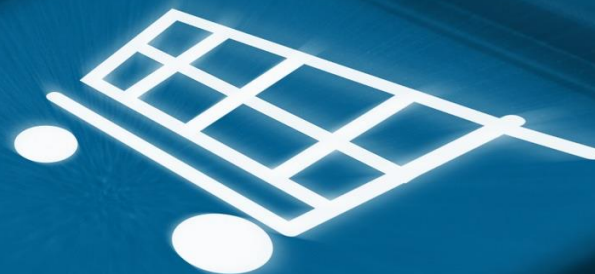


E-PROCUREMENT SYSTEM IN UZBEKISTAN



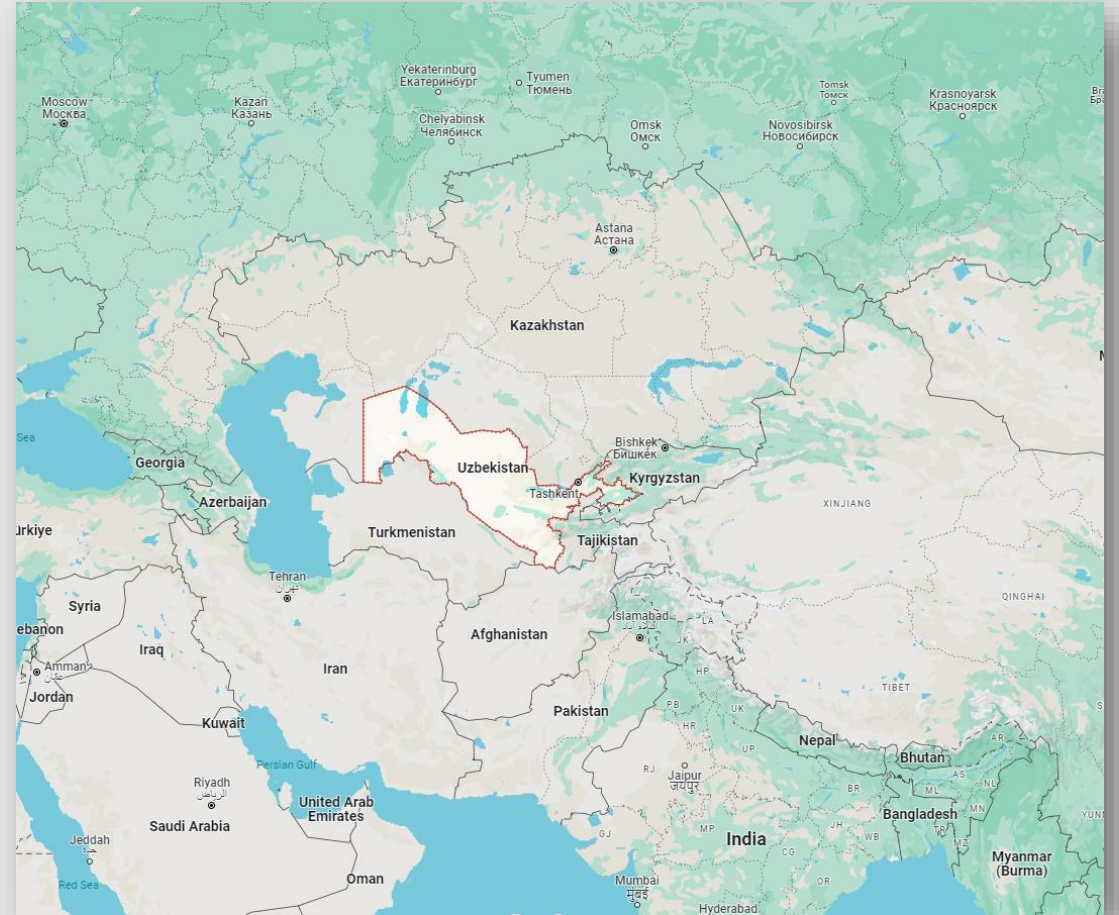
Presenters: Khurshid KABULOV
 Durbek Tokhirov

Content:

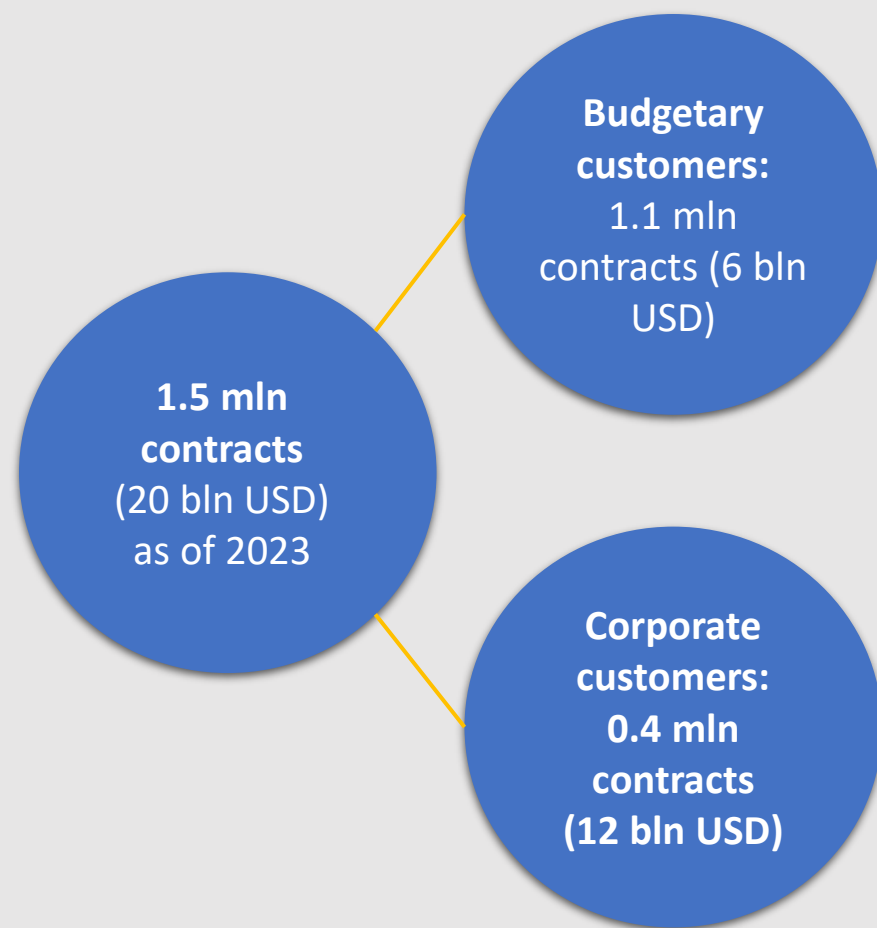
- General Information
- Procurement Statistics
- Legal Framework
- Organizational Structure & Stakeholders
- Procurement Procedures
- E-procurement System
- Challenges

General Information

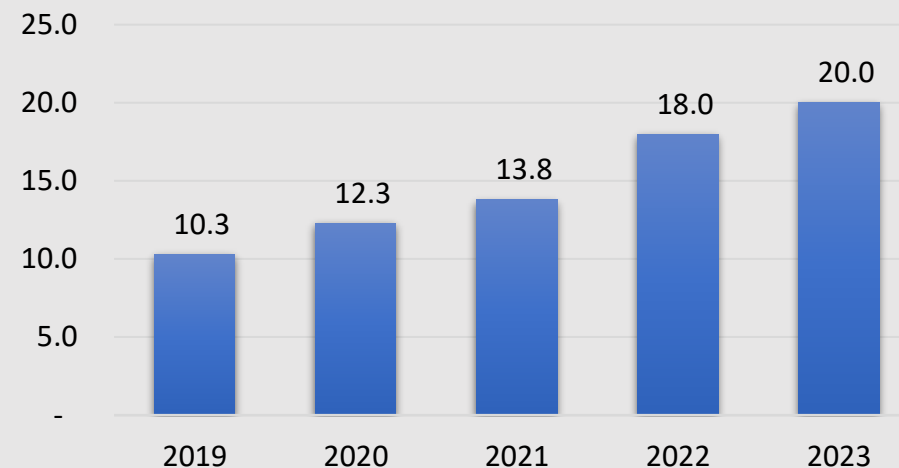
- **Population:** 37 mln (2024)
- **GDP:** 91 bln USD (2023)
- **GDP growth:** 6% (2023)
- **Structure of GDP (2023):**
 - Services: 44%
 - Industry: 26%
 - Agriculture: 24%
 - Construction: 6%
- **Unemployment:** 5% (2023)
- **Inflation:** 11% (2023)



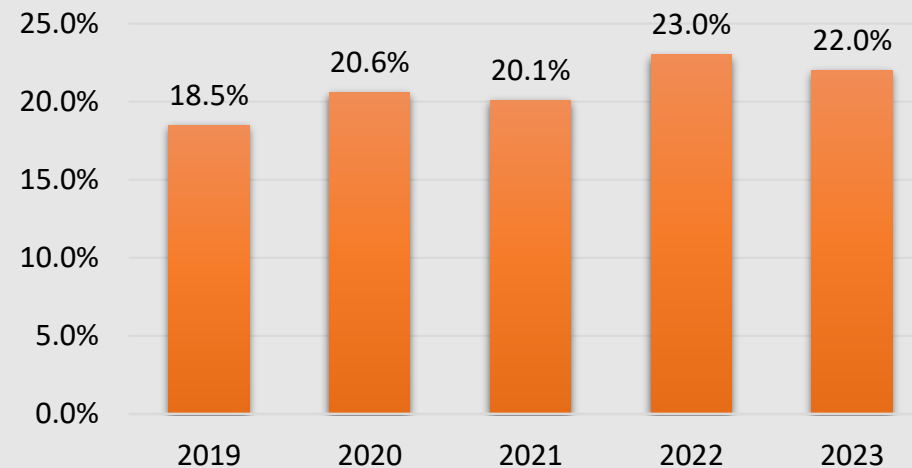
Procurement Statistics



Public Procurement (bln USD)



Share of Public Procurement in GDP



Legal Framework

Law “On Public Procurement” (2021):

- Establishes the legal framework for public procurement in Uzbekistan
- Outlines principles, procedures, and regulations for government agencies to follow when purchasing goods, works, and services

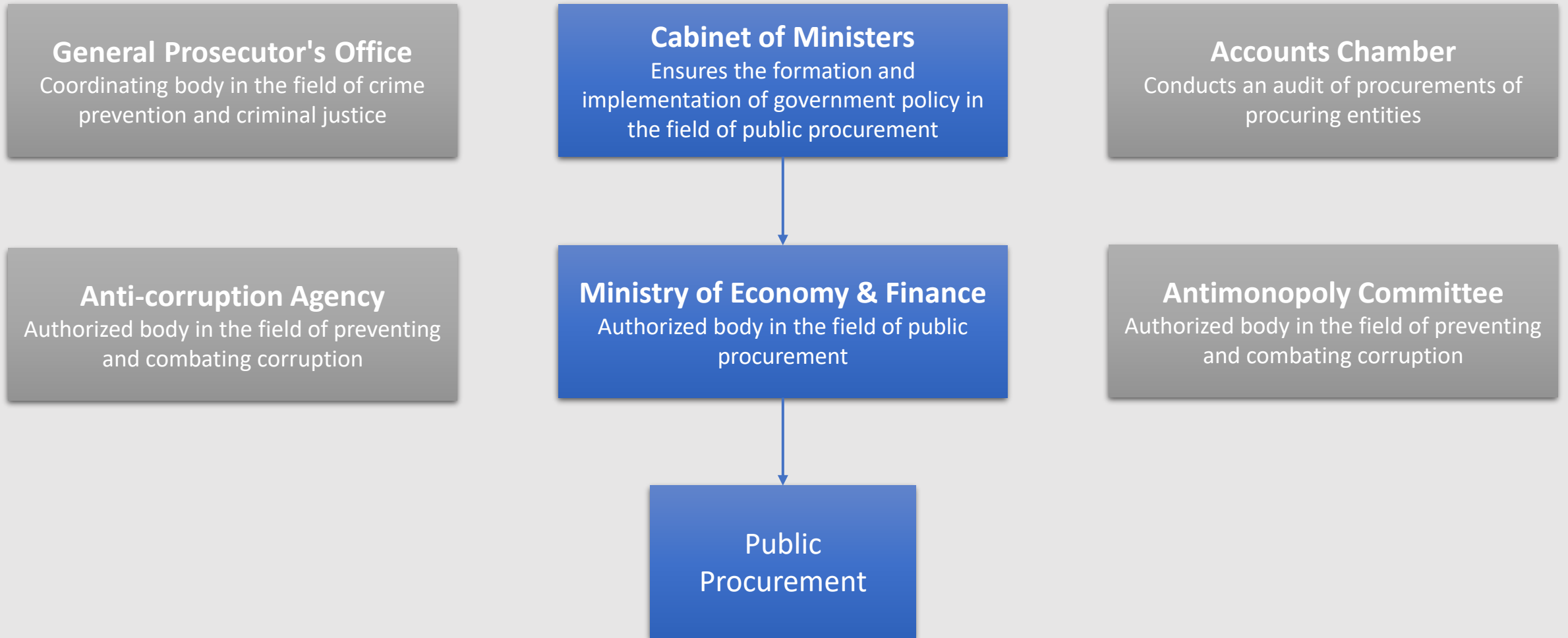
Law “On Competition” (2023):

- Regulates competition-related activities, focusing on controlling and preventing actions that may restrict competition in commodity or financial markets
- Protects the rights and legitimate interests of consumers in competitive environments or natural monopolies.

Law “On Combating Corruption” (2017):

- Sets the principles of anti-corruption policy
- Outlines the responsibilities of various parties in combating corruption

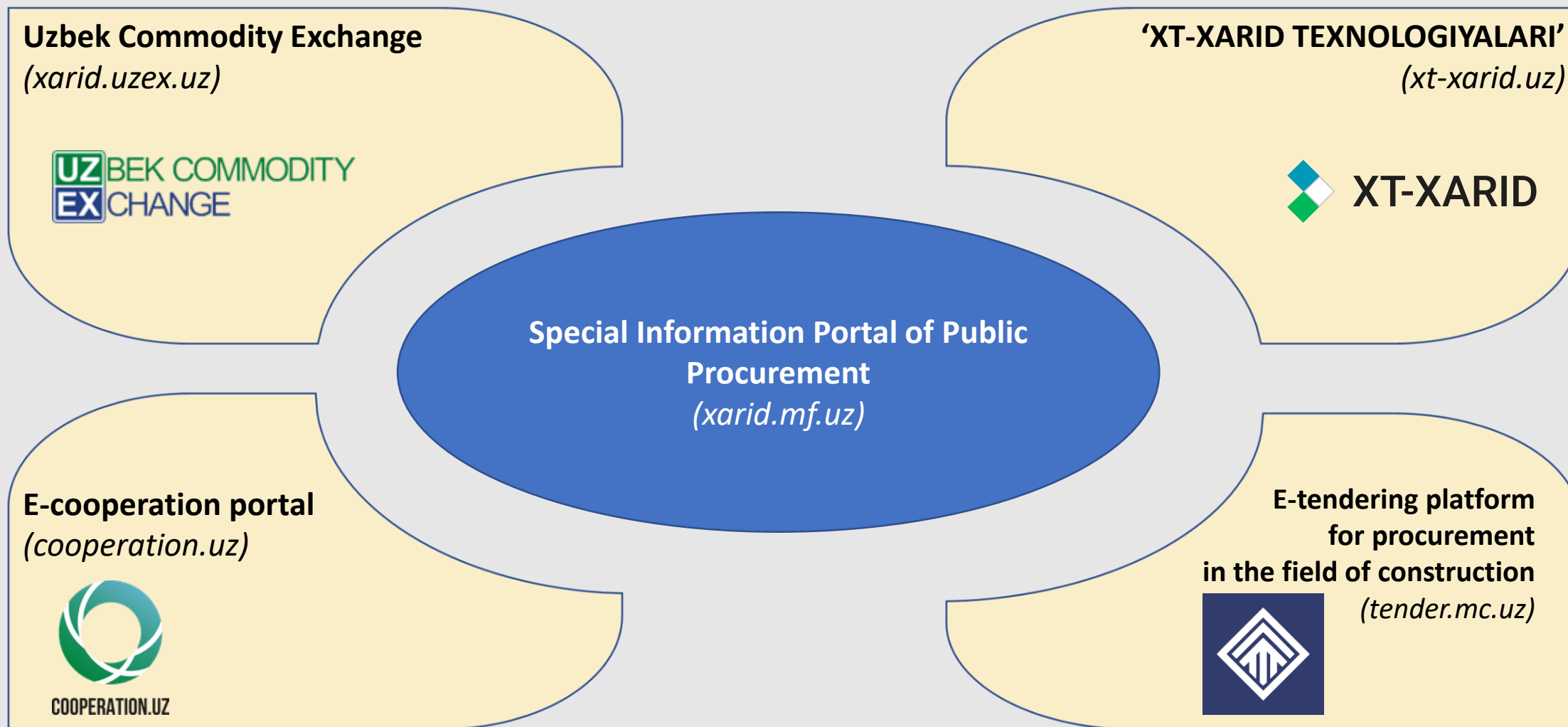
Organizational Structure & Stakeholders



Procurement Procedures

Electronic Store	Goods by general characteristics; Similar to e-trading platforms like Amazon or Alibaba	E-planning of procurement; Automatic registration of contracts in the treasury; E-invoice; E-payment.
Reverse Auction	Competitive procedure; Price is the only criteria.	
Competitive Bidding	One-stage procedure; Contract is awarded to the participant which offered the best terms of execution	E-planning of procurement; Electronic submission of documents; Assessment criteria; Electronic determination of results;
Tender	Two-stage procedure; Contract is awarded to the participant which offered the best terms of execution.	
Direct contracting	Natural monopolies; Unique goods or services.	E-contracting; Verified suppliers; Less time spent on signing of the contract.

E-procurement System



E-procurement System



Uzbek Commodity Exchange

Established in: 2011

Coverage: All procurements

<https://xarid.uzex.uz>



'XT-XARID' E-procurement system

Established in: 2020

Coverage: All procurements

<https://xt-xarid.uz/>



COOPERATION.UZ

E-cooperation portal

Established in: 2020

Coverage: Domestic producers

<https://cooperation.uz>



E-tendering platform for procurement in the field of construction

Established in: 2019

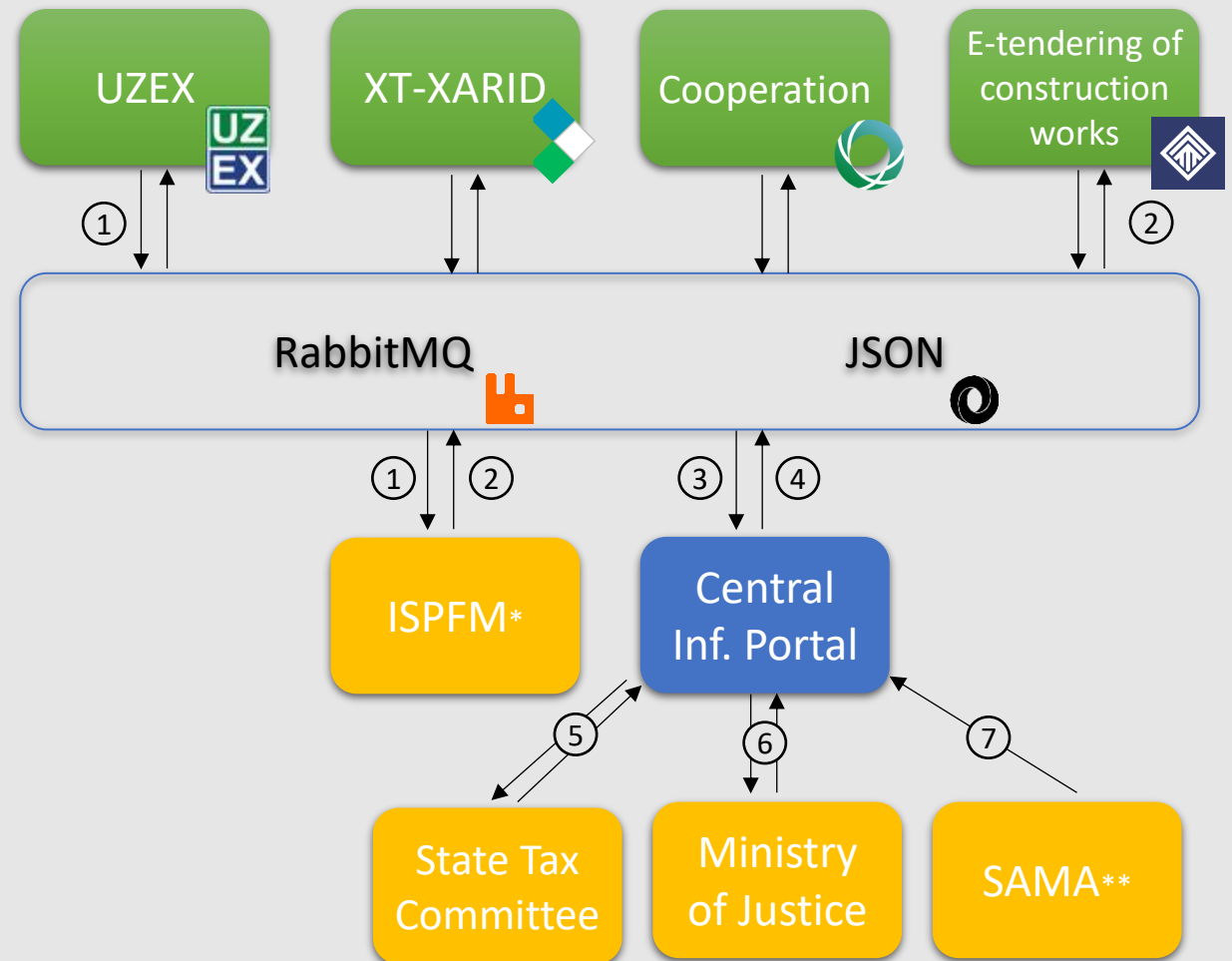
Coverage: Construction works

<https://tender.mc.uz/>

No	Operator	Procurement Volume (equivalent of billion USD)	Share
1	Uzbek Commodity Exchange	16.6	81.6%
2	'XT-XARID' E-procurement system	0.9	4.5%
3	E-cooperation portal	1.2	5.7%
4	E-tendering platform for procurement in the field of construction	1.7	8.2%
Total:		20.4	100%

E-procurement System

- ① Requests, contracts, payment, invoice information for conducting electronic transactions
- ② Responses to requests for electronic transactions (estimate available funds, booking them)
- ③ Requests for identification of affiliation between procurer and bidder based on the procurer's Tax ID (details, management, accounting, shareholders, Tax Gap, etc.) and Individual ID-number of the bidders. Information on the result of electronic bidding.
- ④ Responses to requests in ③
- ⑤ The procurer's Tax ID (details, management, accounting, shareholders, Tax Gap, etc.)
- ⑥ Result of the screening for identification of affiliation between procurer and bidder based on the bidder's Individual ID-number
- ⑦ Information on State-owned enterprises (SOEs)



* Information System of Public Finance Management (ISPFM)

** State Assets Management Agency (SAMA)

Challenges

Disadvantages of Multiplatform E-Procurement System

- More complex to develop and maintain due to multiple platforms
- Ensuring a consistent user experience across platforms is more difficult
- More expensive to build and maintain
- More difficult to ensure cybersecurity and protection

Lack of advanced risk management system

- Conflict of interests, bribery and other 'red flags'
- Introduction of AI

THANK YOU FOR ATTENTION!