


The State Procurement Agency of the Republic of Azerbaijan

The Azerbaijani flag is positioned in the upper right quadrant of the slide, partially overlapping the title text. It features the traditional tricolor of blue, red, and green with a white crescent and eight-pointed star.

Welcomes the participants of the 10th Public Procurement Exchange
Platform

“Measuring Performance of Public Procurement”

27-30 May, 2014
İstanbul, Turkey

Kamil Bektashi *(leading consultant)*

The background of the slide is a high-angle, night-time photograph of a large stadium. The stadium's seating tiers are illuminated with warm yellow lights, creating a strong contrast with the dark sky. The central field area is also lit, and the overall scene conveys a sense of a major event or competition.

Azerbaijan

country profile

- ❖ Population – 9,356.500 mln.
- ❖ Area – 86.6 thousand km²
- ❖ Capital – Baku (population – 2. 138 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
- ❖ Total amount of public procurement (2013) – 5.414 bln AZN/ 6.942 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
- ❖ Action Program on “E-government” formation in 2010-2011 in the Republic of Azerbaijan” approved with the Order of the Cabinet of Ministers of Republic of Azerbaijan

Public Procurement System in Azerbaijan

1. The System is non-centralized and covers more than 800 contracting authorities. A contracting authority (or 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 **12 412** competitions by contracting authorities in **2013**.

Total amount of awarded contracts is **5 414 billion AZN/ 6 941 billion USD**

In the result of held competitions **121 051 100 AZN** 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.

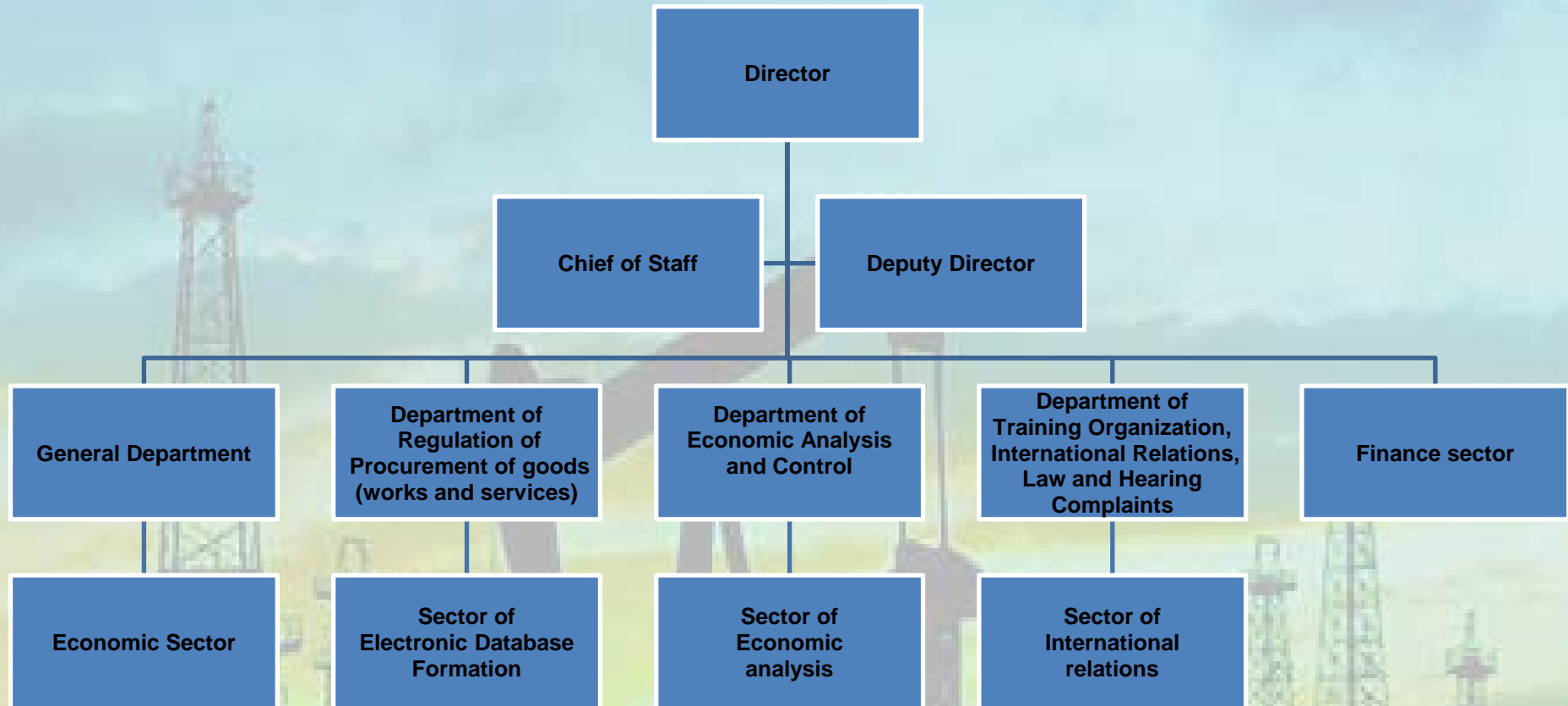
Agency's Duties

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 implementation 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 procurement organizations.

Cooperation with International Organizations

- ✓ EBRD
- ✓ EU/SIGMA
- ✓ World Bank
- ✓ USAID



Cooperation with International Organizations



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

1. E-services provided by SPA:

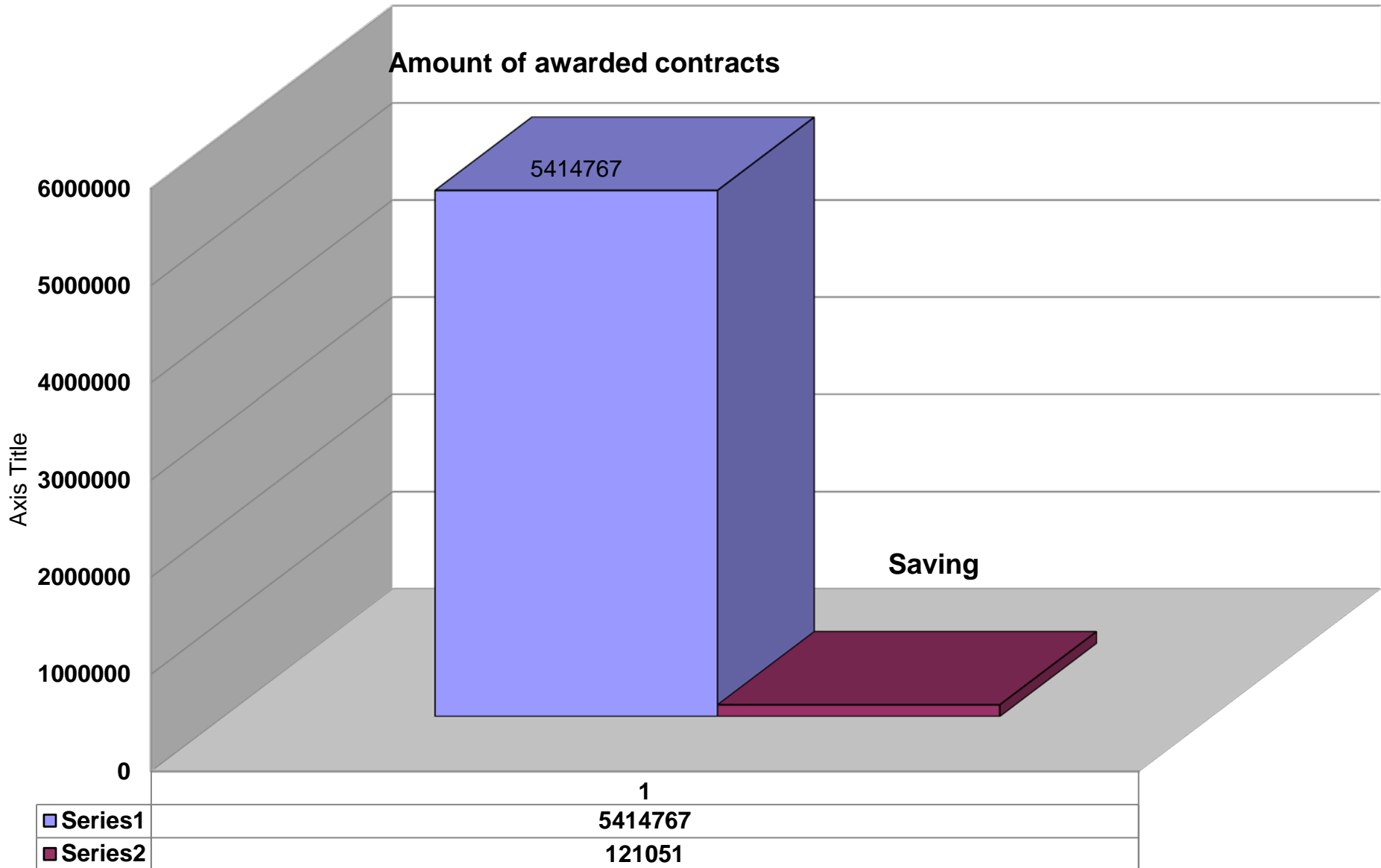
- Online Submission of complaints
- Online Submission of tender announcements, request for proposals and request for quotations
- Online submission of notices about contract awards
- Online submission of procurement plans

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 Information Technologies

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

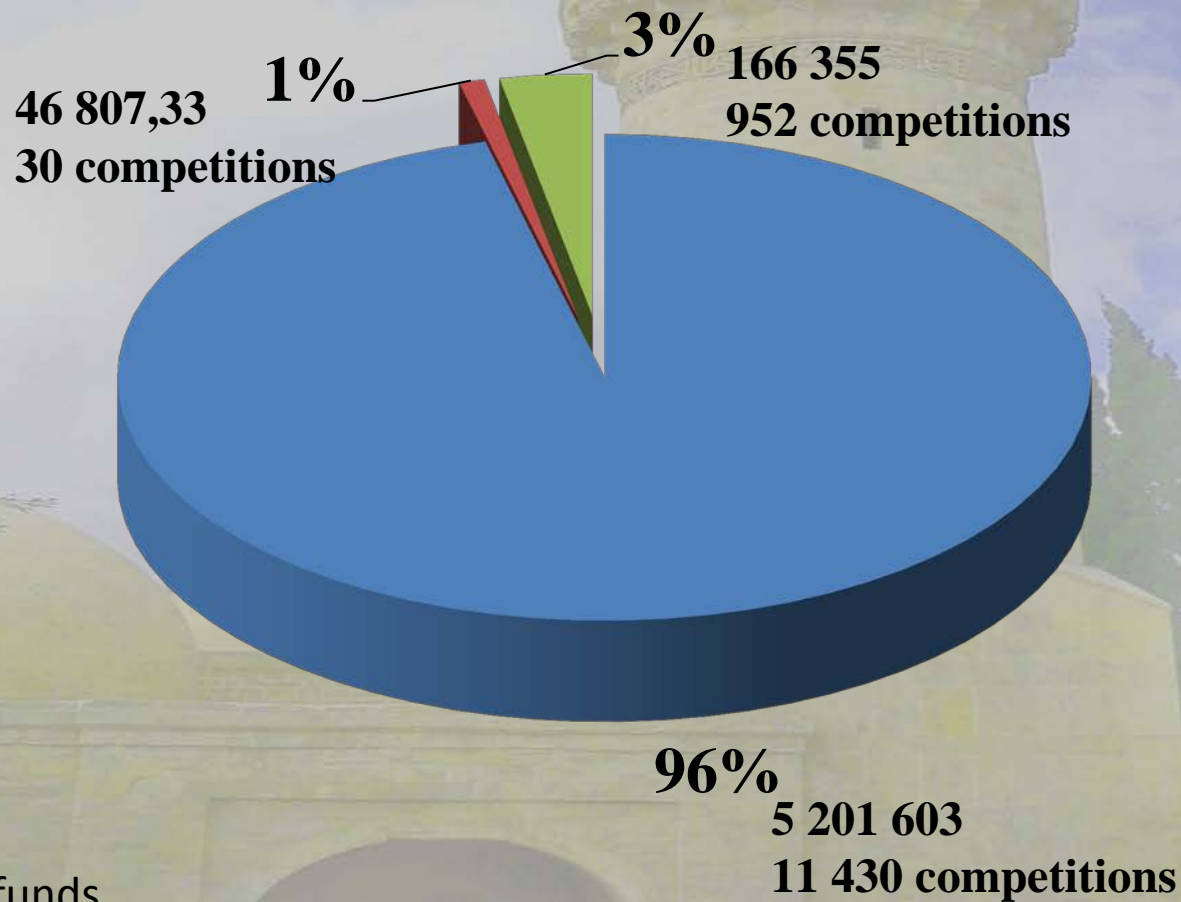
- **Annual Report (also submitted to President and the Cabinet of Ministers)**
- **Procurement plans (New Initiative started late 2012, 154 procuring entities have submitted their procurement plans for 2014)**
- Tender announcements about future tenders, as well as request for proposals and request for quotations
- Standard Tender Documents
- Information about competitions held
- Contract registry
etc.

Comparing the Estimated price and the Saving made in the result of procurement procedures (2013, in thousand manats)



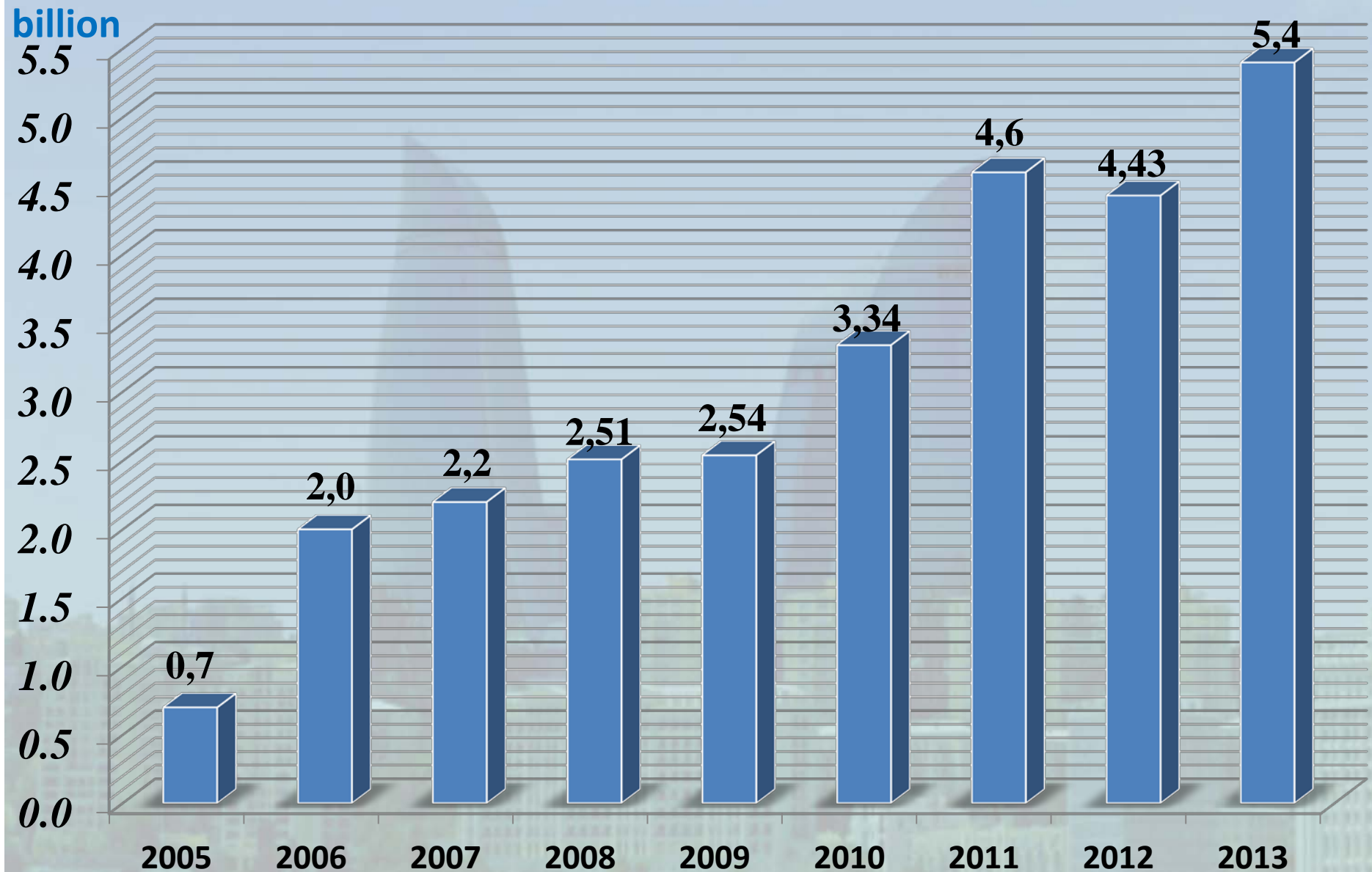
Amount of public procurement implemented according to financial source

In the year of 2013 (in thousand manats)



- Budgetary funds
- Funds allocated by international financial organizations
- Non-budgetary funds of state organizations and companies

**Dynamics of performance of state procurement contracts based on the reports
submitted to the State Procurement Agency in 2005-2013 years
(billion manats)**



Public Procurement Towards Improvement...

Our future plans for more transparent and efficient procurement implementation includes:

- New Public Procurement Law supporting e-procurement and issues listed in President's National Action Plan on Anti-corruption Efforts 2012-2015
- Guidelines to be prepared for calculating estimated price
- Applying e-procurement
- Contract registry
- Guidelines for determining non-reliable suppliers

THANK YOU!

