Moving forward with e-Procurement
E-procurement forum

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New amendments in the Public Procurement Law for mandatory use of e-procurement by 2018

- **30 %** of all procurement procedures have to conducted through ESPP by **2016**
- **50 %** of all procurement procedures have to conducted through ESPP by **2017**
- **100 %** of all procurement procedures have to conducted through ESPP by **2018**
STATISTICS ON E-PROCUREMENT IN MACEDONIA FOR 2016

Total number of registered CA’s – over 1,400 (with over 10,000 users) and EO’s – over 10,000 companies (over 6,000 active)
Total number of published notices – **16,853**

Conducted e-Procurement procedures – **7,724**

Published contract notices present that around **45.8%** of contract award procedures in 2016 were carried out fully electronically, accounting for the most in the past years.
As regards savings generated on the basis of auctions by type of procurement, i.e. type of supplies, service or works procured, more important data are shown in the Table below:

<table>
<thead>
<tr>
<th>Activity/sector</th>
<th>Percentage of savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT and telecommunication goods and services</td>
<td>25.02%</td>
</tr>
<tr>
<td>Consumable supplies and stationery and printing/publishing services</td>
<td>24.50%</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>22.66%</td>
</tr>
<tr>
<td>Construction works, works related to environment, utilities services, hygienic – technical equipment/products and other related supplies/services</td>
<td>21.90%</td>
</tr>
</tbody>
</table>

The largest savings, in average, were generated in the sectors where standardized supplies and services were offered and where competition on the market existed.
Average number of tenders submitted in procedures carried out fully through the ESPP in 2016 was 3.5 tenders per procedure, while with respect to the paper-based procedures, 2.3 tenders were submitted in average.

The graphic below presents the average number of bids submitted in electronic procedures v.s paper procedures.
BENEFITS OF E-PROCUREMENT IN MACEDONIA

1. Increasing the transparency and easy access
2. Increasing the competition and the quality of procurement
3. Increased efficiency in the private sector
4. Increasing the trust of the entire system of public procurement
5. Collection of statistic data
6. Benefits for the business community
7. Influence on the general public
CHALLENGES OF E-PROCUREMENT

01. Costs for implementing/manufacturing of PP platform

02. Interoperability problems

03. Digital gap and usage of digital signatures

04. Difficulties with revision and control of procedures

05. Mental capacity of users and their bureaucratic behavior.

06. Problems with exchange of data and information

07. Technical problem that are arising from the usage of the platforms as ICT systems
NEWS AND UPGRADES OF ESPP
- REDESIGN OF ESPP

- Public site (Unrestricted part) – Phase I
- EO’s user’s profiles (Restricted part) – Phase II
- CA’s user profiles (Restricted part) – Phase III

The Electronic System for Public Procurement (ESPP) is simple web-based system that enables the implementation of public procurement in electronic form in Republic of Macedonia. ESPP enables electronic trading between contracting authorities (purchasers) in the Republic of Macedonia, and the domestic and foreign economic operators (suppliers). Using the ESPP eliminates paper work with documents, and provides increased efficiency and effectiveness in implementing the procedures for assigning a contract for public procurement. All users of ESPP are obliged to buy and use electronic signatures contained in digital certificates issued by certificate authorities registered in the Republic of Macedonia: GlobalSign (http://ca.kibs.com.mk/), Macedonian Telecommunications (http://www.telecom.mk/business).
Process of issuing a package of documents - electronic certificates needed to prove the personal, professional and financial capacity of the economic operators.

This new process replaces the existing where economic operators were obliged to provide the necessary documents, upload it manually, and to provide for their renewal every six (6) months in accordance with existing legislation.
EO’s can choose from 3 package of documents. After choosing the system redirects him to the CR site where he makes the purchase.
TENDER DOSSIER

The documents are available on the EO’s profile and when submitting a bid they are automatically uploaded.

Upload the documents on the personal situation

<table>
<thead>
<tr>
<th>PACKAGE NUMBER</th>
<th>SERVICE NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Документи за доказување на лична состојба, професионална способност и економско финансиска состојба</td>
</tr>
<tr>
<td>2</td>
<td>Документ за доказување на економско финансиска состојба – Извештај од билансот на состојба и билансет на успех</td>
</tr>
</tbody>
</table>

DOCUMENTS ON THE PERSONAL SITUATION OF THE ECONOMIC OPERATOR

- Пакет на документи за лична состојба издавени од ЦРМ

   Потврда за платени даноци, придонеси и други јавни давачки од надлежен орган од земјата каде економскиот оператор е регистриран

   Изјава на економскиот оператор дека во последните 5 години не му била изречена правосила пресуда за учество во злосторничка организација, корупција, измама или фирмење пари

   Документ за доказување на лична состојба_Пакет1.pdf

- Документ за регистрацирана дејност

   Потврда за регистрацирана дејност_Пакет1.pdf

ABILITY OF THE ECONOMIC OPERATOR TO PERFORM BUSINESS ACTIVITY

- Документ за регистрацирана дејност

   Документ за доказување на професионална способност - Потврда за регистрацирана дејност_Пакет1.pdf

ECONOMIC AND FINANCIAL STATIONING OF THE ECONOMIC OPERATOR

- Потрбен документи за доказување на економската состојба

   Документ за доказување на економско финансиска состојба - Извештај од БС и БУ_Пакет1.pdf
NEWS AND UPGRADES OF ESPP - CLOUD INFRASTRUCTURE

Moving EPPS infrastructure in the cloud means significant savings of funds for investments in hardware, hosting of the infrastructure of ESPP, as well as increased performance and getting a scalable solution that best suits the needs of the system.

Moving ESPP on cloud infrastructure – May.2016

Benefits...
NEWS AND UPGRADES OF ESPP
- Connecting the Additional contracts with the original contract (direct awards)

- New functionality on ESPP
- When publishing contract award notice with negotiation procedure for additional (works or services) contracts for the same subject of procurement CA has to choose the original contract
- Better transparency and visibility when using the negotiation procedure
Macedonia has received a grand from the World Bank under SAFE program to **Enhance the implementation of Public Procurement in Macedonia.**

The proposed assistance is targeting two of the main areas: public procurement and anti-corruption – allowing to strengthen efficiency and transparency in PP.

The project will be implemented by the Macedonian Public Procurement Bureau.

This project will provide significant support to a major part of the Strategy for Development of the Public Procurement System (2016-2020), especially in regard to e-Procurement.
SAFE GRANT – PROJECT PROCUREMENT STRATEGY FOR DEVELOPMENT

The project comprises the following three components:

- **Performance indicators** – technical assistance for development of e-procurement performance indicators and government red flags

- **E-procurement, security & software updates**
  - publication of procurement notices of international donors
  - pre-view of the tender documentations for EO’s without subscribing to the system
  - e-payment for the registration subscription
  - harmonization of e-procurement with e-archiving and e-appeal

- **Capacity Building** – technical assistance for building capacity of PPB staff, new functionalities and sharing experience with other countries
FUTURE UPGRADES AND UPDATES

- Publication of annual procurement plans on EPPS
- Linking ESPP with the treasury system of RM for better monitoring of the implementation of public procurement contracts
- Tool for publishing of the public procurement contracts and increasing the transparency and accountability in public procurement
- Continuous optimization and redesign of the ESPP platform
THANK YOU FOR THE ATTENTION

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