E-PROCUREMENT IN KOSOVO

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PUBLIC PROCUREMENT REGULATORY COMMISSION (PPRC)
The Republic of Kosovo started to apply the e-procurement system in public procurement by mid of 2016.

Implementation of the e-procurement system was supported and funded by the World Bank project, Public Sector Modernization Project (PSMP).

PPRC is the main government institution responsible for implementation and introduction in use of the e-procurement.
The E-procurement system developed and implemented in Kosovo is a centralized and unified system and an end-to-end comprehensive e-Procurement system, covering all possible procurement processes and system modules, starting from procurement planning to payments.

The major modules of the E-Procurement system developed and implemented: **Centralized Registration** for all types of users (Contracting Authorities, Economic Operators, and other users), **Dashboard module**, **E-Tendering module** (from the annual procurement plan preparation to contract signing, including Framework Agreements, **Central Procurement Agency (CPA)** module (for centralized procurement activities), **Procurement Review Body** module (for administration of procurement complaints), **E-Auction**, **e-Reverse Auction**, **Contract Management**, **E-PMIS** (reporting module), **System administration** and **Help-desk module**.
E-PROCUREMENT SYSTEM MODULES

REGISTRATION
DASHBOARD
E-PMIS
AUDIT TRIAL
SYSTEM ADMIN

E-TENDERING

CPA
PRB
E-AUCTIONS
E-REVERSE AUCTIONS
CONTRACT MANAGEMENT
Use of the e-procurement system became mandatory for all Contracting Authorities (CA): at central level (starting from September 2016) and for all CAs at local level (from January 2017), for procurements with medium and high value, while starting from January 2018 and for procurements with low value.

Currently about 97% of all procurement procedures are covered and conducted through the e-procurement system.
Procurement procedures covered:

- Open procedure;
- Restricted procedure (with one or many EO);
- Competitive Negotiated procedure (two stage bidding);
- Negotiated procedure without publication of contract notice;
- Minimal value and Quotations
Type of contracts/procurement categories:

- Works;
- Supply;
- Consultancy services;

Framework contracts/agreements are applying and adopted by CAs and CPA for Centralized procurements.
Contracting Authorities – prepare and publish in the e-procurement system all type of documents: tender dossier, TS/ToR, BoQ, contract notices, awards, corrigenda, cancelations, signed contract notices, etc.

Economic Operators – are able to track all announcements, download tender documents, prepare bids, submission of bids, prepare and submit any request for clarification or complain, receive clarifications from CAs and receive in real time all type of notifications related to procedure or tender.

All type of communications/transactions between CAs and Eos, including transactions with Procurement Review Body is available in the e-procurement system.
To date:

- **186 Contracting Authorities** (all) are registered and using the system;
- **5500 Economic Operators** are registered and using the system;
- **14,000 users** (each type of users from CAs, EO, and Individuals) are registered in the system, as one of CA or EO may have more than one user (according to type and role assigned);
- **6000 Contract Notices/procurements** are prepared and published in the system;
- About **4000** of Contract/FA signings are published in the system;
In 2016/2017:
- Around 30% of procurements have had at least one electronic bid.
- Electronic submission of bids is at level of 20% from total number of bids received in all procurements prepared and published through the system.

While in 2018:
- 50% of procurements have had at least one electronic bid; and
- 30% is no of electronic bids from total number of received bids.

NOTE that only for bid submission the PPRC keeps the door open to paper bids until all EO are well trained and trust the system. While all other transactions are realized through the system.
Centralized and unified e-procurement system is available through the web-link: https://e-prokurimi.rks-gov.net;

Currently the e-procurement web-link is the most visited/used web page for B2G and G2B services at government level;

In 2016/2017 the average of page hits per day was: **200,000 page hits/views** in 24 hours, while in 2018 the average page hits per day is **500,000** hits/views;

**10,000** is number transactions per day for all type of notifications between system users.

**1 TB** is volume of the data per week.
Starting from **September 2018**, no paper bids will be allowed for procurements conducted through Centralized Procurements;

*while if PPRC realizes to increase in-house capacities and have a stable and secure e-procurement system, then:*

Starting from **January 2019** paper bids **will not** be allowed for all procurements conducted through the e-procurement system.
Despite challenges:

- E-procurement system implementation in Kosovo can be considered as a success story and main procurement reform in recent years;
- The e-procurement system is fully operational and in use with major system modules, E-tendering, Centralized Procurements, Complaints administration module, etc.
- Procurement processes are automated at both government and business sector side;
- Operational efficiency in procurement is increased at CA and EO side;
- Operational costs and time is considerably reduced at CA and EO side;
- Competition is increased, especially for procurements with low value where SME are more active;
Transparency in public procurement is highly increased across government procurement authorities, as almost everything is published in the system, is public and open/available for download (starting from annual procurement plans, procurement notices, notifications, register of signed contracts/FA, etc;

Monitoring of procurements is more efficient - almost everything can be monitored by PPRC in real time and at any stage;

The system can be used by internal and external auditors for audit of procurements initiated and completed by Contracting Authorities.
"Success factors" on implementation of the e-procurement:

- Uninterrupted government/PPRC commitment and WB support;
- Good government ICT infrastructure and internet connectivity across the country;
- Good level of computer literacy at government and private sector side.
In brief this was an introduction of e-procurement implementation, without touching the technological aspects.

Now, turning to the question/topic:

.... what have you done on procurement capacity and procurement system enhancement?

The answer is:
We have adopted and applied the E-PROCUREMENT
Procurement system enhancements are evident and indisputable.

With implementation and introduction in use of the e-procurement, it’s understood that PPRC will have expanded roles and responsibilities in Kosovo public procurement.

Especially it’s understood that transition from traditional procurement to electronic procurement it’s a major reform, big challenge and it’s not an easy transition.

It was clear that PPRC and government capacities in public procurement needs to be increased, additional trainings and regulatory framework is required and that the PPRC is not any more as a Regulatory Commission only, but will also become as a Service Provider.

New approach, change management, additional capacities and a set of prerequisites were required for a successful implementation of the e-procurement.
Therefore, along with the existing Legal/Regulatory Framework:

- *The Law on Public Procurement (amended in March 2016)*,
- *National Strategy on Public Procurement (2017-2021)*,
- *Training Strategy, etc,*

PPRC was obliged to undertake a set of actions and activities in order to **be ready** for implementation and introduction in use of the e-procurement, such as:
Development of the e-procurement guidelines (E-GP), including revision of secondary legislation and making it compliant with e-Procurement

Establishing of a team of trainers in PPRC to provide dedicated training in e-procurement for all procurement officials and system users (about 600 officials are trained), including training for EO in cooperation with donors;

Preparation of additional user manuals/training materials in e-procurement for each type of users, including establishment of a demo-test version of the e-procurement system which is available and can be used at any time by all procurement officials for training and exercises; and most important

Engagement of new IT staff and establishment of a Help-Desk and System administration teams/units for the e-procurement system;
However, in spite of actions taken in capacity building and system enhancements, the PPRC have to continue with:

- increase of procurement capacities in the PPRC and all government institutions;
- Work on legal framework to be aligned with EU procurement acquis;
- Simplification functionalities in the procurement system - through Re-engineering of work practices;
- Upgrade of the e-procurement system infrastructure, security and data availability;
- Introduction in use of the Contract Management Module and integration with FMIS and government interoperability platform.
THANK YOU!!