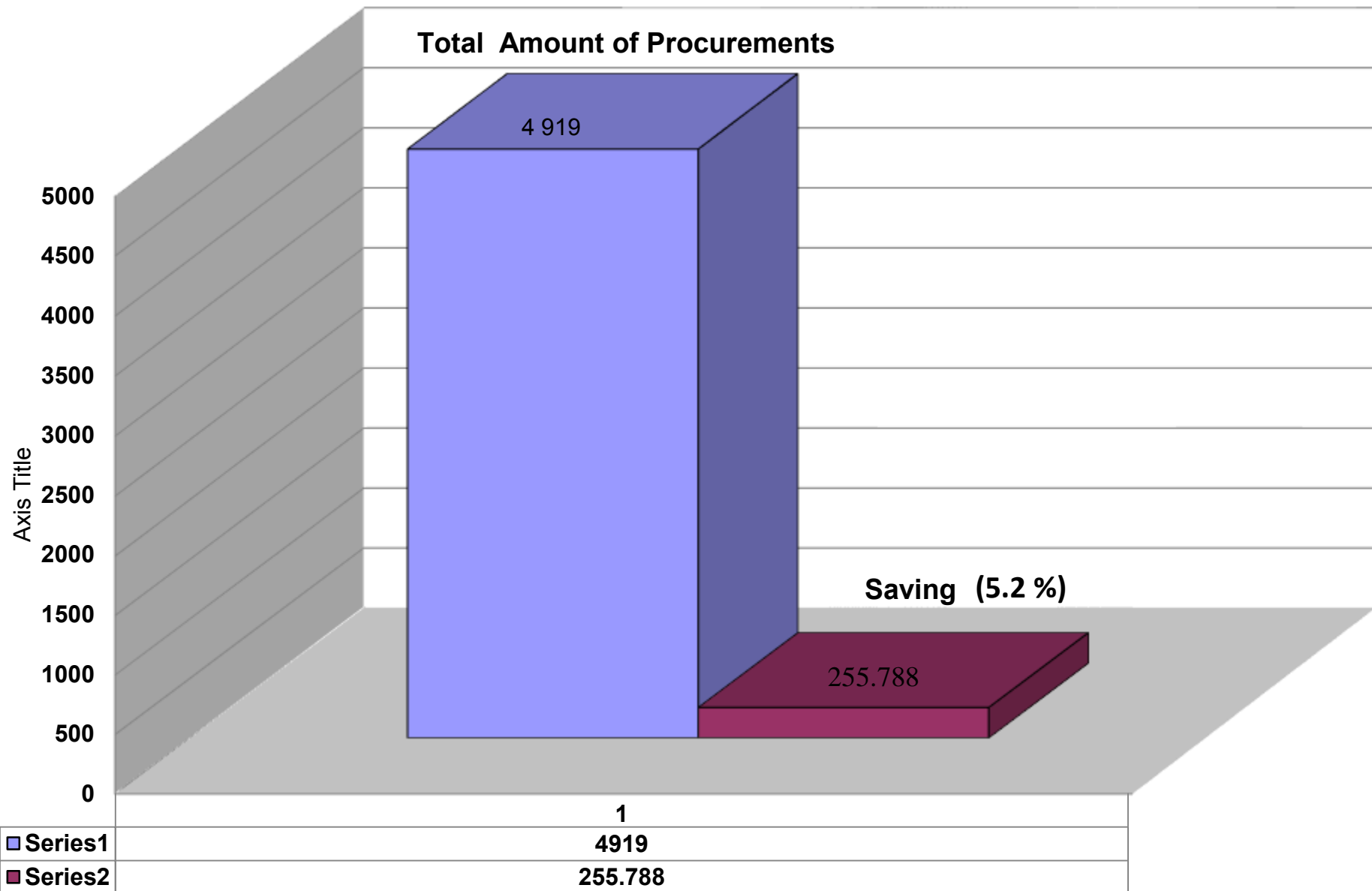
Info: works are being carried out to provide all these services with “Open Window” system via “E-government” portal created by the Ministry of Communication and High Technologies



2. As a main information source, official website of SPA www.tender.gov.az includes following information:

- **Annual Report (also submitted to the President and the Cabinet of Ministers)**
- **Procurement plans (New Initiative started late 2012, 603 procuring entities have submitted their procurement plans for 2015)**
- Tender announcements about future tenders, as well as request for proposals and request for quotations
- Standard Tender Documents
- Information about competitions held
- Contract registry
etc.

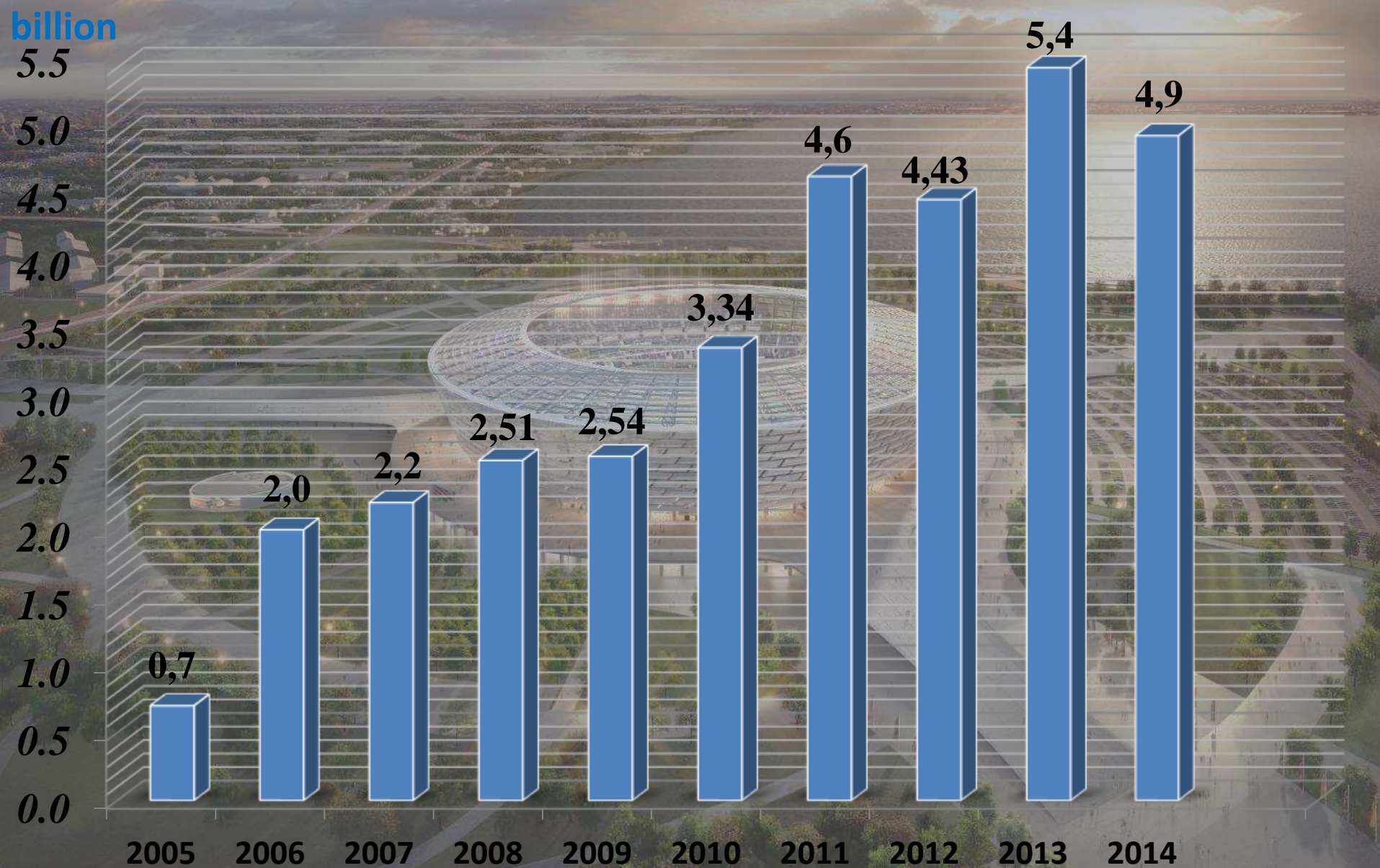
Comparing the Total Amount and the Saving made in the result of procurement procedures (2014, in million manats)



Amount of public procurements according to financial source in the year of 2014 (in thousand manats)



Dynamics of amounts of state procurement contracts based on the reports submitted to the State Procurement Agency in 2005-2014 years (in billion manats)



Public Procurement Towards Improvement...

Based on “National Anti-corruption Plan for 2012-2015 years” confirmed by the Order of the President of the Republic of Azerbaijan our future plan regarding the transparency and efficiency of public procurements includes:

- Application of e-procurement
- Fulfilment of a part of public procurements (as procurements of stationery, medicines, computer equipments) in centralized manner
- Improvement of control over state procurement contracts, also over payments on that contracts
- Creation of single register of procurement contracts made in the result of public procurement proceedings and placement of that register in the official website of SPA
- Placement of procurement plans prepared by the procuring entities in the official website of SPA (submission of procurement plans by procuring entities will be mandatory)

A stylized illustration on the left side of the image. It features a vertical stem with green leaves and red flowers at the top. Below the stem, there are yellow and green leaves. Three athletes are depicted in various poses: one in a high jump, one in a long jump, and one in a running pose. The background is a dark purple color.

THANK YOU!

12 – 28 June 2015

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17 days of competition

20 sports

6,000 athletes
