

**The reform of the  
government  
procurement system:  
experience of the  
Republic of Belarus**

# **The Law of the Republic of Belarus «On government procurement of goods (works, services)» came into force on the 1<sup>st</sup> of January, 2013**

Main principles of government procurements are:

1. effective expenditure of budget funds;
2. publicity and transparency of the government procurement process;
3. opportunity for participation in government procurement of legal entities and private individuals, including individual entrepreneurs;
4. development of fair competition;
5. assurance of fair and equitable treatment to potential suppliers (contractors, executors);
6. support of the domestic suppliers (contractors, executors) to the extent it does not contradict international treaties of the Republic of Belarus;
7. prevention of corruption in the sphere of government procurement.

**According to the norms of the Law the information about the government procurement procedures has to be placed on the official site ([www.icetrade.by](http://www.icetrade.by)).**

Information about the government procurement procedures includes:

- annual plans of government purchases;
- invitation to participation in government procurement procedures;
- the documents submitted to a party to prepare a proposal for participation in the procedures of open competition, electronic auction;
- minutes of commissions meetings for opening, rejection proposals, and sizing up government procurement procedures in case of carrying out open competitions, electronic auctions;
- reports about the results of government procurement procedures.

## **From the 1<sup>st</sup> of January, 2015 the following information will also be placed on the official site :**

information about the agreements (contracts) concluded on the results of government procurement procedures and the supplementary agreements for such contracts, and information about the execution of the agreement (contract),

information about receipt of complaints to the national authorized state authority in the sphere of government procurement, their content and the decisions accepted by the results of consideration, the regulations issued by the national competent regulatory and / or regulatory authorities of the member state in procurement.

Allocation of comprehensive information on government procurement will ensure publicity and transparency of government procurement procedures, and contribute to prevention of corruption in this area.

## **The participants of the government procurement procedures**

can be any legal entities or private individuals, including individual entrepreneurs, regardless their organizational-legal form, ownership form , location and origin of capital:

who submitted a proposal - in case of open competition, electronic auction, procedures of price requesting proposals (except the procedures of price requesting proposals on the government procurement, where information constitutes state secrets);

who received a personal invitation for the participation in procedure of government procurement, - in case of carrying out a closed competition, as well as the procedure of price requesting proposals on the government procurement, where information constitutes state secrets;

who received an invitation to conclude a contract, - in the case of holding the procedure of purchasing from one source.

## The key of electronic digital signature.

For the organization and carrying out an open competition, the electronic auction and the procedures for price requesting proposals and participation in them by the customer (organizer) and potential suppliers (contractors, executors) should receive keys of electronic digital signature in the identification and registration centres. **Using the key of electronic digital signature.**

Registration of a party is the primary service provided by the certification authority which results in public key certificate publication that verifies electronic digital signature.

### **Potential party is registered in the following order:**

certification centre considers the documents submitted personally by the authorized representative of the party;

information about the party shall be entered in the certification center's register of subscribers, the subscriber (authorized representative) shall be issued the key information media with the passport of the manufacturer and can generate private and public keys of electronic digital signature;

after the generation of the personal and public key certification authority issues the public key certificate and prints a card public key of the recipient, which shall be signed by the subscriber (authorized representative) and transferred for storage to the certification authority.

### **After registration the party (authorized representative) is granted:**

one copy of the contract on rendering services on the distribution of public keys signed by an authorized officer of the Certifying centre;

one copy of the certificate on rendering services on the distribution of public keys signed by an authorized officer of the Certifying centre;

card public key;

other documents if necessary.

## Types of government procurement procedures:

**Open competition** – a kind of government procurement procedure, which represents a transparent and competitive selection of the supplier (contractor, executor) in the exercise of government procurement, where any interested potential supplier (contractor, executor) may submit a proposal.

It is held in case the estimated cost of the annual needs of the government procurement specified in the annual work plan exceeds:

the goods - 15 000 US dollars;  
concerning the work (services) - 30 000 USD.

E-auction is a type of government procurement procedures, representing a transparent and competitive selection of the supplier (contractor, executor) in the exercise of government procurement in electronic trading platforms.

It is carried out in case of acquisition of goods (works, services), specified by the Government of the Republic of Belarus (equipment, food and non-food items).

## Procedure of price requesting proposals –

type of public procurement procedures, which represents a competitive selection of the supplier (contractor, executor) in the exercise of public procurement, the winner is the participant who offers the lowest bid price.

It is held in case the estimated cost of the annual needs of the public procurement specified in the annual plan does not exceed:

- the goods - 15 000 US dollars;
- concerning the work (services) - 30 000 USD.

**The procedure of purchasing from one source** - the kind of procedure of government procurement, that represents the method of the supplier's selection (contractor, executor) in the exercise of public procurement, where the customer (organizer) offers to conclude the contract only to one potential supplier (contractor, executor).

On the basis of the results of the market analysis and preliminary negotiations with known suppliers the customer (organizer) (contractors, executors) defines a provider (contractor, executor) for the contract.

**exchange trades** - the procedure of concluding stock exchange transactions;

**exchange transaction** is a contract of sale concluded between the participants of exchange trade in respect of the goods exchange during exchange trades;

**exchange trade** - activity of commodity exchange and participants of trade exchange, which results in concluding exchange deals;

**the exchange goods** - any things determined by generic characteristics, not withdrawn from circulation; as well as property rights, unless otherwise stipulated by this Law and (or) the President of the Republic of Belarus, approved by the commodity exchange to the stock exchange trading in accordance with the legislation.

For example, coal stone, logs of oak, rapeseed oil are included in the list of goods transactions that legal entities and individual entrepreneurs are obliged to conclude on the stock exchange of open joint stock company «Belarusian universal commodity exchange» approved by the decree of Council of Ministers of the Republic of Belarus on June 16, 2004 № 714 «About measures on exchange trading on commodity exchanges development».

## **Right to appeal**

Participant or any other legal or individual person, including private entrepreneur, may submit a complaint to the authorized state body on public procurement and (or) in court against actions (inaction) and (or) decisions of the customer (organizer), the Commission and (or) its members, commodity exchange, the operator of the electronic trading platform, the operator's official site in case of violation of their rights and legitimate interests.

### **The complaint to the authorized state body on public procurement may be filed:**

regarding the invitation and documents submitted by the party to prepare a proposal, within the period for the preparation and submission of proposals;

in other cases - not later than ten working days after having notified the parties about the participant's choice winner, or about the cancellation of public procurement procedures or declaring it invalid.

Authorized state body on public procurement considers the complaint on a collective basis and takes a decision on the results of its review and issues in writing.