



COMPETITION AND STATE PROCUREMENT AGENCY ANNUAL REPORT 2011





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The year 2011 was of paramount importance for Georgia in the light of large-scale reformation of the state procurement system. Georgia is only the second country in the world where the so-called paper-based tenders have been fully eliminated and 100% electronic tenders were introduced within particularly shortest period of time. Although the Georgian Electronic Government Procurement (hereinafter Ge-GP) system has quite a short history, the major importance and the leading role of the system in ensuring the unprecedented transparent expenditure of state funds and their considerable savings are obvious. Characteristic for the system non-discriminatory and fair evaluation procedures further promoted competition and practically fully excluded the cases of corruptive practices. The statistic data for 2011 allow for optimism and continuation of the reforms with greater enthusiasm and diligence. Our main goal is to develop one of the best and exemplary systems of state procurement in the world through continuous improvement.

WHERE WE STARTED

The current system of state procurement was launched in Georgia on the first of December, 2010. Until then, in the nearest past, the system was still believed to be the legacy of old times.

- There had been the cases of discriminatory treatment due to the absence of sufficient transparency;
- The cases of corruption were not exceptional;
- There had been the cases of favouritism and other unsound practices due to various reasons;
- The society had a distrust towards procurement system;
- Access to tender-related data was very limited;
- The risk of participation in tenders was unjustifiably high;
- The logistics were not compatible with modern requirements;
- The costs of participation in tenders was inevitably high (GEL 200);
- The competition was limited.





All the tendering procedures were conducted on the basis of paper documents. As a result, approximately 20 million paper documents were accumulated in State Procurement Agency (hereinafter the agency) by the beginning of 2011. And it deemed practically impossible to collect and analyse data contained therein.

Participation in paper-based tenders was associated with the collection of numerous documents, multiple visits of suppliers to procuring entities and other administrative bodies. It was mandatory to submit many such documents, which created additional administrative barriers. Except for the winners these documents were practically useless for the other bidders and meant the sheer waste of time and material resources.

The problem of geographical inequality should also necessarily be mentioned. The regional companies were in unfavourable position as compared with Tbilisi-based companies, insofar as most of the procuring entities were located in the capital and regional companies had to visit Tbilisi at least four times to participate in a tender with no guarantees for winning it.

According to the World Bank Report for 2008 the state procurement system of Georgia was rated as “high risk environment” with regard to corruption. Based on the foregoing and due to other reasons state procurement system of those time was regarded as inappropriate and inadequate for the reformer country.

WHAT WE WANTED

The reform aimed to achieve five simple goals:

- Transparency

It was necessary to ensure the transparency of the expenditure of state resources for the society to have access to information whether for what and in what amount the state budget assignments were expended.

- Non-discrimination

It was necessary to introduce such procedures, which would have placed all the players on the equal play grounds when participating in tender proceedings and would have excluded the possibility of discriminatory treatment. This was a rather complicated challenge, as there were several factors – e.g. the geographical factor - giving preference to certain companies, which were located relatively closer to procuring entities.

- Fair selection

In certain cases the suppliers were unfairly disqualified for various reasons through giving them low grades, what was further supported by quite subjective and non-transparent evaluation system.

- Simplified procedures



Participation in paper-based tenders was associated with rather complicated procedures, waste of time and material resources, what made many companies reluctant with the participation in tenders. It was necessary to simplify the procedures and remove the administrative barriers.

- Getting rid of the papers

The paper documents submitted to the agency were inefficient and non-reliable source of information and, at the same time, the procession of these documents and obtaining the necessary information was a rather complicated and time-consuming process. It was also difficult to issue the paper-based data as public information (searching for, procession, copying, etc.)

STEPS MADE

The task of creation, introduction and management of the Ge-GP system was delegated upon the agency, which succeeded in ensuring the development of the software for the Ge-GP system under the assistance of the National Agency of Public Registry.

Several models of introduction of the electronic system of state procurement were considered:

The first one provided for the introduction of off-the-shelf, rather expensive foreign model, which meant the gradual introduction of e-tenders. The other model meant the in-the-house creation and introduction of the system within the shortest period practicable and at minimal cost, which system would have been fitted to dynamically reforming liberal business climate of Georgia. The preference was given to the second option. As a result, in less than one year it became possible to fully get rid of “paper-based tenders” and hold the state tenders only through the electronic system.

EXPENSES RELATED TO THE DEVELOPMENT OF THE GE-GP SYSTEM

Off -the-shelf programme



In-house development
of the new programme





The Ge-GP system was created within less than one year period – the reform was launched in January 2010 and in October of the same year the first e-tender was already announced. From the first of December 2010 all the paper-based tenders were abolished. Since then all the state tenders are held only electronically.

Phases of the Reform:

- January 2010. Legislative amendments and development of the system
- August 2010. Trial of the System
- August-October 2010. Trainings and seminars for over 1000 interested consumers
- October 2010. The first e-tender
- November 2010. The system user-guide in the Georgian and English languages
- December 2010. Full abolishment of paper-based tenders
- January 2011. The system of electronic payments was created
- September 2011. 10 thousand registered users
- October 2011. Saving 160 million GEL
- December 2011. Bilingual system (Georgian/English)



WHAT WE HAVE DONE

GE-GP- EVERYONE SEES EVERYTHING

The net value of 17 717 contracts awarded through e-tenders announced in 2011 amounted to GEL 1 156 191 457.

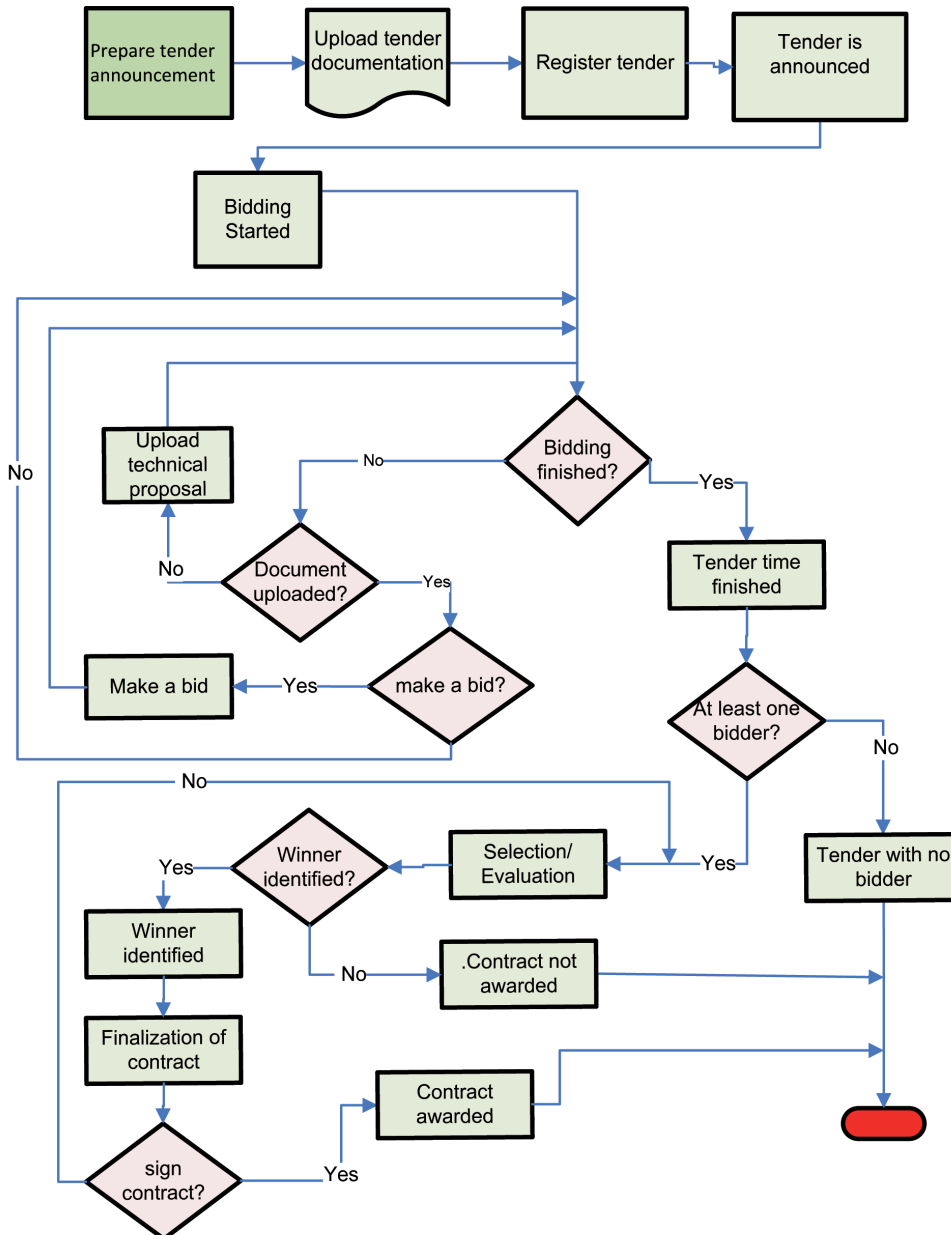
The Ge-GP system is bilingual and the data contained therein is accessible for any user in the Georgian and English languages. The main benefit of the system is its simplicity and transparency. The registration within the Ge-GP system is even easier than the

Facebook registration. Only a PC with Internet access is sufficient for the announcement of and participation in a tender from any place in the world. Any information related to state procurement is accessible in the Ge-GP system for any interested person. Among this information are:

- Annual procurement plans
- Tender notices
- Estimated procurement value
- Tender documentation and their amendments and corrections
- Bids of the suppliers and bid prices
- Minutes of tender commission meetings and the correspondence exchanged with the supplier.
- Contracts and amendments thereto
- Information about payments made.



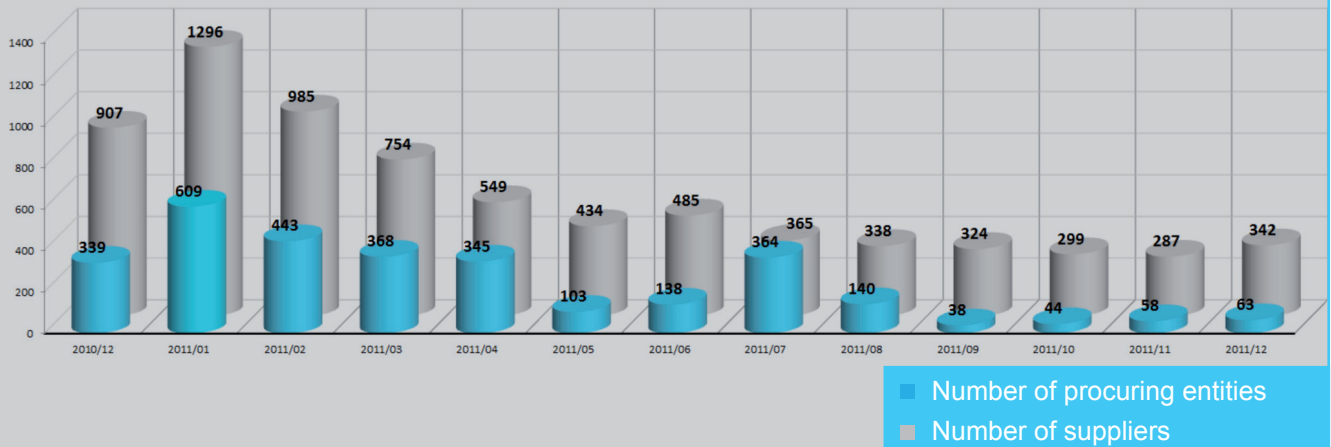
GRAPHICALLY THE TENDERING PROCEDURES CAN BE REPRESENTED AS FOLLOWS





Obtaining the accurate data concerning procuring entities was a real problem with paper-based tenders. The Ge-GP system made it possible to collect data concerning procuring entities and suppliers electronically. Today we know exactly how many users are there in the Ge-GP system.

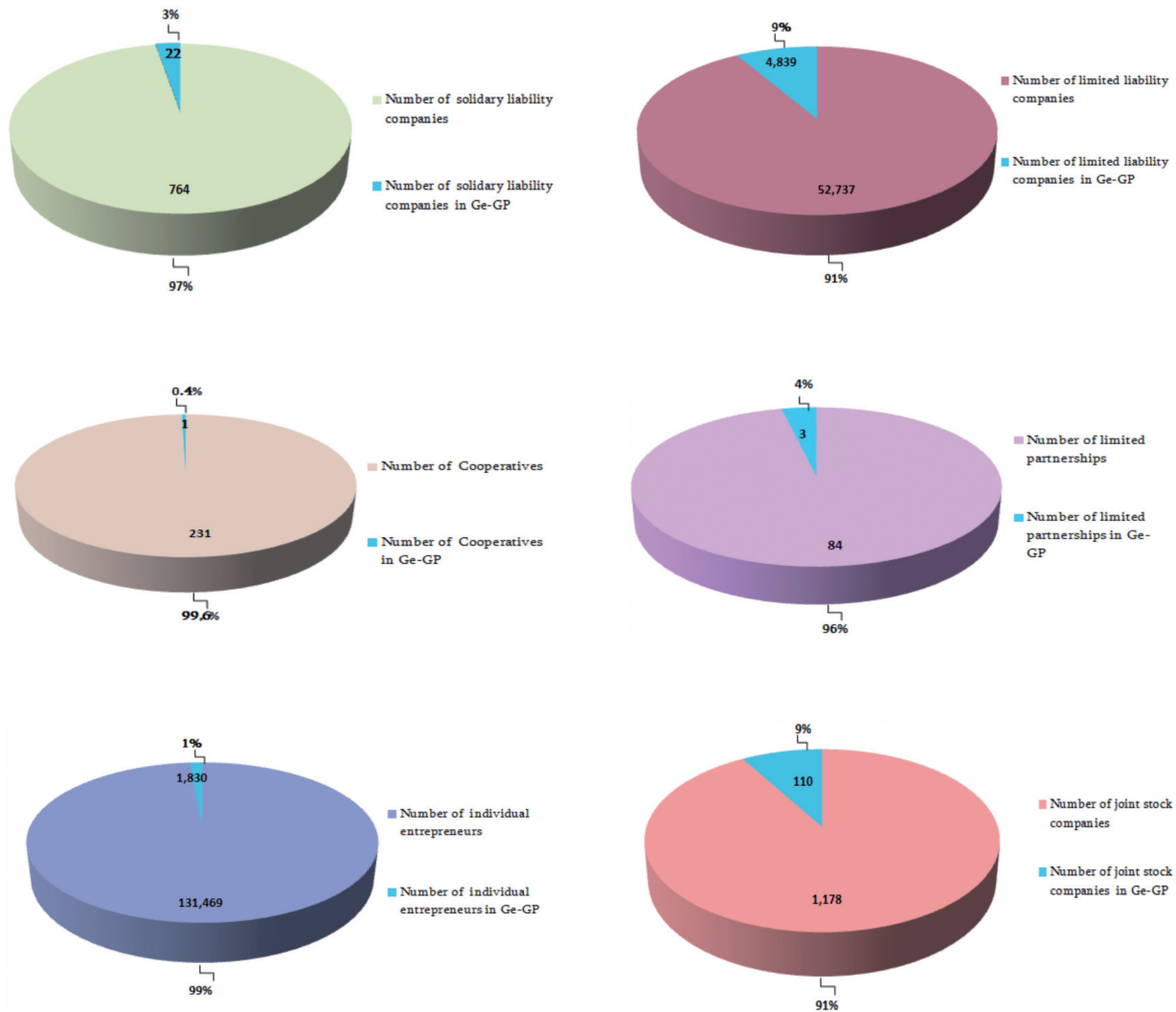
CHART 1
NUMBER OF REGISTRATIONS



By the end of 2011 total 10 417 users were registered in the Ge-GP system, of which 3052 users were the procuring entities and 7365 – the suppliers. The data given below show the number of (active) taxpayer entrepreneurs registered in the Ge-GP system as suppliers.



CHART 2

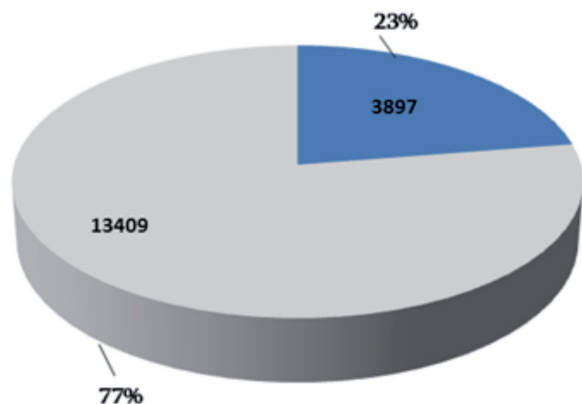


66% of the suppliers registered in the Ge-GP system are the limited liability companies. They account for 77% of contracts awarded through e-tenders, what speaks for their economic activity.



CHART 3

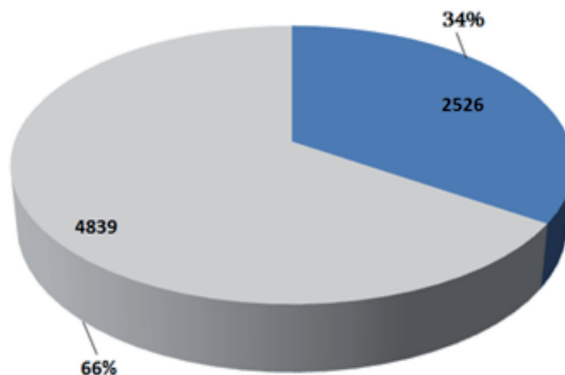
Number of contracts with limited liability companies and with other suppliers



- Number of contracts with other suppliers
- Number of contracts with limited liability companies

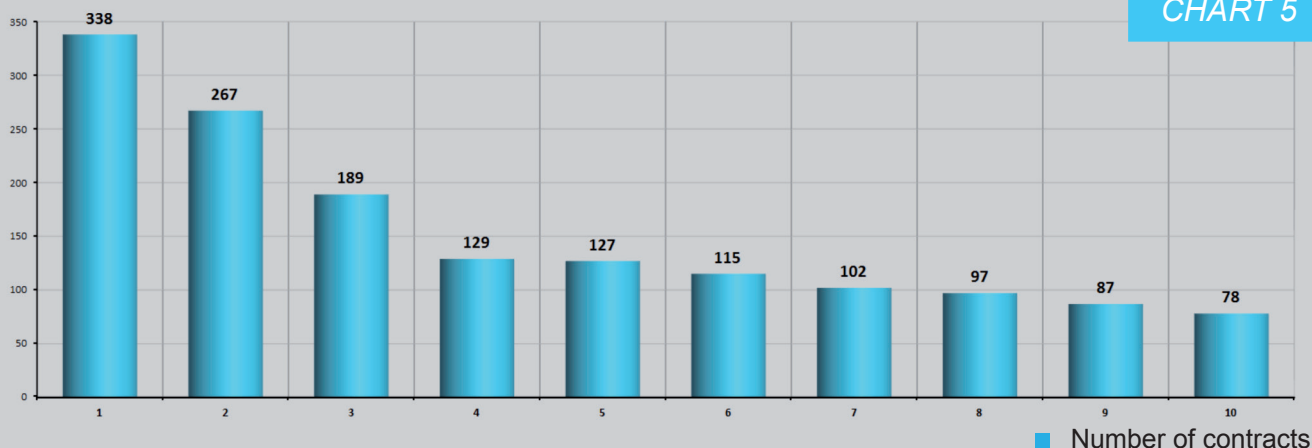
CHART 4

Number of limited liability companies and other suppliers



- Number of other suppliers
- Number of limited liability companies

CHART 5



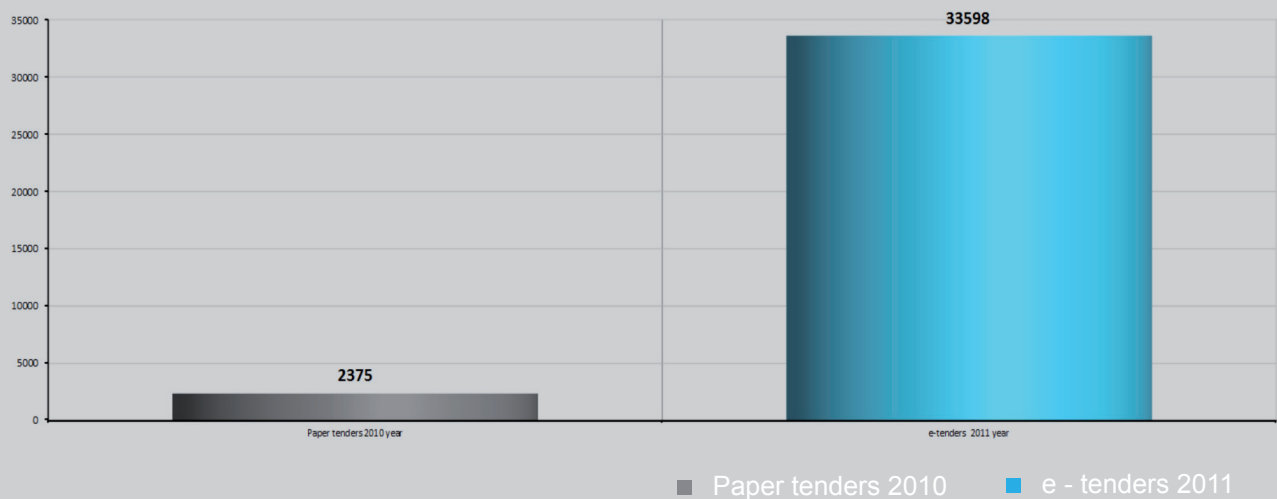
■ Number of contracts



№	Suppliers	Number of contracts	Number of e-tenders	Contract amount
1	Tegeta Motors	338	400	9,047,208
2	Wissol Petroleum Georgia	267	298	27,424,737
3	Silknet	189	263	3,300,511
4	Axali mtvare	129	223	4,232,136
5	Ultra ltd	127	214	1,399,697
6	Bonto	115	210	2,155,988
7	Esabi	102	193	4,229,997
8	"Alta" ltd	97	155	1,947,155
9	Dio	87	96	1,343,428
10	Kolart-M	78	95	723,044
		1529	2147	55,803,901

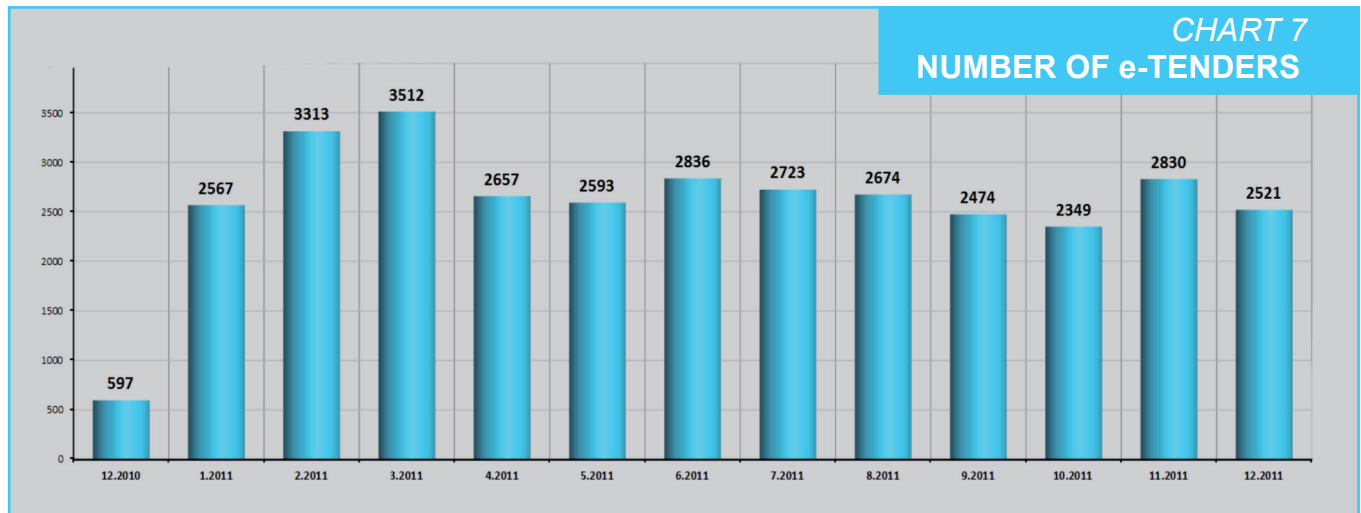
Mandatory monetary threshold for the announcement of a tender was reduced 20 times in the case of procurement of goods and services and 40 times – in the case of construction works. Currently this threshold amounts to 5 thousand GEL. The cost of participation in tenders was reduced 4 times and now it amounts to 50 GEL. The total number of tenders increased 15 times as compared with the previous year.

CHART 6
NUMBER OF PAPER TENDERS AND e-TENDERS

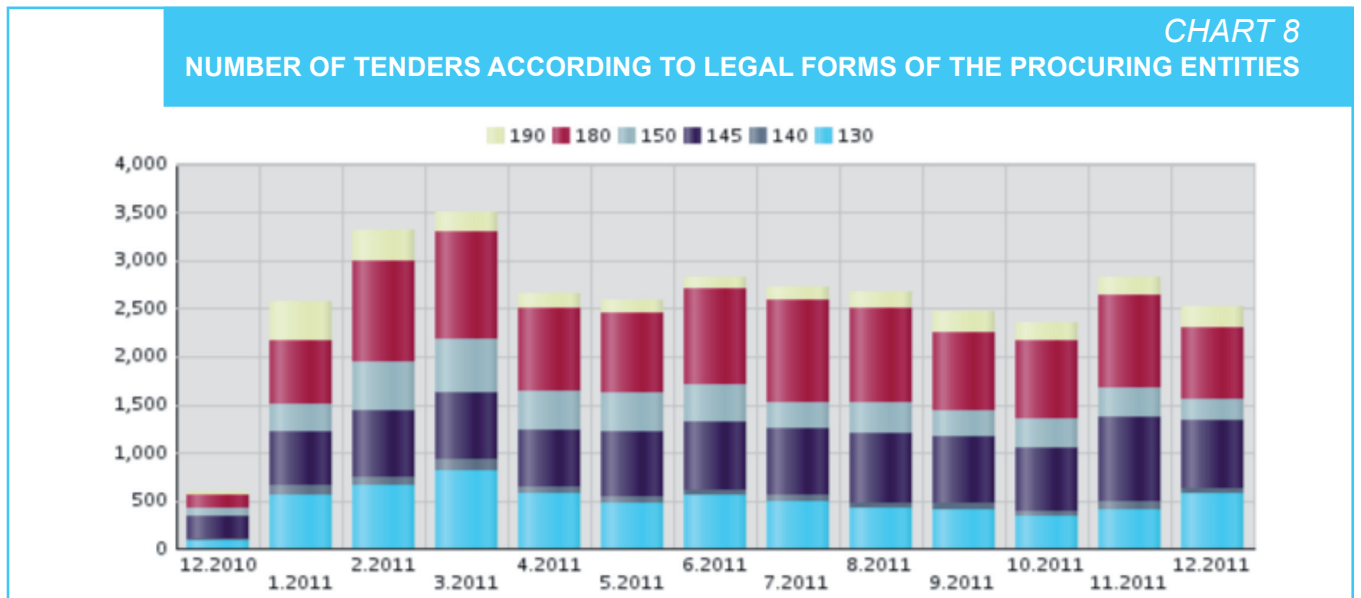




The top activity in the Ge-GP system was reported in March, whilst the least number of tenders was announced in October. However, the number of tenders announced in October is nearly the same as the gross amount of paper-based tenders, held during the previous year.



e-tenders are successfully announced by all types of procuring entities, but in different amounts and with different savings indexes. The great majority of e-tenders were announced by legal entities of public law.





Legal form:

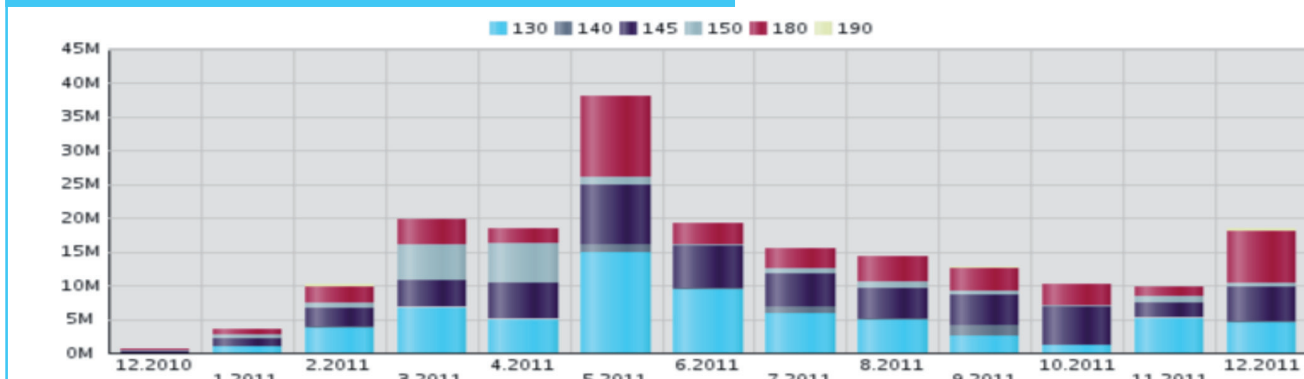
130 – Governmental Authorities
 140 – Authorities of the Autonomous Republic
 145 – Local Self-governance Authorities

150 – Enterprises with over 50% of state participation
 180 – Legal Entities of Public Law (LEPL)
 190 – Non-profit Legal Entities (NLE)

	130	140	145	150	180	190	Total
12.2010	89	16	238	86	133	35	597
1.2011	561	109	543	302	657	395	2567
2.2011	654	98	684	508	1052	317	3313
3.2011	818	111	695	560	1122	206	3512
4.2011	582	70	580	419	848	158	2657
5.2011	481	68	673	399	835	137	2593
6.2011	554	56	714	382	1004	126	2836
7.2011	484	79	689	280	1060	131	2723
8.2011	423	56	731	312	975	177	2674
9.2011	414	55	698	268	823	216	2474
10.2011	338	61	655	297	817	181	2349
11.2011	412	88	868	312	954	196	2830
12.2011	581	55	693	234	744	214	2521
	6391	922	8461	4359	11024	2489	33646

The major savings through e-tenders were generated by governmental authorities and the least – by non-profit legal entities.

CHART 9
SAVINGS ACCORDING TO LEGAL FORMS



Legal form:

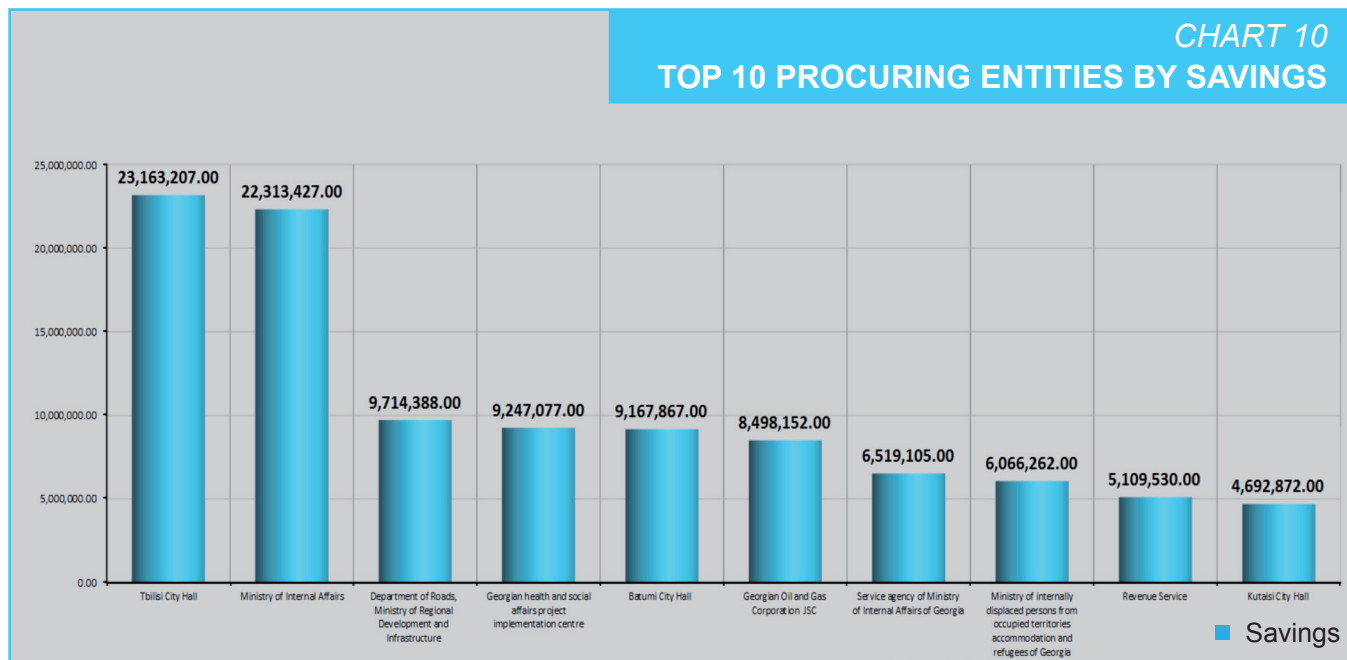
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	130	140	145	150	180	190	Total
12.2010	21,128	7,131	270,765	141,105	106,801	21,655	568,585
1.2011	922,171	55,804	1,154,607	686,293	704,316	16,828	3,540,019
2.2011	3,672,162	267,971	2,729,663	887,469	2,291,776	427,409	10,276,450
3.2011	6,722,097	77,807	4,063,790	5,196,835	3,722,882	124,105	19,907,516
4.2011	4,966,896	65,658	5,366,304	5,986,268	2,101,252	58,197	18,544,575
5.2011	14,927,835	1,100,940	8,964,364	1,130,317	11,954,731	19,795	38,097,982
6.2011	9,452,557	183,935	6,296,339	196,581	3,085,979	16,901	19,232,292
7.2011	5,874,837	1,071,143	4,841,779	813,625	2,944,166	44,405	15,589,955
8.2011	4,853,167	283,274	4,554,382	846,010	3,712,732	152,264	14,401,829
9.2011	2,509,367	1,580,930	4,483,453	719,777	3,298,466	223,383	12,815,376
10.2011	1,221,353	38,709	5,518,340	353,295	3,025,536	41,622	10,198,855
11.2011	5,177,844	62,119	2,324,155	823,118	1,469,330	79,756	9,936,322
12.2011	4,571,396	258,152	4,893,839	703,425	7,589,996	360,561	18,377,369
	64,892,810	5,053,573	55,461,780	18,484,118	46,007,963	1,586,881	191,487,125

Below are listed top 10 procuring entities, which generated the largest savings for their budgets.





No	Procuring entities	Savings	Total cost	Number of e-tenders
1	Tbilisi City Hall	23,163,207	207,288,581	528
2	Ministry of Internal Affairs	22,313,427	138,175,707	303
3	Department of Roads, Ministry of Regional Development and Infrastructure	9,714,388	87,455,417	208
4	Georgian health and social affairs project implementation Centre	9,247,077	31,756,919	31
5	Batumi City Hall	9,167,867	71,851,213	224
6	Georgian Oil and Gas Corporation JSC	8,498,152	27,502,873	117
7	Service agency of Ministry of Internal Affairs of Georgia	6,519,105	19,880,004	98
8	Ministry of internally displaced persons from occupied territories accommodation and refugees of Georgia	6,066,262	18,790,327	49
9	Revenue Service	5,109,530	34,754,985	454
10	Kutaisi City Hall	4,692,872	24,164,844	242
		104,491,887	661,620,870	2254

The next chart lists ten tenders with the highest rate of saving.

CHART 11
TOP 10 e-TENDERS BY SAVINGS

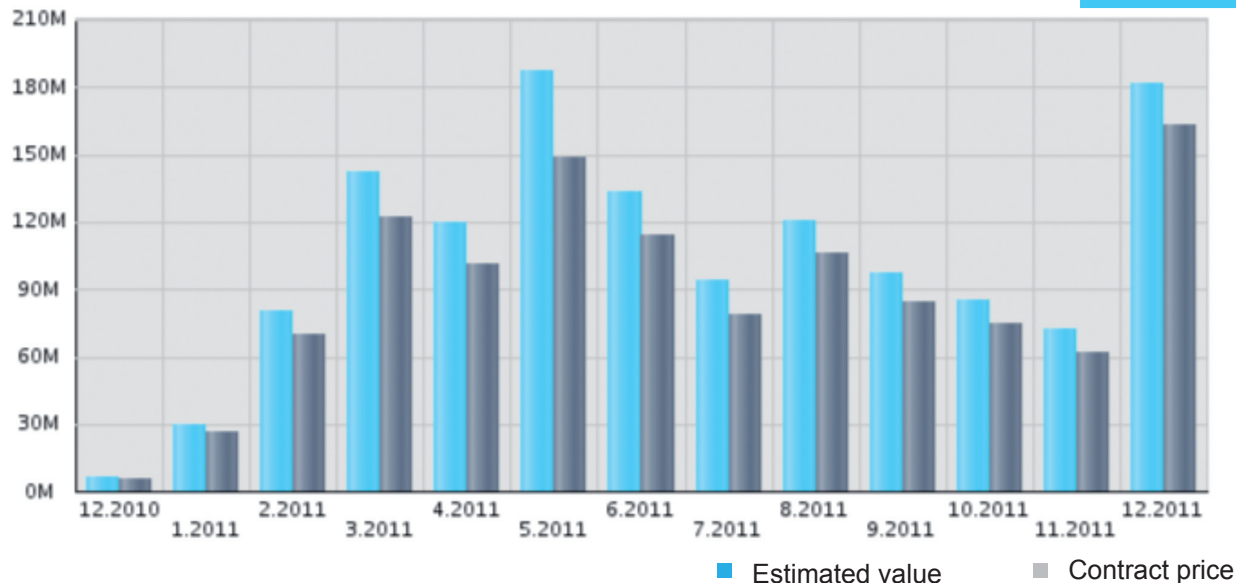




No	Tender Number	Procuring entities	Savings	Est. Value	Contract Price
1	SPA110006970	Georgian Health and Social Projects Implementation Center	5,337,200	9,086,000	3,748,800
2	SPA110029369	Service agency of Ministry of Internal Affairs of Georgia	5,312,873	13,126,133	7,813,260
3	SPA110005285	Georgian Oil and Gas Corporation JSC	5,223,788	18,000,000	12,776,211.90
4	SPA110017377	Ministry of Internal Affairs	3,227,886	4,750,000	1,522,114
5	SPA110013672	Ministry of Labour, Health and Social Affairs of Georgia	3,210,005	5,502,800	2,292,795
6	SPA110022195	Ministry of Internal Affairs	3,139,600	4,700,000	1,560,400
7	SPA110004446	Georgian Oil and Gas Corporation JSC	2,709,426	6,000,000	3,290,574
8	SPA110021890	Batumi City Hall	2,500,001	16,000,000	13,499,999
9	SPA110020404	Ministry of Finance	2,096,808	11,066,808	8,970,000
10	SPA110011407	Tbilisi City Hall	1,701,001	5,400,000	3,698,999
			34,458,588	93,631,741	59,173,152.90

Overall, in 2011 the budget saved **191,487,127** GEL with the help of the Ge-GP system. The savings result from the difference between the estimated value of the procurement and the contract price registered as a consequence of electronic trading.

CHART 12

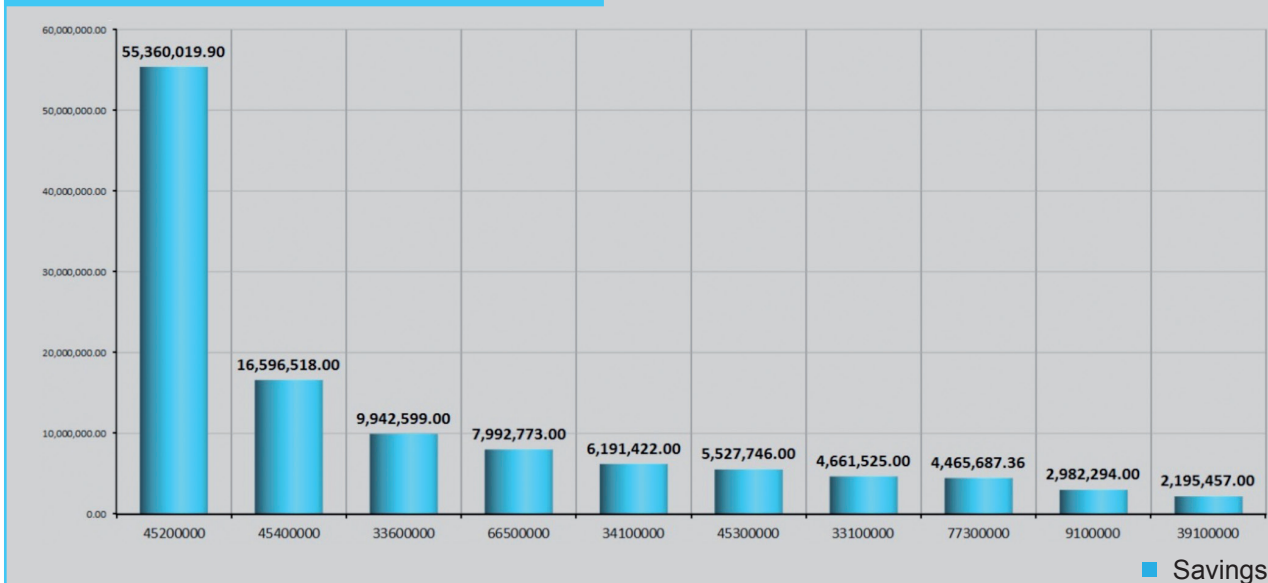




Contract Date	Est. value	Contract price	Savings	%
2010.12	6,354,053	5,785,468	568,585	9
2011.01	29,758,291	26,218,271	3,540,020	12
2011.02	80,309,577	70,033,127	10,276,450	13
2011.03	141,974,538	122,067,022	19,907,516	14
2011.04	119,595,934	101,051,358	18,544,576	16
2011.05	186,567,768	148,469,786	38,097,982	20
2011.06	133,543,594	114,311,302	19,232,292	14
2011.07	93,988,461	78,398,506	15,589,955	17
2011.08	120,641,698	106,239,869	14,401,829	12
2011.09	97,244,031	84,428,655	12,815,376	13
2011.10	84,832,849	74,633,994	10,198,855	12
2011.11	71,863,446	61,927,124	9,936,322	14
2011.12	181,004,344	162,626,975	18,377,369	10
	1,347,678,584	1,156,191,457	191,487,127	

Over 40% of saved funds account for e-tenders held for the procurement of construction works. The procurement of pharmaceutical goods and insurance services also resulted in considerable savings.

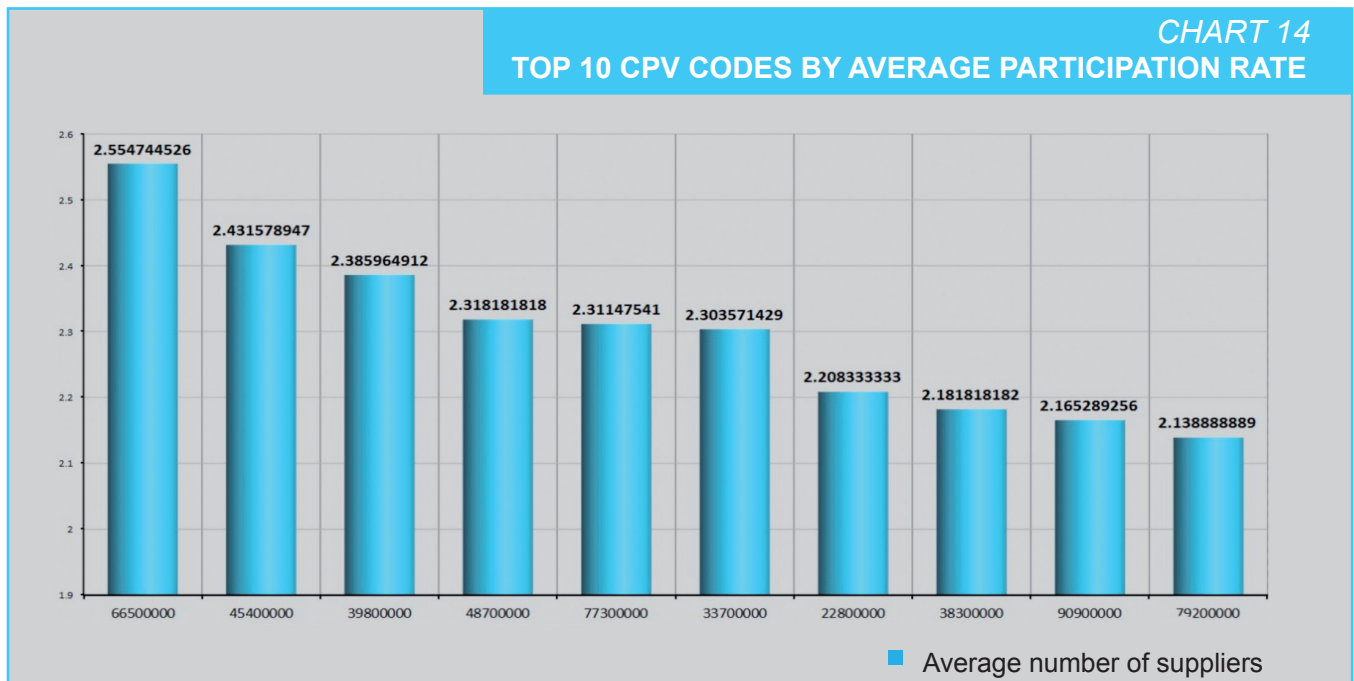
CHART 13
TOP 10 CPV CODES BY SAVINGS





No	CPV code		Est. value	Contract price	savings	%
1	CPV 45200000	Works for complete or part construction and civil engineering work	364,105,964	308,745,944.1	55,360,019.9	15
2	CPV 45400000	Building completion work	75,510,244	58,913,726	16,596,518	22
3	CPV 33600000	Pharmaceutical products	35,872,930	25,930,331	9,942,599	28
4	CPV 66500000	Insurance and pension services	60,199,860	52,207,087	7,992,773	13
5	CPV 34100000	Motor vehicles	41,542,792	35,351,370	6,191,422	15
6	CPV 45300000	Building installation work	36,373,132	30,845,386	5,527,746	15
7	CPV 33100000	Medical equipment	12,673,725	8,012,200	4,661,525	37
8	CPV 77300000	Horticultural services	15,520,565	11,054,877.64	4,465,687.36	29
9	CPV 09100000	Fuels	96,997,042	94,014,748	2,982,294	3
10	CPV 39100000	Furniture	17,439,456	15,243,999	2,195,457	13
			756,235,710	640,319,668,74	115,916,041,026	

The procurement of insurance-pension services dominates with the highest indexes according to average participation rate in a single tender. The procurement of construction works in on the second place. The chart below lists procurement objects with the highest rate of average participation, respectively these fields are marked with higher competition rate.

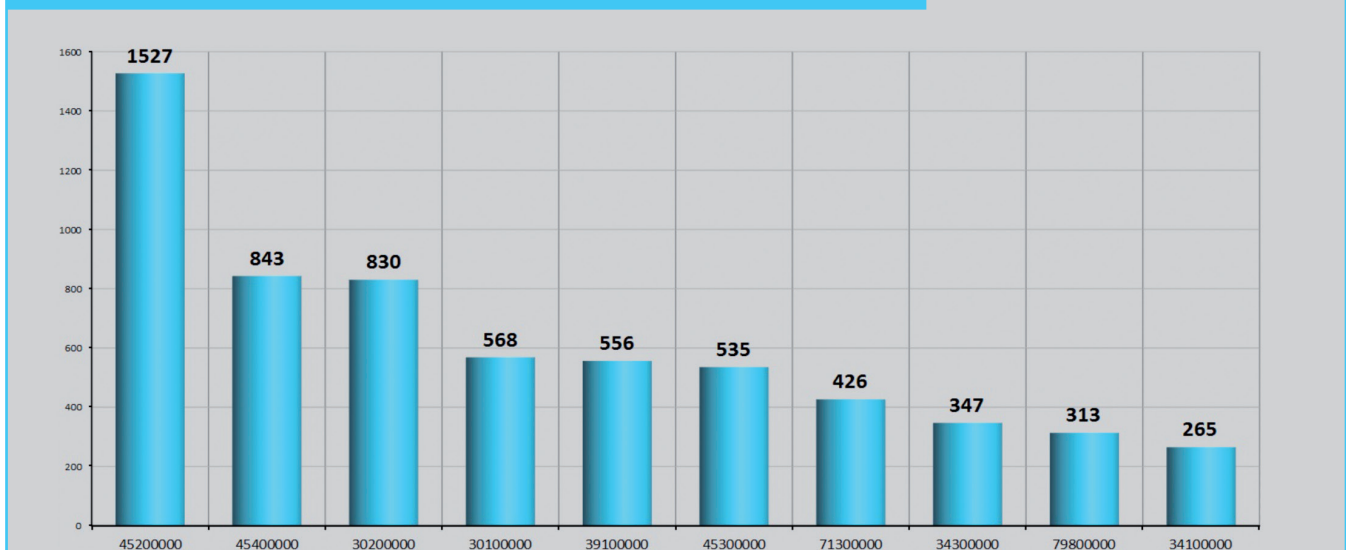




No	CPV code		Number of tenders	Num. of suppliers	Aver. num. of Suppliers	Savings %
1	CPV 66500000	Insurance and pension services	137	350	2.55	13
2	CPV 45400000	Building completion work	855	2079	2.43	22
3	CPV 39800000	Cleaning and polishing products	57	136	2.39	22
4	CPV 48700000	Software package utilities	22	51	2.32	31
5	CPV 77300000	Horticultural services	61	141	2.31	29
6	CPV 33700000	Personal care products	56	129	2.30	28
7	CPV 22800000	Paper or paperboard registers, account books, binders, forms and other articles of printed stationery	120	265	2.21	20
8	CPV 38300000	Measuring instruments	11	24	2.18	11
9	CPV 90900000	Cleaning and sanitation services	121	262	2.17	20
10	CPV 79200000	Accounting, auditing and fiscal services	108	231	2.14	22
			1548			

The largest number of contracts (up to 3 000) were awarded through e-tenders announced for the procurement of construction works and their contractual value amounted up to 400 million GEL.

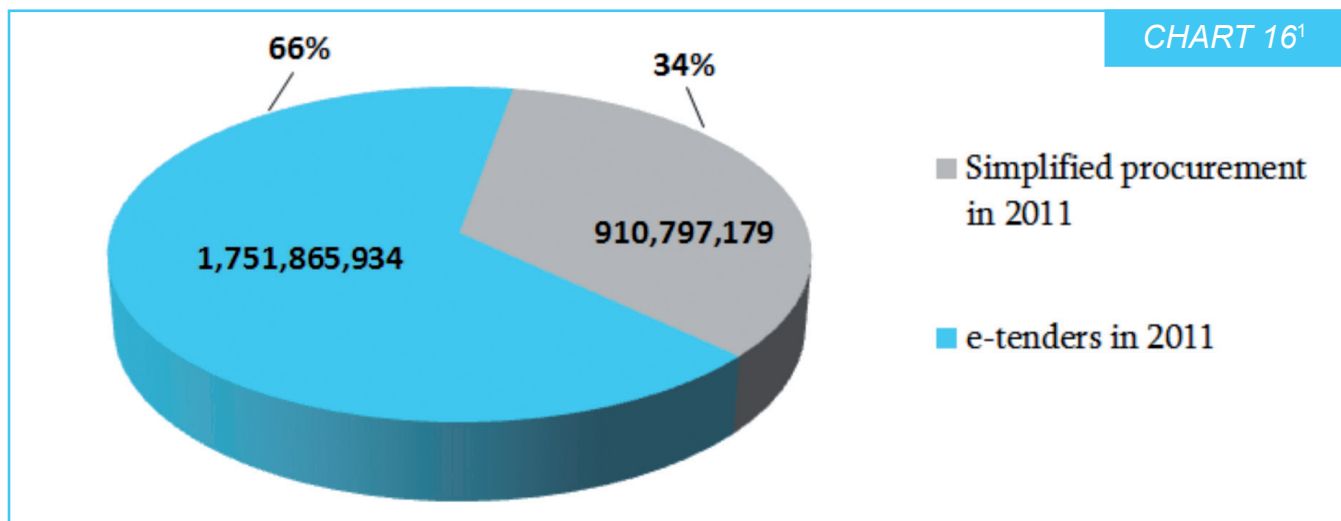
CHART 15
TOP 10 CPV CODES BY HIGHEST NUMBER OF CONTRACT





№	CPV code		Contract price	Number of Contract	savings	%
1	CPV 45200000	Works for complete or part construction and civil engineering work	308,745,944.1	1527	55,360,019.9	15
2	CPV 45400000	Building completion work	58,913,726	843	16,596,518	22
3	CPV 30200000	Computer equipment and supplies	17,599,848.92	830	2,100,030	11
4	CPV 30100000	Office machinery, equipment and supplies except computers, printers and furniture	7,313,314	568	1,338,017	15
5	CPV 39100000	Furniture	15,243,999	556	2,195,457	13
6	CPV 45300000	Building installation work	30,845,386	535	5,527,746	15
7	CPV 71300000	Engineering services	6,390,022	426	2,028,422	24
8	CPV 34300000	Parts and accessories for vehicles and their engines	8,412,401	347	711,221	8
9	CPV 79800000	Printing and related services	2,881,761.98	313	1,088,227	28
10	CPV 34100000	Motor vehicles	35,351,370	265	6,191,422	15
			491,697,773	6210	93,137,080	

According to procurement means the state procurements of 2011 can be categorised as follows:

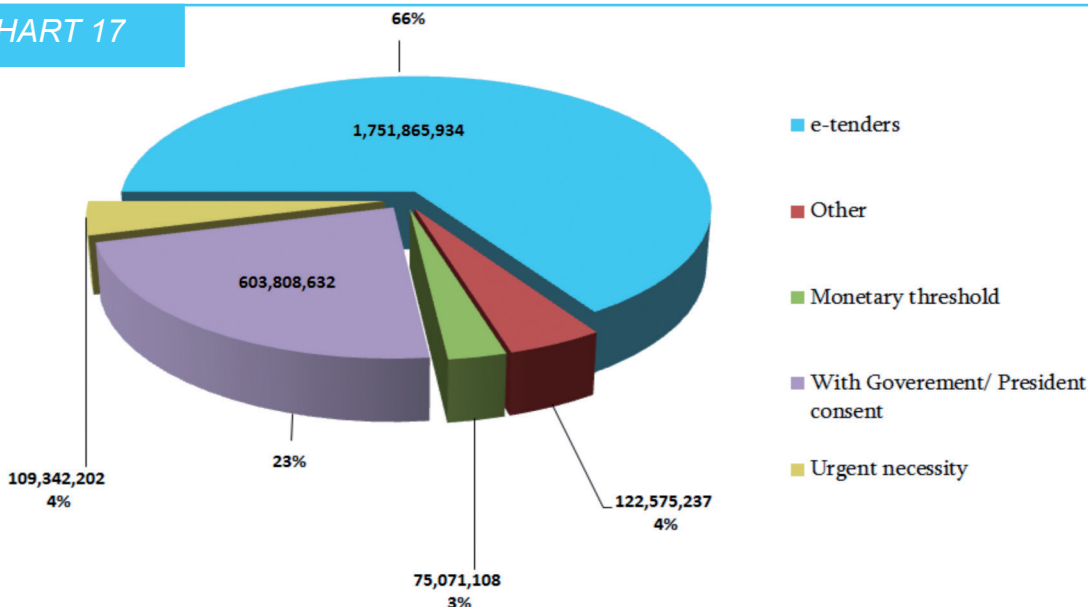


In 2011 the overall value of awarded procurement contracts amounted to 2,662,663,113 GEL, of which 66% of state procurement contracts were awarded through e-tenders.

1. The difference between the contract price under Chart N12 and Charts N16 and N17 is conditioned by multiyear tender announced in

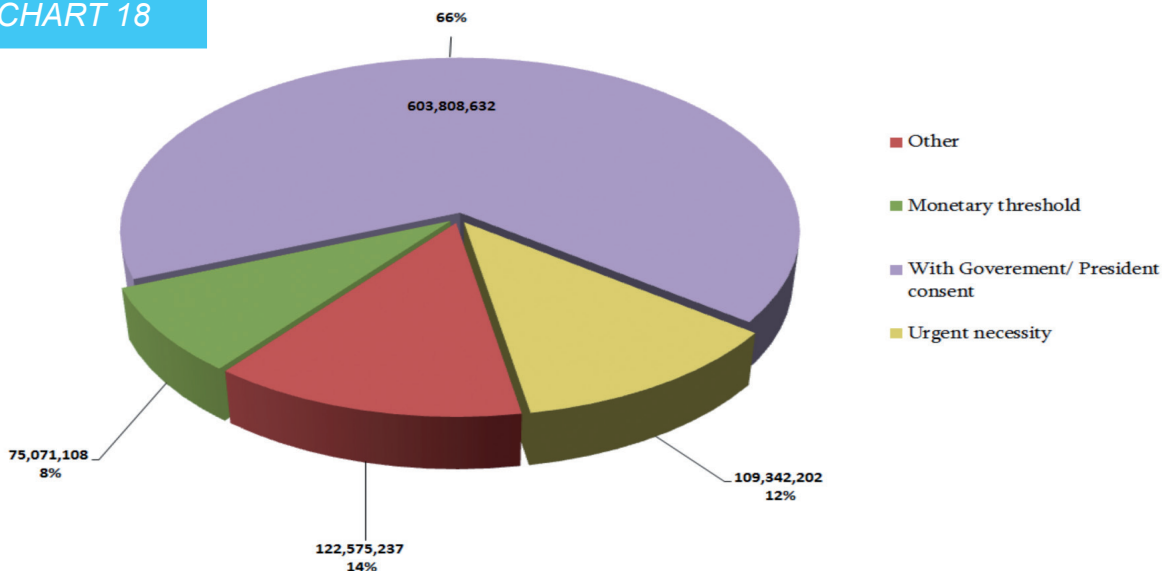


CHART 17



According to the types of simplified procurement the state procurements effected through simplified procedure can be categorised as follows:²

CHART 18



2.The statistic data on contracts awarded through the simplified procurement procedure in 2011 are based on the reports, presented by procuring entities.



The use [CPV Codes](#) eliminated the ambiguity concerning the homogeneousness of procurement objects. The novelty has also simplified the monitoring and reduced the cases of artificial splitting of procurements by procuring entities.

CPV CODES

For the identification of procurement objects the catalogue of procurement objects, developed by the European Union was introduced. Each procurement object has its own identification code in this catalogue. The codes are categorised hierarchically. The homogeneousness of procurement objects and related thereto monetary thresholds stems from these codes and their hierarchy.

+	03100000	- Agricultural and horticultural products
+	03200000	- Cereals, potatoes, vegetables, fruits and nuts
+	03300000	- Farming, hunting and fishing products
+	03400000	- Forestry and logging products
-	09100000	- Fuels
-	09110000	- Solid fuels
+	09111000	- Coal and coal-based fuels
-	09112000	- Lignite and peat
	09112100	- Lignite
	09112200	- Peat
	09113000	- Coke
-	09120000	- Gaseous fuels
+	09121000	- Coal gas, mains gas or similar gases
-	09122000	- Propane and butane
	09122100	- Propane gas
	09122110	- Liquefied propane gas
+	09122200	- Butane gas
	09123000	- Natural gas
+	09130000	- Petroleum and distillates
+	09200000	- Petroleum, coal and oil products
+	09300000	- Electricity, heating, solar and nuclear energy
+	14200000	- Sand and clay
+	14300000	- Chemical and fertiliser minerals

The category “Others” covers cases, envisaged by subparagraphs “a”, “c”, “e”, “f”, “g”, “h”, “i” and “j” of Para.3 of Article 101 of the Law of Georgia on State Procurement – like exclusive rights, worsening of quality, official expenses, etc.

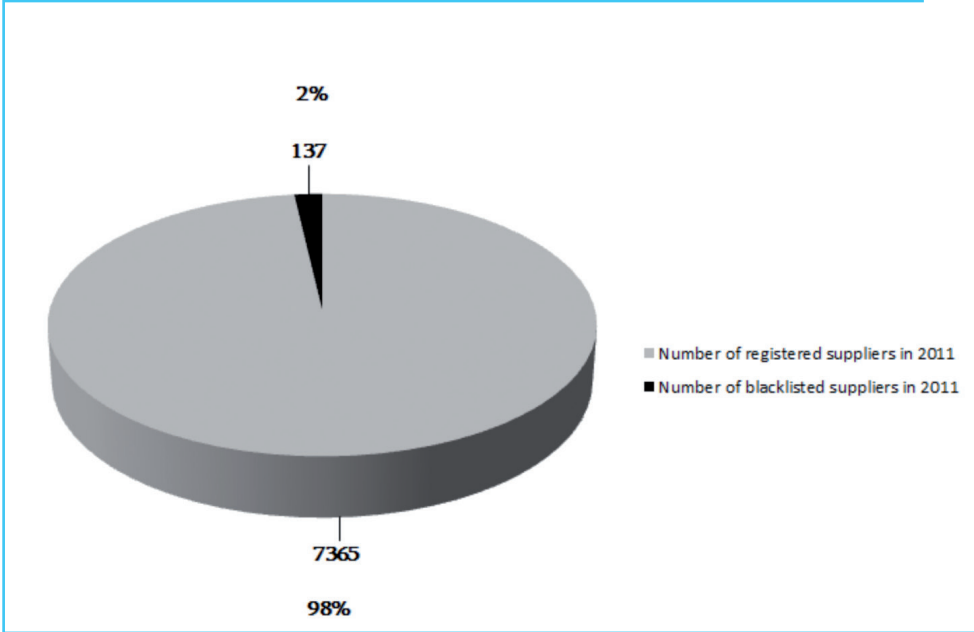


THE BLACK LIST

The Agency ensures the maintenance of the Black List. The businesses entered into the Black List are prohibited from the participation in state procurement procedures for a period of one year. Respectively, the Black List is integrated into the Ge-GP system, which automatically blocks blacklisted companies from the participation in a tender.



CHART 19
STATISTICS OF BLACK LISTED SUPPLIERS IN 2011



The data concerning blacklisted suppliers is accessible on the official webpage of the agency www.procurement.gov.ge.



DISPUTE RESOLUTION BOARD

For the improvement of public confidence in state procurement and ensuring the fair competition the Dispute Resolution Board related to procurement, was set up within agency on 10th of December, 2010.

Board Memebrs



■ Representatives of the Agency ■ Representatives from Civil Society

DISPUTE STATISTICS

There were only 9 disputes in 2010, and after putting the mechanism of dispute settlement in place total 67 disputes have been reviewed. The number of disputes increased 7 times.

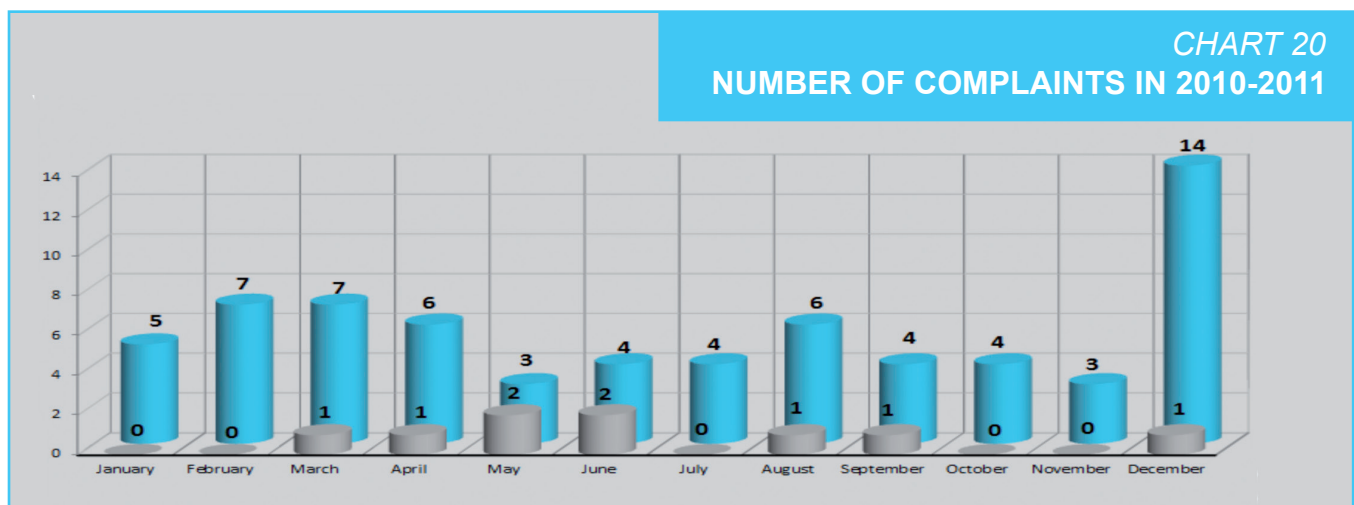
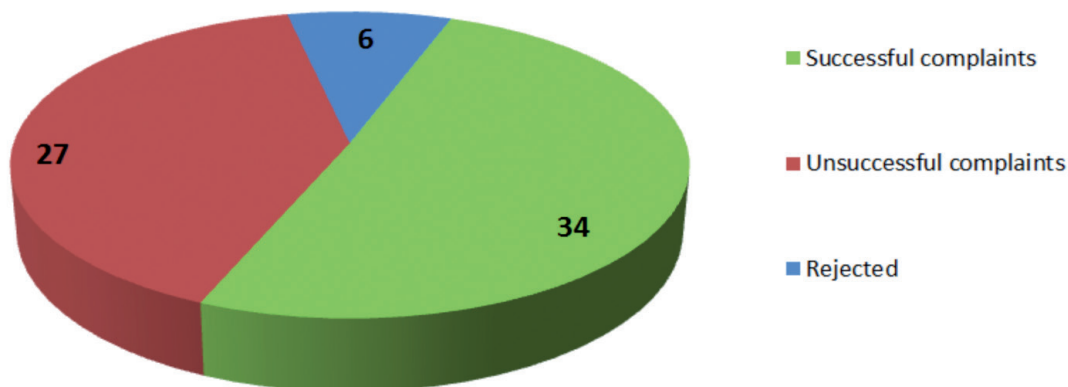


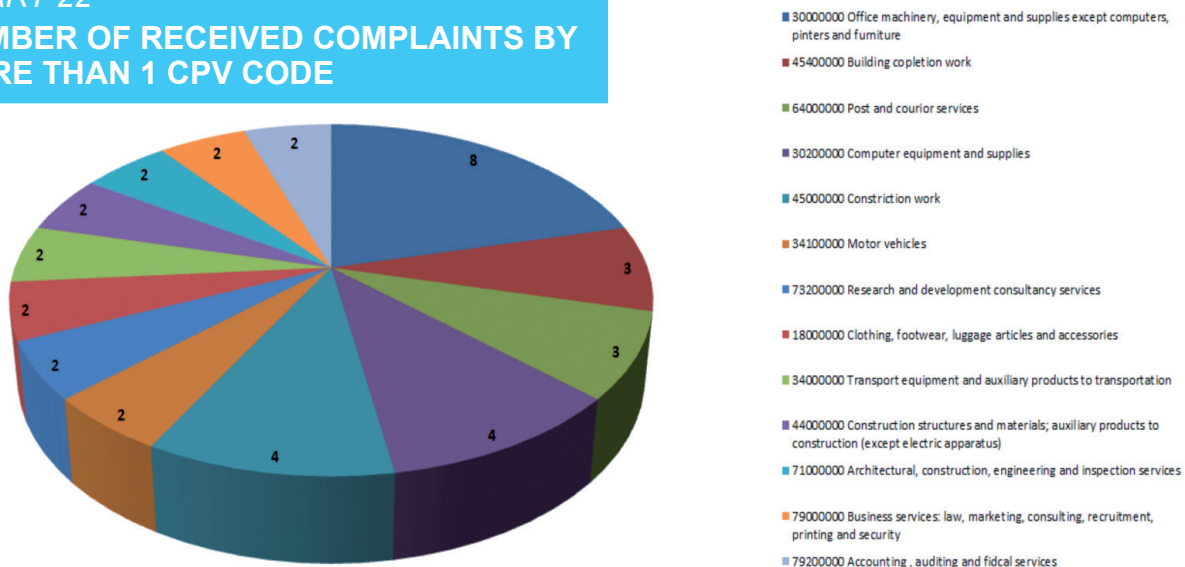


CHART 21
OUTCOMES OF RECEIVED COMPLAINTS IN 2011



The majority of complaints were successful. The Dispute Resolution Board ensures the making of expedient, impartial and efficient decision in favour of businesses within shortest period practicable. We know no country, where the state procurement related disputes are resolved in a more expedient and efficient manner and with higher participation of the civil society.

CHART 22
NUMBER OF RECEIVED COMPLAINTS BY MORE THAN 1 CPV CODE





MONITORING AND COMMUNICATION



In 2011 the agency drew up 32 administrative violation reports within its terms of reference against 116 members of tender commissions and referred these reports to the court for further proceedings. The court imposed penalty sanctions in 81 cases, as a result of which sanctions the representatives of procuring entities were obliged to pay fines in amount of 121 500 GEL from their own income.

Total up to 10 000 correspondences were received and processed.

Total 3797 letters/recommendations were sent out.

Total 2 019 625 system notifications were disseminated via the Ge-GP system for the provision of system users with the information on various issues.

REQUEST FOR AND DISSEMINATION OF PUBLIC INFORMATION

Total 2629 pages of paper documents containing public information were issued to interested persons, and the volume of this information on digital carrier amounts to 8.7 GB.

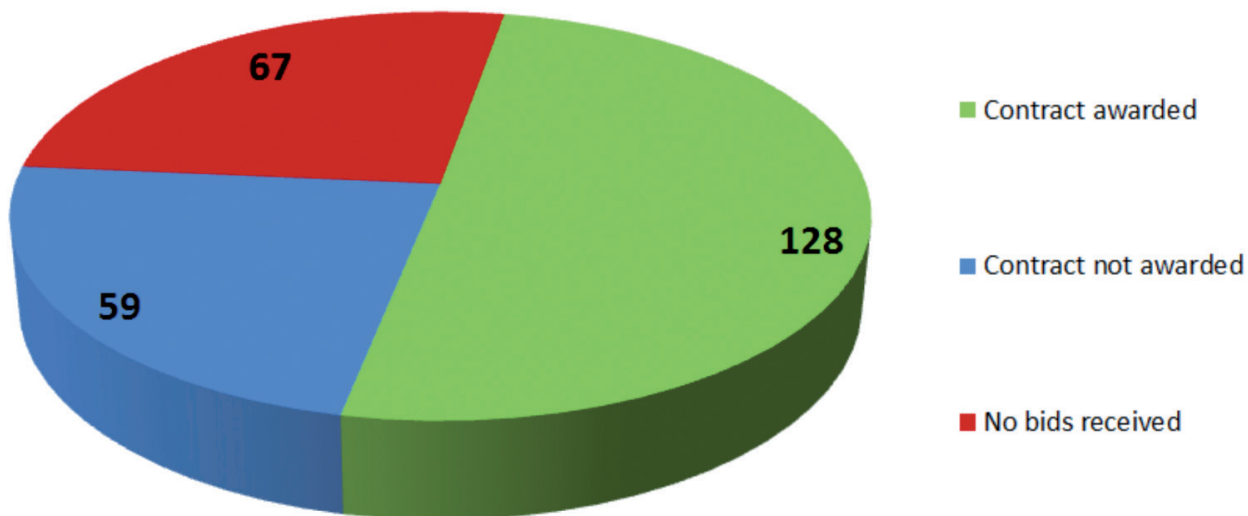


CONTEST

The Contest – the alternative mean of tender procurement is the novelty in the field of state procurement. This procedure allows for the procurement of design services of any type or content. Any information or document related to a competition is published on the [official webpage](#) of the agency and is accessible for any interested person.



CHART 23
STATISTICS OF CONTESTS





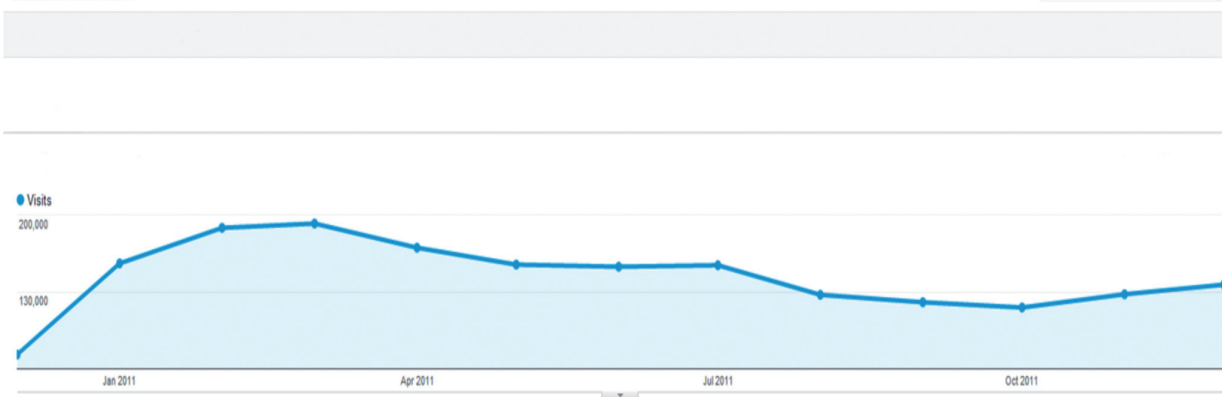
PUBLIC INTEREST TOWARDS GE-GP SYSTEM

The success of Ge-GP system and the existence of public interest towards it clearly demonstrated by the number of visitors of the agency official webpage. www.procurement.gov.ge.

CHART 24

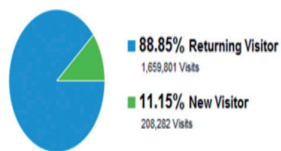
Visitors Overview

Dec 1, 2010 - Dec 31, 2011



209,092 people visited this site

- Visits: 1,868,083
- Unique Visitors: 209,092
- Pageviews: 6,210,561
- Pages/Visit: 3.32
- Avg. Visit Duration: 00:04:54
- % New Visits: 11.07%





THE OUTCOMES

The maximum transparent system of procurement was created and easy to follow procedures were implemented within the shortest practicable period.

The full involvement of the society widely became possible both in the context of the accessibility of the system and the data contained therein (everyone sees everything) and direct participation in the monitoring of procurement procedures (parity representation of the civil society in the Dispute Resolution Board).

The so-called geographical inequality was eliminated, when regional companies were almost unable to participate in tenders announced outside their region due to logistic and high participation costs associated with paper-based tendering procedures. There were only occasional cases for regional companies to win a tender announced in the capital or the other region. After the reform, as a result of simplification of tendering procedures and minimisation of compliance costs, there are thousands of cases, when a company based in one region wins a tender in some other region.

The mandatory nature of the system provided for the automatic “inventory-taking” of procuring entities –the Internet connection became mandatory for all the procuring entities, for which the Internet connection was not a must. The foregoing is particularly important for the mountainous regions and backcountry districts. The same goes true with the suppliers – participation in e-tenders automatically means for them gaining access to the Internet as well. Consequently, up to 10 thousand procuring entities and suppliers are intensively using the Internet not only for the participation in tenders, but also for the conduction of the other system-related procedures, like uploading reports electronically or the electronic filing of complaints with the Dispute Resolution Board.

The system was also successful with making thousands of registered therein suppliers use the modern means of electronic transactions like online payments and electronic guarantees. The introduction of the electronic guarantees, which are now widely used in Georgia – was conditioned by launching the Ge-GP system.

Non-discriminatory environment promotes competition between both local and foreign companies. Up to hundred foreign companies are registered in the system; they have already won dozens of tenders. The mention should be made of the Ukrainian webpage www.geotender.com.ua which translates almost all the information published on the official webpage of the agency, among them, the data concerning all big-budget tenders, and offers them to interested businesses both in Ukraine and other Russian-speaking countries.



Почему Грузия

Делая выбор в пользу поставок для грузинского госсектора, Вы выбираете:

- прозрачные тендерные процедуры,

Все закупки за госсредства осуществляются через Единую электронную систему государственных закупок посредством Интернета. Информация о каждом этапе тендера, заявленных участниках, предложенных ценах и победителях открыта и общедоступна. Критерием определения победителя является предположение наиболее низкой цены.

The screenshot displays the website for 'ГРУЗИНСКИЙ ТЕНДЕР' (Geotender). The header includes navigation links: ГЛАВНАЯ, О ПРОЕКТЕ, НОВОСТИ, ПОЧЕМУ ГРУЗИЯ, ЗАКОНОДАТЕЛЬСТВО, ССЫЛКИ, УСЛУГИ, КОНТАКТЫ. The main content area features two tender listings:

- Тендер 1:**
 - Закупка фармакологических препаратов и медицинских растворов. Тендер**
 - Дата: Декабрь 31st, 2011
 - Номер тендера: SPA110032553
 - Дата объявления тендера: 26.12.2011 16:12
 - Закупщик: ООО «Батумская республиканская клиническая больница»
 - Категория: 33600000 – фармакологические продукты
 - Объект закупки: антибактериальные, антимикозные, противопаразитарные фармакологические препараты и медицинские растворы
 - Предположительная стоимость: 107 780 GEL
- Тендер 2:**
 - Фармакологические препараты (различные группы). Закупка**
 - Дата: Декабрь 26th, 2011
 - Номер тендера: SPA110032475
 - Дата объявления тендера: 23.12.2011 18:28
 - Закупщик: ООО «Батумская республиканская клиническая больница»
 - Категория: 33600000 – фармакологические продукты
 - Объект закупки: препараты для лечения органов пищеварительного тракта, сердечнососудистой системы, дерматологической и опорно-двигательной систем, мочеполовой и гормональной систем, противоинфекционные препараты системного действия, вакцины, неврологические препараты, препараты для дыхательно-респираторной системы
 - Предположительная стоимость: 341 104 GEL

On the right side, there is a sidebar with a search bar and contact information:

- Поиск** (Search bar)
- КОНТАКТНАЯ ИНФОРМАЦИЯ**
 - Phone: +38 (044) 362 40 73
 - Email: Geotender@ukr.net
 - Hours: 10.00 – 18.00 (Пн. – Пт.)
 - Hours: 10.00 – 13.00 (Сб.)
- ССЫЛКИ**
 - Переводчик грузинского
- АРХИВЫ**
 - Май 2012
 - Апрель 2012
 - Март 2012
 - Февраль 2012
 - Январь 2012
 - Декабрь 2011



OUR EVALUATION

UNITED NATIONS (UN)

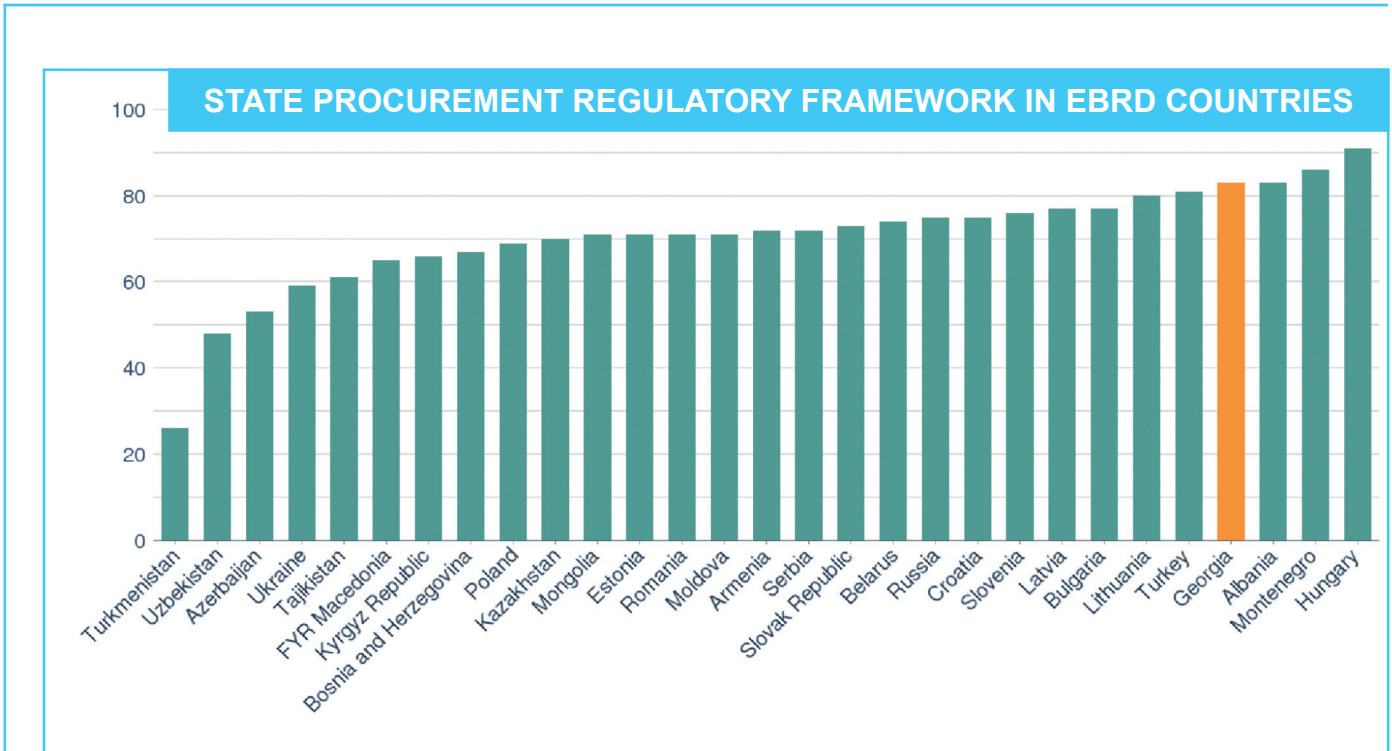
The Ge-GP system was awarded the second place among 471 candidates from 71 countries in the United Nations' Public Service Annual Survey, Category: Preventing and Combating Corruption in the Public Service (citation: "the most prestigious international recognition in terms of public services around the world).



EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD)

EBRD Assessment of Public Procurement Law and Practice, 2011

"The key components of Public Procurement policy are introduced in South-European countries, however only Georgia has high Compliance rating, as Georgia has best complied with and implemented the efficient procurement instruments recommended by the international best practice."



TRANSPARENCY INTERNATIONAL – GEORGIA

“The electronic, transparent system of state procurement was successfully introduced in Georgia, what can be highly appreciated. It is very good, when the Government published various data online for its citizens and makes them publicly available, thus promoting the introduction of e-governance.”

ASIAN DEVELOPMENT BANK (ADB)

“The e-procurement system implemented in Georgia may serve as a good example for Asia and other Pacific countries. The countries, which have not yet introduced the e-procurement system, are particularly interested in the reforms implemented in Georgia.”

EUROPEAN PARLIAMENT

Report of the European Parliament Committee on International Trade 2011/2306(INI): “The European Parliament Welcomes Georgia’s new procurement system, Georgia should also serve as an example for the EU Member States in this area.”



OUR PARTNERS



giz

BMZ



Federal Ministry
for Economic Cooperation
and Development



Competition and State Procurement Agency
N28, Pekini Ave., Tbilisi / (+99532) 2 148 881
procurement.gov.ge / info@procurement.gov.ge