



Procurement Oversight and Monitoring in Belarus

Pavel Zhukovski

**Head of Government Procurement Department
Ministry of Trade of the Republic of Belarus**

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Government procurement market is a key element in the economic development of the country and the system of government procurement is becoming one of the fundamental institutions of the state regulation of the economy and has a significant impact on its dynamics and structure.

Monitoring and control of public procurement are needed to increase the effectiveness of procurement procedures, thus reducing the budget expenditures for the purchase of goods and services and to minimize the risks of corruption.

Government Procurement System

- Government Procurement in Belarus is regulated by Government Procurement Law № 419-Z which came into force on January, 2013.
- During the preparation of the Government Procurement Law were taken into account the provisions of the UNCITRAL Model Law on Procurement, the Agreement on Government Procurement of the Customs Union, as well as the Agreement on public procurement of the WTO.
- Currently, we are working on preparation of a new edition of the Law providing for bringing it into line with the requirements of the Treaty on the Eurasian Economic Union, as well as the its application practice.



**Eurasian
Economic
Union**





Government Procurement System

Main principles of government procurements

- effective expenditure of budget funds
- publicity and transparency of the government procurement process
- opportunity for participation in government procurement of legal entities and natural individuals, including individual entrepreneurs, irrespective of the country of registration
- development of fair competition
- assurance of fair and equitable treatment to potential suppliers (contractors, executors)
- prevention of corruption in the sphere of government procurement

Government Procurement System

Government Procurement Law provides the following types of procedures:

Type of procedure	Form
Electronic auction	Electronic 
Request for quotation	
Open tender	
Exchange trades	
Closed competition	Paper 
Purchase from a single source with a single supplier	

Statistics of government procurement procedures (2014)

Type of procurement procedure	Number of procedures		Cost of concluded contracts, mln BYR	
open tender	2 427	7,34%	3 315 093,8	23,32%
closed tender	89	0,27%	24 872,8	0,17%
electronic action	14 837	44,84%	8 942 448,1	62,91%
procedure of quotation inquiry	14 929	45,12%	1 785 632,5	12,56%
exchange trades	804	2,43%	145 939,8	1,03%
Total competitive bids	33 086		14 213 987	
purchase from a single source or a single supplier	411 193	92,55%	29 709 905,9	67,64%
TOTAL	444 279		43 923 892,9	

Electronic trading platform

The benefits of electronic procedures:

COSTS

placing documents in electronic form

PARTICIPATION IN THE PROCUREMENT

the possibility of submitting proposals 24 hours a day from anywhere in the world

CORRUPTION RISKS

no possibility of substitution documents and falsification the results of the purchase

CONTROL

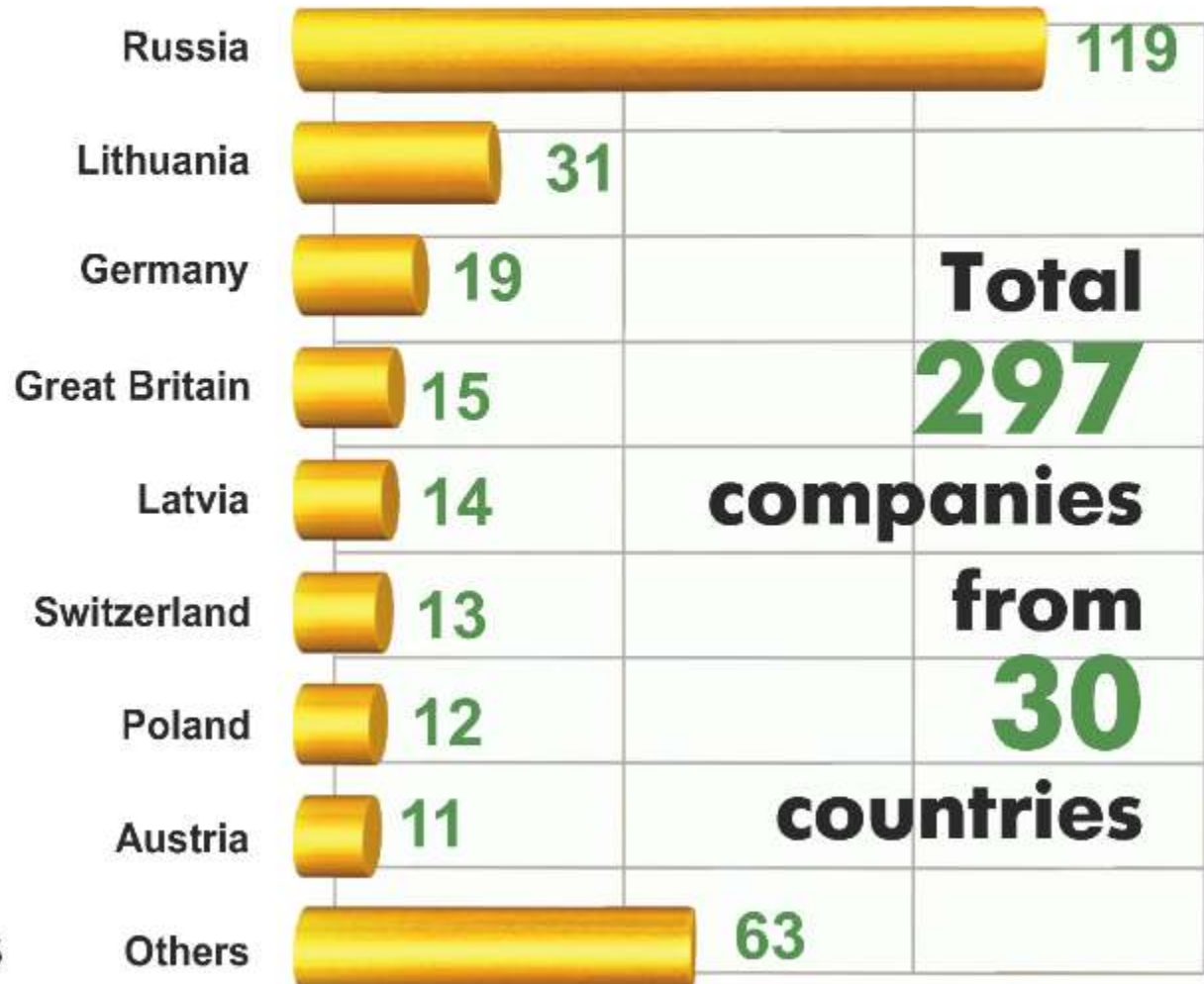
- transparency and openness,
- automated control



Number of accredited participants

non-residents
who received
a digital signature

On electronic
trading platform
are held electronic
auctions
and requests
for price proposals



Electronic trading platform

Information on government procurement

- annual plans
- invitations
- bidding documents
- minutes of meetings of commissions for consideration and rejection of the proposal, summing up the procedure of state procurement
- proposals of participants
- register of contracts concluded by the results of public procurement procedures
- list of unfair suppliers, temporarily not allowed to participate in the procurement
- register of complaints

Information support of government procurement procedures

- Accommodation in publicly available information on the procurement allows to control the order of their conduct at all stages for not only the public authorities, but for everyone.**
- After registering on the electronic trading platform providers can receive daily information about the current procurement procedures and in a timely manner to prepare its proposals.**
- Potential suppliers may also look for procurement procedures by various criteria: name of the customer, the name of the procurement subject, including in accordance with the National Classifier of goods and services, etc.**

Oversight and Monitoring in Government Procurement

Oversight and monitoring in the field of government procurement is divided into external and internal, which allows you to create a reliable system to counter violations by customers and suppliers.

Internal control is carried out by:

Ministry of Trade when considering appeals against decisions of the commission of the customer during the procedure of state procurement, as well as during scheduled and unscheduled inspections of recipients of budget funds;

authorities of the Ministry of Finance with the payment of budgetary obligations under the contracts concluded by the results of the government procurement procedures;

Financial Investigations Department of State Control Committee during scheduled and unscheduled inspections of business entities.

External control in the field of government procurement is carried out by the participants of government procurement procedures by analyzing information from the official website of government procurement:

annual plans for government procurement;

documents for competitive bids;

offers participants publicly available after selection of the winner and signed contracts.

Government Procurement Authority

The Ministry of Trade of the Republic of Belarus is the authorized state body for government procurement.

Government procurement department was established in the Ministry of Trade in July 1, 2013 and is responsible for:



- Regulation
- Maintaining a register of unfair suppliers, not allowed to participate in public procurement
- Consideration complaints against the actions Customer (Organizer)
- Educational trainings
- Gathering information and compiling statistics
- International Relations in the field of government procurement

Government Procurement Authority

Review System of Complaints

- 1** Appeals against decisions of the commission of the customer by means of a customer application to eliminate violations of the rights and legitimate interests of the party.
- 2** Appeals against decisions of the commission of the customer by means of a complaint to the Ministry of Trade.
- 3** Restoration of violated rights and legitimate interests of participants by reference to the court.

Ministry of Trade has duty to review complaints submitted by tenderers, potential tenderers and candidates claiming that the proceedings carried out by the contacting authorities are in violation of the Law and the related legislation.

Statistics of the Ministry of Trade consideration of complaints for the 1st quarter 2015

Month	Number of complaints	Result of complaints			
		Found to be substantiated	Found to be unsubstantiated	Number of canceled procedures	Number of terminations procedures
January	36	14 (38,8%)	9 (25%)	7 (19,4%)	8 (22,2%)
February	32	13 (40,6%)	11 (34,3%)	7 (21,9%)	4 (12,5)
March	42	14 (33,3%)	9 (21,4%)	23 (54,8%)	2 (4,8%)
Total for 1st quarter	110	41 (37,2%)	29 (26,4%)	37 (33,6%)	14 (12,7%)

Reforming of Procurement Management System

The goal set by the Belarus in the field of improving the monitoring and control of public procurement procedures creation of the state information system of procurement management.

Create an information system possible as part of the Strategy of reforming the system of public finance management and implementation plan. The grant activities are held to provide technical assistance for the preparation of the project "Modernization of the public finance management system", included in the World Bank's Country Partnership Strategy for the Republic of Belarus for 2014-2017 fiscal years.

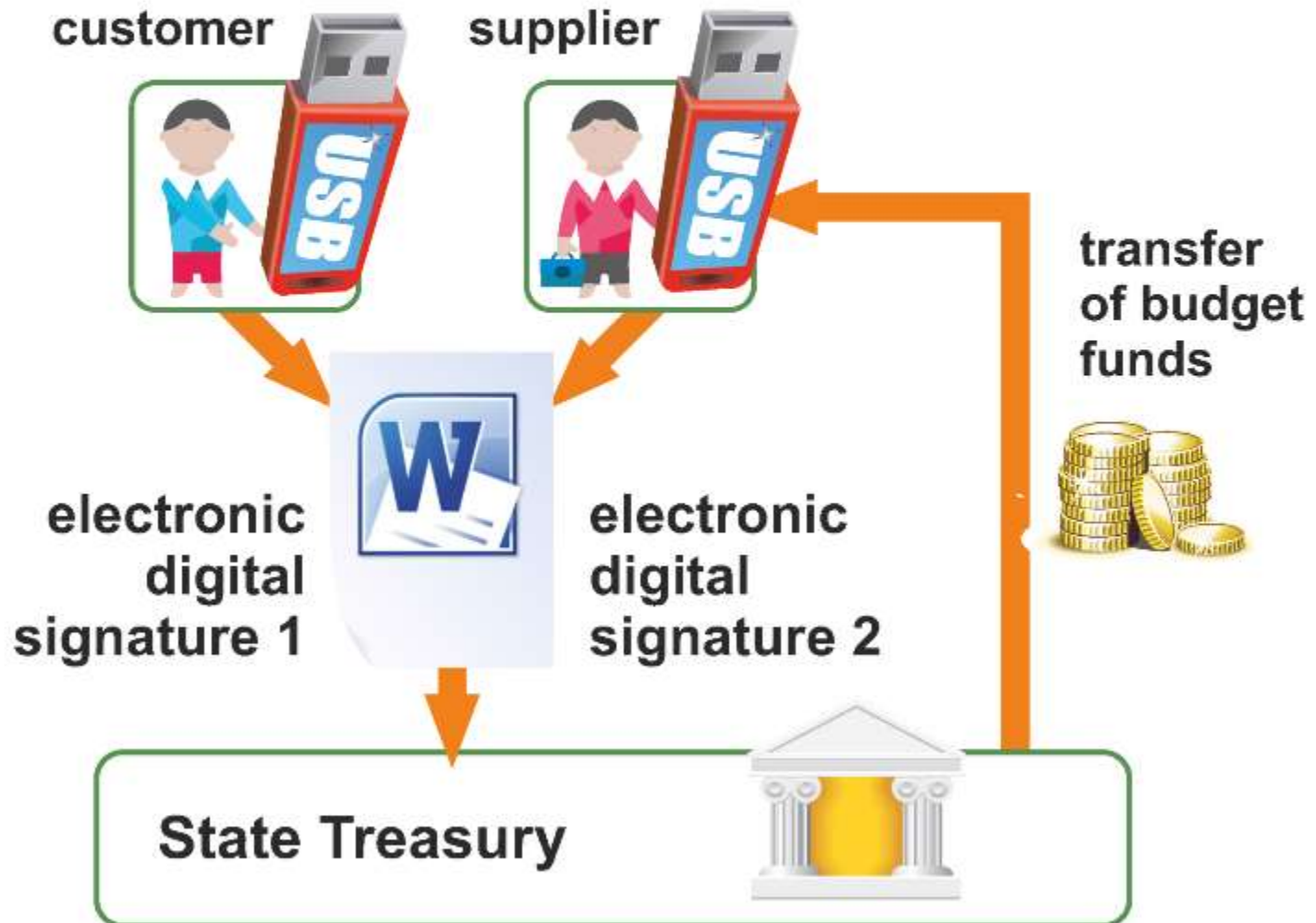


Reforming of Procurement Management System

Tasks of the system are:

- formation, processing, storage and providing data on public procurement procedures;
- automated monitoring of the conduct of the procurement procedures since the date of posting of the annual procurement plan to the execution of the contract
- signing of all documents, including the contract with the use of electronic digital signature;
- automating the process of transfer of contracts in the information system of the State Treasury for payment

Signing of the contract





Thank you for your attention