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Georgia *eProcurement* System: Innovative *e-Procedures* and Cutting-edge *e-Services*

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The	Electronic Tender		
The summer of	System Code		SPA
Kanal	Activation Date		December, 2010
	Major Advantages		
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- Open electronic procedure, which is operating from the introduction of very first version of the Georgian Government electronic procurement system *eProcurement*.
- Works as a three stage reverse auction (e-Auction) principle.
- CA formulates all necessary technical and quality requirements, and in case of necessity clarifies additional qualification requirements as well. After that, CA evaluates lowest price bidder and in case of fulfillment of all requirements, awards a contract.





Electronic Tender Without Reverse Auction – Sealed Bid Auction

Major Advantages		
Activation Date	July, 2016	
System Code	NAT	

- Open E-Tender, which operates like so-called <u>Sealed Bid Auction</u>. All procedures are the same as in the case of reverse auction, however, instead of 3 additional rounds, the proposal is submitted only once. All the proposals, except for the best one, remain sealed (are not accessible for CA) until the tender is awarded the final status (except for the "tender terminated" status).
- <u>Minimizes bid-rigging possibilities within bidders and also diminishes possibilities</u> for biased decisions of CA.
- This procedure has been implemented according to the National Anti-corruption action plan and recommendations of international organizations.



Different Acquisition Procedure for the Construction Works

System Code DA	AP
Activation Date De	ecember, 2016

Major Advantages

- The E-procedure is conducted according to the so-called <u>prequalification procedure</u>. The bidders submit tender proposals, qualification documents, and financial proposals. After the evaluation of all the bidders, if tender terms and conditions are met, CA will invite the bidder with the lowest proposal price, in accordance with the established procedure, for the performance of the contract.
 - In certain cases, considering the specific nature of <u>Construction Works</u>, it is reasonable to make ex-ante filtering of bidders, that do not satisfy relevant requirements of procurement. This provides opportunity for CA to reduce overall tender period/ process and exclude inappropriate motives of different interested parties to extend tender award date (in particular, by means of inappropriate appeals to the review body or court).



Two-Stage Electronic Tender			
System Code	MEP		
Activation Date	August, 2016		

Major Advantages

- Procurement of goods, services and construction works on the basis of <u>price and</u> <u>other quantitative criteria</u>. The best bidder is identified on the basis of <u>price-quality</u> <u>ratio</u>, calculated via the unique algorithm incorporated into the system, the socalled <u>MEAT (Most Economically Advantageous Tender) method</u>.
- By means of this procurement procedure, CA have a possibility to consider <u>overall</u> <u>cost of production according to the current price plus product lifecycle costs</u>.

• This procedure is recommended in case of complex projects.



Electronic Tender with Prequalification

System Code	TEP
Activation Date	September, 2017

Major Advantages

- After bidders submit tender documentation and qualification documents, CA evaluates all documents. If the bidder fulfills all requirements it is considered as a prequalified.
- In the second stage, all prequalified bidders participate in a three stage reverse auction. At this stage, the winner is identified according to the best price.
- This procedure provides possibility for the CA, to <u>filter nonqualified bidders and also</u> <u>award a contract to the lowest price bidder, which is already prequalified</u>.
- This procedure has been implemented according to EU directive (mentioned in the directive as <u>Restricted Procedure</u>). According to EU directives, minimal notice period is 25 days; minimal number of bidders in the process 5.



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Design Contest			
System Code		CNT	
Activation Date		July, 2015	
Major Advantages			

- Procurement of <u>design related objects/projects under the decision of CA, like</u> <u>architectural, engineering, planning, design projects</u>.
- In this open electronic procedure bids are submitted in so called "two envelope principle", according to which the price is separated from the other technical or financial documents.
- Design Contest gives an unique opportunity to <u>evaluate quantitative and non-quantitative criteria</u> of the procurement object (for example visual content of the project, colors, shapes or other subjective criteria).



Newly adopted Timeframes according to the different Monetary Thresholds

		Procurement Procedure	Procurement Object	Monetary Threshold	Minimal announcement terr (Announcement + Submission)
		Open Electronic Tender	Goods and Services	From 5,000 to 150,000 GEL	7 (5+2) Days
				More than 150,000 GEL	10 (7+3) Days
			Construction Works	From 5,000 to 300,000 GEL	10 (7+3) Days
				More than 300,000 GEL	20 (15+5) Days



E-Agreement of "Simplified" Procurement cases (Direct Procurement)

System Code	SMP	
Activation Date	November, 2015	
Major Advantages		

According to the EU Visa-liberalization and National Anti-corruption action plans on 24th of July, 2015 Georgian Parliament has made amendment in the "Public Procurement Law".

According to this law <u>SPA should make pre-approval of simplified (direct or single-source)</u> procurement in case of specific grounds. Subject to agreement with SPA are the simplified procurement cases, which are conditioned by the following four grounds (according to PP Law):

- Supply of the procurement object is the exclusive right of a single person;
- There exist an urgent necessity;
- To prevent the deterioration of the quality of procurement object it is necessary to procure from the same supplier;
- Restricted timeframes are set for unimpeded execution of some of the state and public importance event.



Agreement of "Simplified" Procurement cases (Direct Procurement)

System Code	SMP	
Activation Date	November, 2015	
Major Advantages		

- Request for the simplified procurement case to the SPA has become available and easy to access for any interested party at the *eProcurement* system.
- Monitoring of the simplified procurement became significantly easy.
- In case of urgent necessity, approval procedures for the simplified procurement become significantly easy for CA.
- In 2012 share of simplified procurement versus overall public procurement has been 45%, however by 01 January 2018 this number is reduced to 21%.
- In 2017 contract amounts compared to 2016 has been reduced by 14%.



Additional PP procedures incorporated into the Georgian *eProcurement* System

Simplified Procurement (Direct/Single-source Procurement)	CMR	 Procurement of homogenous goods/services up to national monetary threshold of 5,000 GEL In cases of emergency, permitted under law (pls see slide #9)
Consolidated Tenders (Framework Agreements)	CON	Procurement of certain homogeneous goods on the basis of aggregated demand: fuel, computer hardware, printers/scanners/copiers, cartridges, A4 papers, mobile (cell) communication service, tire-covers, TV and broadcasting services, Uninterruptible Power Supplies (UPS).
Special Electronic procedure of procurement	GEO	 Procurement of goods/services through established special procedure, the validity period of which cannot exceed 2 years. Those procurement cases/tenders are not covered by PPL of Georgia. It is also used for secret (classified) procurement. Is regulated by the special decree of the Georgian Government.
Special Electronic procedure of procurement through IFIs / donor community resources	DEP	Specifically developed and incorporated in the <i>eProcurement</i> system by the SPA to implement donor funded e-tenders from 2014. Already incorporated IFIs: World Bank-WB, Asian Development Bank-ADB, European Investment Bank-EIB, Millennium Challenge Account Georgia-MCA Georgia, Japan International Cooperation Agency-JICA, United Nations High Commissioner for Refugees-UNHCR and etc.
Grant Contest	GRA	Procedure, aiming at revealing the best grant application issued by the Georgian Governmental agencies and local self-governance bodies.

Latest Developments in Georgia eProcurement system:

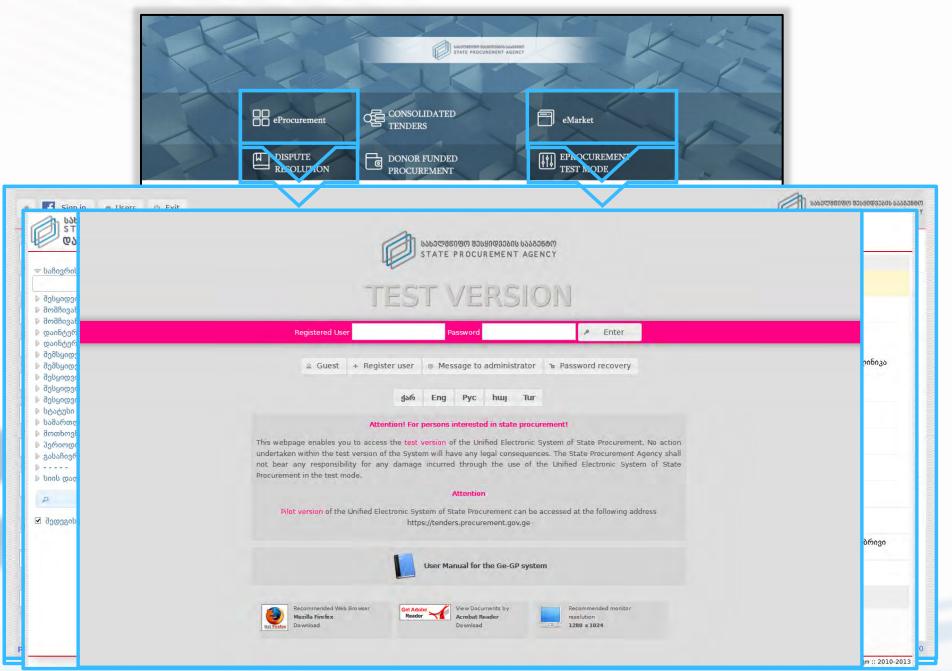
Single web-portal to access all e-services

Open Data approach and implementation of OCDS

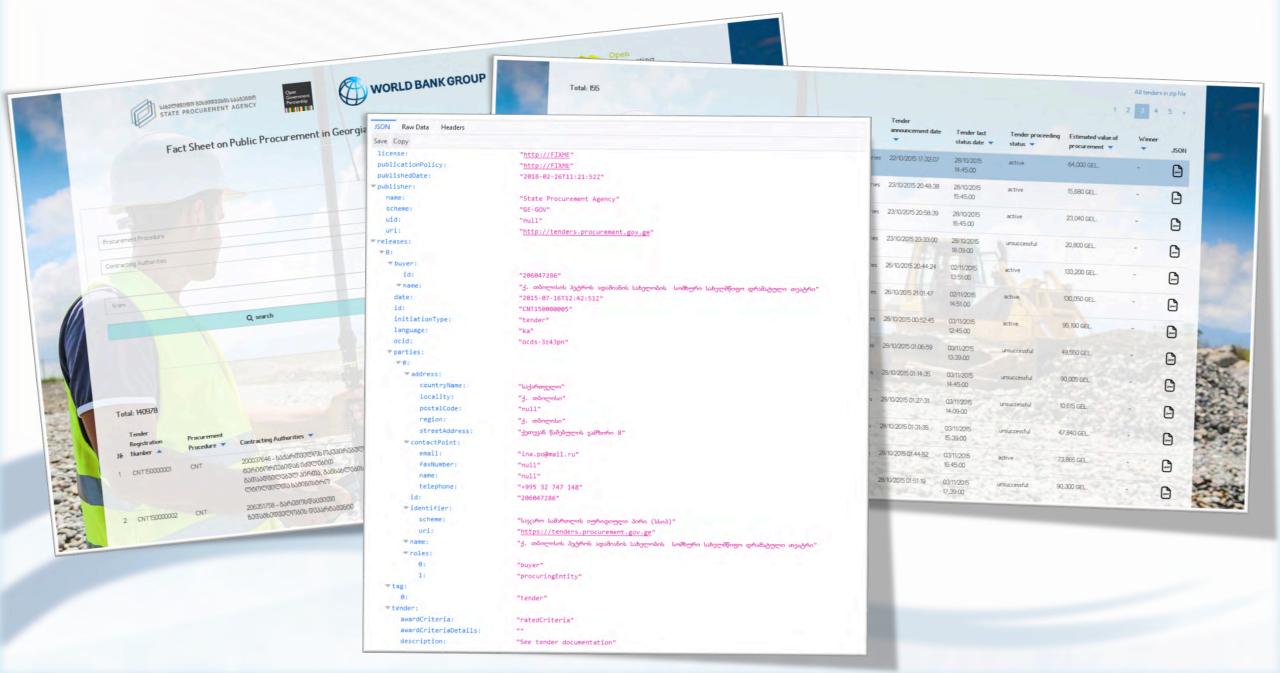
Most requested PP data visualization approach

Visualization of PP statistical data

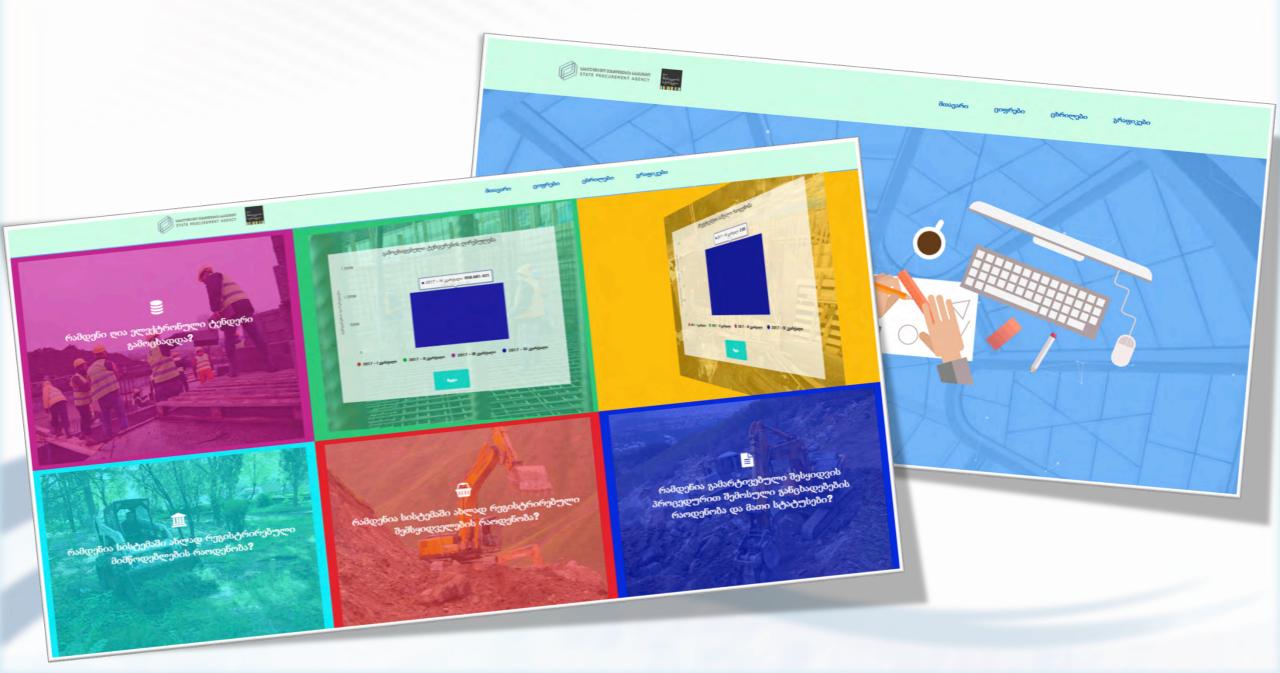
Single web-portal to access all e-services



Open Data approach and implementation of OCDS



Most requested PP data visualization approach



Most requested PP data visualization approach





Most requested PP data visualization approach



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Visualization of PP statistical data

