

**GOVERNMENT OF MONTENEGRO
PUBLIC PROCUREMENT ADMINISTRATION**

Ref. No :

Podgorica, 17 December 2013

Submit to: the Chair, the Deputy Chair and members of the Coordination body

SUBJECT: Minutes of the meeting of the Coordination body for Monitoring and Implementation of the Strategy for Development of the Public Procurement System in Montenegro for the period 2011-2015

Prepared by: Sandra Škatarić – the Secretary of the Coordination body

Verified and approved by: Mersad Mujević – the Chairman of the Coordination body

The Members of the Coordination body (CB) were held the meeting on 17 December 2013 in the premises of the Public Procurement Administration. This meeting was in attendance of the members of the Coordination body, appointed on the basis of the Decision on establishing the Coordination body for monitoring and implementation of the Strategy for Development of the Public Procurement System for the period 2011-2015, No.: 07-2968/1 of 25 February 2013, and of the Decision on Amending the Decision on establishing the Coordination body for monitoring and implementation of the Strategy for Development of the Public Procurement System for the period 2011-2015, No.: 07-2968/ 2 of 01 November 2013 (will be subsequently provided). The meeting was in attendance of: Mersad Mujević – the Chairman of the Coordination body, and in the capacity of members were: Mirjana Purić, Head of Department for Legal and Financial Affairs and Logistics in the Ministry of Justice; Veljko Vrbica, Head of Department for General Affairs, Human Resources, Finances, Logistical and Technical Support in the Ministry of Sustainable Development and Tourism; Zoran Vukašinić – Head of the Legal Affairs Department and Public Procurement Officer in the Ministry of Transport and Maritime Affairs; Dobrila Glomazić- Head of Department for General and Financial Affairs in the Ministry for Information Society and Telecommunications; Radmila Ćuković- Deputy of the Supreme Public Prosecutor; Tomo Miljić -Member of the State Commission for Control of Public Procurement Procedures; Ana Miljanić- Advisor to the President of the Parliament of Montenegro; Sandra Škatarić - Head of Department for training, professional education and international cooperation in public procurement field at Public Procurement Administration; Tanja Janović – independent Advisor in the Ministry of Finance (in lieu of appointed Milanka Otović –Head of the Division for State Property and Normative-Legal Affairs within the Sector for Property and Legal Affairs in the Ministry of Finance). Leave of absence from the meeting were justified by Aleksandar Mitrović - Head of Department for Legal, Financial and General Affairs in the Chamber of Economy and by Ana Cerović , where due to human resource changes Ana Ivanović was substituted by Ana Cerović–Deputy of the Minister of Finance; As have been stated Ana Cerović was appointed to the position as the Deputy of the Coordination body.

At the very beginning of the meeting, the Chairman of the Coordination body (hereinafter referred to as CB), Mr Mersad Mujević introduced the Agenda of the meeting which referred to the following items:

1. **Activities on establishing the CB for monitoring and implementation of the Strategy of Public Procurement,**
2. **Constitution of the CB for monitoring and implementation of the Strategy of Public Procurement and the appointment of the Secretary of the CB,**
3. **Adoption of the Rules of procedure of the CB ,**
4. **Action Plan analysis for implementation of the Strategy for Development of Public Procurement for the period 2011-2013,**
5. **Current issues**

Agenda is unanimously adopted.

1. **Activities on establishing the CB for monitoring and implementation of the Strategy of Public Procurement**

The Chairman of the CB pointed out that the Strategy for Development of the Public Procurement System for period 2011-2015 and the Action Plan for its implementation are adopted by the Decision of the Government of Montenegro, Ref. No.: 03-12509/3 of 29 December 2011. By the Decision on establishing the Coordination body for monitoring and implementation of the Strategy of Public Procurement and in accordance with the Decision on establishing the Coordination body for monitoring and implementation of the Strategy of Public Procurement for the period 2011-2015, Ref.No.: 07-2968/1 of 25 February 2013, and the Decision Amending the Decision on establishing the Coordination body for monitoring and the implementation of the Strategy for Development of the Public Procurement System for the period 2011-2015, Ref.No.: 07/2968/2 of 01.November 2013. members of the abovementioned body (CB) were appointed (in lieu of Ana Ivanović, Ana Cerović was appointed as the Deputy of the Chairman of the CB; and in lieu of Milanka Otović, in the capacity of the member was Tanja Janović). Representatives of NGO sector have been omitted from the CB, but their attendance is provided by taking part in forum on Public Procurement (Health Care Policy Forum was organized on March of the current year in attendance of the civil sector representatives, media and others).

2. **Constitution of the CB for monitoring and implementation of the Strategy of Public Procurement and the appointment of the Secretary of the CB,**

The CB Chairman`s proposal on appointment Sandra Škatarić, the member of the CB to the position as the Secretary is adopted.

3. **Adoption of the Rules of procedure of the CB**

The Rules of procedure composed by Sandra Škatarić, the member of the CB was delivered to and reviewed by the attending members on which they made their suggestion. Advice referred to the following Articles: 2,3,5,15,18 and 19 of the Rules of Procedure will be classified into the revised version.

4. **Action Plan analysis for implementation of the Strategy for Development of Public Procurement for period 2011-2013,**

The Chairman of the CB pointed out the importance of the adoption of the Strategy for Development of the Public Procurement and Action Plan for its implementation, including

institutional and financial capacities as well as proper enforcement of the legislation in its efficient implementation. The objectives of the Strategy are further improvements in the integrated public procurement system in Montenegro, increased efficiency of the public procurement system, reduction of irregularities, further harmonization with EU directives and other EU acts through encouraging sustainable economic growth of Montenegro and improvement of the living standard.

In this respect, the Strategy and Action Plan are among the key documents in the EU integration process as well as the Chapter V relating the Public Procurement to which the representatives of the Brussels and the European Commission pay special attention. Furthermore, having regard to the adoption of the Strategy for the period 2011-2015, the necessary actions in making a new strategic document should be undertaken in the close future.

The highlighted importance of implementation of The System of the E-public procurement recognized as the measure of AP will be supported by the IPA funds, TAIEX, even in the next period for the purpose of its full appliance in 2016. Through the last EU project of assistance, National Public Procurement Portal was established and improved in a functional way (CPV introduction – usage of the Croatia model). Special attention was also paid to the issues regarding the planning of Public Procurement; publishing of the contract notices, plans, decisions, contracts, etc. Also the Ministry of Finance gave its approval on the insight into the sources of funding in the ownership of each contracting authority in Montenegro. It was pointed out that the transparency as one of the Public Procurement key principles affecting strongly the development of the whole Public Procurement System is achieved through the Public Procurement Portal on which all the relevant data in this field are published.

Professionalism in training has its significant role in this strategic document. Within the Multibeneficiary IPA project on the topic: “ Training in Public Procurement in the Western Balkans and Turkey“ held in ITC-ILO centre in Turin twelve national trainers were certified in accordance with the EU program (representatives of PPA, State Commission, Municipalities were included) which contribute to the administrative capacity building and national trainers development. Also, continuous terms for passing the professional examination were organized during the whole period.

As regards EU accession process, the effects and the evidence of the hard working in the previous period as well as responding to the challenges set by the EC are reflected in the best way through the opening of the Chapter V.

New State Commission for the protection of rights of the bidders in the field of Public Procurement was established and now, instead of 3 members it has 5. Also, State Commission Report was adopted by the Parliament and the determined measures are continuously fulfilled.

Members of the CB pointed out of the necessity of establishing a new column – Realization rate (following the Achievement Indicators column, and preceding the column referring to the budget) within the frame of AP for implementation of the Strategy for Development of Public Procurement System for the period 2011-15 how the members of the CB could have further insights into the status of the set forth measures. The abovementioned proposal has been adopted and it will be delivered by the CB Secretary.

5. Current Issues

With a view to 9-15% of the contribution to the GDP, Public Procurement present the significant economic factor in Montenegro. Strategy for Development of Public Procurement is at first place dynamic and flexible from the aspect of its objectives and measures; it is essential if we take into consideration the complexity of all procedures within the frame of the Public Procurement System.

All of the above lead to the conclusion that the enforcement of the Strategy will ensure the following :

- **Respect for the general principles of the Public Procurement System: transparency, market competition and attainment of the best value for money,**
- **Professional development and education aiming at improving the skills and competition within the employees with the purpose of sustainable and measurable progress achieved through the Public Procurement procedures.**
- **Alignment of the legal acts of Montenegro by which the acts in the area of Public Procurement are regulated with the *acquis* of the EU aiming to strengthen the market competition.**