

Context of international commitments – EU/GEO AA

AA/DCFTA ARTICLES

IMPLEMENTATION

Article 145: Agreement of the Reform Strategy



Roadmap and Action Plan for the Implementation of the Public Procurement Chapter of the EU-Georgia Association Agreement, GoG decrees – 31-Mar-16 & 22-June-18 & 12-June-20

Article 143(2):

“(a) Designation of an executive body at central government level tasked with guaranteeing a coherent policy and its implementation in all areas related to public procurement”



LEPL - State Procurement Agency of Georgia

Article 143(2):

“(b) Designation of an impartial and independent body tasked with the review of decisions taken by contracting authorities or entities during the award of contracts”



Public Procurement-related Dispute Resolution Council (DRC), Amendments to PPL - 23-Dec-17 & 02-July-20

Article 144: Basic Standards Regulating the Award of Contracts



Legislative amendments to the PPL – 19-July-17:

- Equal treatment and proportionality;
- Performance criteria and functional specifications;
- New time limits;
- New types of procuring procedures.



Reform's agenda for 2020

Full reformation of the Georgian administrative review body – establishment of the **Dispute resolution / settlement council (DRC)**:

- Conducting an extensive **consultations with international (EC DGs - GROW/TRADE/ECFIN/NEAR, EU TWINNING, EUD, US DOC – CLDP, OECD-SIGMA, IFIs - EBRD, WB...) and national stakeholders (GoG, municipalities, business community, CSOs) on draft model/architecture & draft legal provisions.**
- Discussing of comments, suggestions, remarks. Evaluation of alternative solutions. Reaching a difficult compromises...



DRC: Reformation pillars

The Government of Georgia (incl. PM Office, Administration of GoG, Ministry of Finance, Ministry of Economy, State Procurement Agency, National Competition Agency) completed actions under appropriate **5 dimensions of the reform**, regarding establishment of the **Public Procurement / Concessions / PPP related Dispute Resolution Council** and launching its operations:

- The **legal framework** – the pieces of primary and secondary legislation has been adopted; the law has been adopted in July-20, the Rules of Procedure (*“Reglement”*) has been adopted on 31-Dec-20, the Statute of the National Competition Agency has been amended, the Statute of the State Procurement Agency has been amended, several legal acts has been annulled;
- The **institutional set up** – all 5 DRC members are already appointed, 10 staff members are already contracted and started daily duties; Civil Service Bureau has been already concluded open contest procedure in order to select/hire 10 staff members - civil servants;
- The **financial support** has been guaranteed – the needed budgetary funds has been allocated by the Ministry of Finance;
- The **technological platform** has been ensured – newly developed e-modules and e-services are already tested and implemented into the Georgian Electronic Government Procurement System;
- **Capacity building activities** has been safeguarded – newly elected DRC members and staff members are already familiar with amended rules and regulations, staff members and DRC members were trained on e-Procurement applications.



DRC: Already operational

- According to the 30-Dec-20 decree (bylaw) of the Government, the **newly established Georgian Dispute Resolution Council is already operational from 04-Jan-21.**
- In total **85 complaints** were appealed during January, 2021
- Among them, **14 – above EU monetary thresholds;**
- On 08-Feb-21 the very first complaint was registered for **single-source procurement case.**



DRC: Adopted legal framework

- ✓ Adoption of the Law on State Procurement
- ✓ Adoption of 3 complimentary laws
- ✓ Adoption of the Law on Competition
- ✓ Adoption of 3 Government decrees (bylaws)
- ✓ Adoption of 5 SPA's decrees (bylaws)
- ✓ Adoption of 6 Prime Minister's decrees



DRC: Institutional set up

DRC – 5 members

DRC – 1 chairperson

DRC – 1 deputy chairperson

**DRC – 10 staff-secretariat members;
1 chief of staff**

