



ReSPA

Regional School
of Public Administration

Public Procurement Network in Western Balkan

15-16 July 2014

**Discussion paper and provisional programme
Danilovgrad (Montenegro)**



Background

ReSPA aims to support the PP in the Western Balkans therefore it has been decided to launch the network and organize its 1st meeting devoted to the most important thematic areas in the Western Balkans in domain of Public Procurement encompassing strategic and operational level. On the ground of the recommendations resulting from the previous ReSPA activities public procurement has been recognized as a topic with high level of interest in the region and identified networking needs among the stakeholders. Therefore, it was decided to continue with the related activities within its Program of Work 2014 by establishing network of public procurement decision makers and senior experts with the aim to create and facilitate the platform bringing together the eminent public procurement experts and managers of the PP institutions who can significantly contribute to further development of national public procurement systems and enhance the knowledge, understanding and capabilities of the actors involved.

Public procurement is one of the sectors that are highly cross related with other important development aspects at national level. Introduction and implementation of electronic means in conducting public procurement is often one of the crucial drivers for overall development of electronic administration and business environment. Environmental and social aspect are also strongly promoted and encouraged through their usage in procurement procedures, providing great support to policy developments in those sectors. As public procurement is correlated with risk of corruption and conflict of interest, establishment of transparent and efficient national procurement systems have significant influence to their decreasing, as well as promotion of integrity aspects at level of high number of relevant stakeholders, from national to regional and local. Many other key developments, such as state administration reform or promotion and investments, strongly benefit from development of national procurement system, therefore giving additional importance to implementation of various measures to be taken in that respect.

The first public procurement network event is scheduled for 15 – 16 July 2014 in ReSPA, Danilovgrad.

The first day will be dedicated to the presentation of new developments on public procurement at EU level, namely novelties introduced by the new 2014 directives¹. Short presentations of national procurement systems providing information on current state-of-play and planned activities will be also held. On the second day emphasis will be given to discussion on key challenges in development of national public procurement system within framework of EU accession process based on experience of previous and ongoing accession

¹Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC

Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC
Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts

negotiations. Discussion will be also focused on development of public procurement network through identification of stakeholders' needs, areas to be tackled by planned activities and best cooperation methods. Existing and previous cooperation models for experience exchange, such as within the EU Multi beneficiary project "Training in Public Procurement in Western Balkans and Turkey", will be discussed in order to encompass their results and recommendations into the activities of the public procurement network.

By facilitating the public procurement network, ReSPA assists in implementing the EC Enlargement Strategy, continuing the development of the Western Balkan platform on education and training, and assists in enhancing capacity building on public procurement.

Objective

The purpose of this paper is to provide basis for contributions from and discussion among the representative of the selected interested Western Balkan countries on the reflections of current state of play in development of public procurement systems, the obstacles and challenges in further development of the national capacities to implement requirements on public procurement.

The objectives of the public procurement network event are:

- ◆ to review and analyse the existing public procurement systems by countries,
- ◆ to share best practice and experiences focused on managing their further development in EU context as well as review of the implementing capacity.

The preliminary agenda is providing the frame for open discussion in which the participants are invited to participate actively and provide suggestions for topics to be discussed at future meetings and ideas for the next steps in network operations.

Content

As public procurement represents one of the key elements of the functioning of the internal market, corner stone of the EU, development of efficient public procurement system in line with EU requirements presents significant challenge of the accession process. Public procurement due to its high value has also considerable political and economic significance at national levels.

Important element of further development of national public procurement systems are recent developments at EU level in a way of adoption of new 2014 public procurement directives, requiring additional efforts on increasing expert knowledge for their transposition into national systems.

As regards regional cooperation and exchange of experience, activities and debate of the necessary reforms were in place on several forums/conferences under the hub of OECD/SIGMA and EU technical assistance projects. Through implementation of the EU Multi beneficiary project "Training in Public Procurement in Western Balkans and Turkey" interest in further exchange of the knowledge and experience on public procurement was

identified. The idea of the roadmap on public procurement for 2014 in the framework of ReSPA PoW 2014 is to ensure sustainability of the previous activities taking into account OECD/SIGMA Assessment reports for 2013 and EC Progress reports, “Europe 2020 A strategy for smart, sustainable and inclusive growth” goals as well ReSPA mandate to contribute to the PAR and EUI processes of the Western Balkans focusing on strategic and operational level.

By setting up the roadmap on public procurement, ReSPA will contribute to the EU perspective of the WB countries in at least two aspects:

- In assisting to development process of sound and transparent public procurement which will be harmonised with the *acquis communautaire* as stipulated in the Chapter 5 on Public procurement in the process of joining EU;
- In assisting to enforce and apply the public procurement rules at various national levels.

The roadmap on public procurement consists of two main pillars:

1) Establishing Network of public procurement experts and managers as the platform for regional knowledge exchange which will contribute to the goals as defined above in the following aspects:

- EU requirements on establishment of legislative framework on public procurement and its adequate implementation;
 - Lessons learned approach in the process of the accession negotiation;
 - Facilitate regional cooperation and creation of national public procurement market;
 - Contributing to the transparency of the public procurement process and support regional measures to reduce corruption in public administration.
- and

2) Conducting regional comparative study on public procurement in WB countries will best suit the needs for further actions compliant with EU policies and strategies underpinning smart, sustainable and inclusive growth and fully compliant with SEE 2020 Strategy goals to create a fully liberalised public procurement market in the Region.

Target audience and participant’s role

This 2-day public procurement network event will gather 14 participants (two representatives from: Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Serbia and Kosovo^{2*}), representing:

- *policy makers* - Heads/directors of public procurement offices, agencies, ministries in charge for policy development on public procurement and heads/directors of other key bodies within the national public procurement systems (review bodies, central purchasing bodies) who possess a clear and demonstrated interest in the network

² This designation is without prejudice to positions on status, and it is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

topic and are motivated to participate in discussions and exchange of opinions/best practices with other colleagues from the WB countries

or:

- Senior level representatives who have at least 5 years of relevant work experience in the topic of the network and possess a clear and demonstrated interest in the network topic and are motivated to participate in discussions and exchange of opinions/best practices with other colleagues from the WB countries

The detailed description of the target group and the qualifications which are required from the members of the network can be found in the ToR for public procurement network members.

The participants are required to provide

- Presentation on the current national public procurement system, including overview of identified obstacles and challenges in its development, information on implementing capacities and planned future activities.
- Provide comments and suggestions on the content proposal of the Regional comparative study on public procurement.
- Provide the inputs for the further networking needs and steps to be taken.

The participants are invited to actively participate in the discussion and practices exchange.

Short Resumes of the Experts

Teja Kolar has ten years of experience in public procurement. She is graduated BA in Law at the University of Zagreb, Faculty of Law. She was working on development, improvement and coordination of the entire public procurement system in Croatia in the capacity of assistant minister in the Ministry of Economy and previously as a Director of the Directorate for the Public Procurement System within the same Ministry. She was a Head of the Working Group for preparation of negotiations in the Chapter 5 Public Procurement with a task to coordinate activities on accession process of the Republic of Croatia to EU in the field of public procurement and to develop and implement related strategic documents. She was involved in harmonization of national legislation with EU directives, development of national public procurement training system, provision of legal assistance in connection with the application of public procurement regulations, control of the implementation of the public procurement regulations, drawing up of manuals and other implementing tools. She is now public procurement consultant. Her expertise is focussed on providing assistance through trainings to contracting authorities and economic operators, and develop strategy policies to institutions in charge for public procurement system at national and international level.

Maja Kušt has more than ten years of experience in public administration in Croatia covering public procurement, EU integration process and environment and energy sector. She is graduated BSc in Ecology at the University of Zagreb, Faculty of Natural Sciences and Mathematics. For six years she was employed in the Ministry of Foreign and European Affairs where she was working on accession negotiations for chapters Environment and

Energy, covering overall coordination and participation in legal harmonization and fulfilment of other EU membership criteria. In 2008 she started to work in the Ministry of Economy, Directorate for the Public Procurement System where she was active on accession negotiations on Chapter 5, development of national public procurement training system, strategy development, harmonization of national legislation with EU directives, development of various implementing tools and number of other activities related to development of public procurement system. In 2013 she has continued career in public procurement as cofounder of private consultancy company. She is experienced in various trainings and analytics on public procurement at national and international level.



DRAFT AGENDA

Day I: Tuesday, 15th July 2014

- 09.00 – 09.30** Registration
- 09.30 - 10.15** Official opening - Representative of ReSPA – Presentation of ReSPA roadmap for PP
- 10.15 - 11.45** Presentation of new developments on public procurement at EU level – novelties introduced by the new directives
- 11.45 - 12.00** *Coffee break*
- 12.00 - 13.30** Discussion on presented new EU developments on public procurement
- 13.30 - 14.30** *Lunch break*
- 14.30 - 15.45** National presentations
- National public procurement systems
 - Identified obstacles and challenges in development of public procurement system
 - Implementing capacities
 - Planned future activities
- 15.45 – 16.15** Discussion on national presentations and identification of key areas for follow up activities

Day II: Wednesday, 16th July 2014

- 09.00 - 10.45** Panel discussion on key challenges in development of national public procurement system within framework of EU accession process
- Experiences of previous and ongoing accession negotiations
 - Challenges of accession negotiations
 - Key stakeholders and their coordination
- 10.45 - 11.00** Coffee break
- 11.00 - 11.30** Presentation of the content proposal of the Regional Comparative Study on Public Procurement
- 11.30 - 12.30** Discussion on the content proposal – input from the participants
- 12.30 - 13.30** *Lunch break*
- 13.30 – 15.00** Panel discussion on public procurement network - discussing and determining the networking needs
- Experience of previous cooperation modules (regional conferences, multi beneficiary projects, etc.)
 - Stakeholders to be covered
- 15.00 – 15.15** *Coffee break*
- 15.15 – 16.00** Discussion on further steps and activities within public procurement network
- 16.00 – 16.15** Wrap up – conclusion and final comments