



TWINNING FICHE

Project title: Strengthening Public Procurement Practices in Georgia

Beneficiary administration: Georgian State Procurement Agency

Twinning Reference: GE 16 ENI EC 05 18

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EU funded project

TWINNING

INSTRUMENT

List of Abbreviation

AA	Association Agreement
BC	Beneficiary Country
CSB	Civil Service Bureau
CSO	Civil Society Organisation
DCFTA	Deep and Comprehensive Free Trade Area
DPA	Dynamic Purchasing System
EC	European Commission
EU	European Union
EUD	European Union Delegation
G4G	Governance for Growth
GIZ	German Society for International Cooperation
GoG	Government of Georgia
LA	Legal Approximation
LEPL	Legal Entity of Public Law
MoJ	Ministry of Justice
MS	Member State
OECD	Organization for Economic Co-operation and Development
PAO	Programme Administration Office
PAR	Public Administration Reform
PL	Project Leader
PPL	Law of Georgia on Public Procurement
RIA	Regulatory Impact Assessment
RTA	Resident Twinning Advisor
SIGMA	Support in Implementation in Governance and Management
SPA	State procurement Agency
STE	Short Term Expert
TAIEX	Technical Assistance Information Exchange
TNA	Training Needs Analysis
TEP	Electronic Tender with Prequalification

1. Basic Information

1.1 **Programme:** Technical Cooperation Facility II ENI/2016/039-337 / direct management

For applicants from the United Kingdom: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that applicants from the United Kingdom continue to be eligible, the beneficiaries from the United Kingdom will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of Article 12.2 of the General Conditions^[1] to the grant agreement.

1.2 **Twinning Sector:** Standardisation and certification, Trade and Industry

1.3 **EU funded budget:** 1,400,000 €

2. Objectives

2.1 Overall Objective(s):

The overall objective of the project is to support to develop and maintain a transparent, non-discriminatory, competitive public procurement system in line with EU and international best standards that in the long-term perspective will let Georgia become a part of the EU public procurement market, leading to greater opportunities for the EU companies to participate in Georgian public procurement and vice versa.

2.2 Specific objective

The specific objective of the project is to provide quality assurance and enhancement of the Georgian State Procurement Agency's (SPA) institutional, human and technical capacities in order to facilitate the approximation of the Georgian public procurement legislation with the relevant Union *acquis*, as defined by the AA/DCFTA, and to introduce EU and international best practices within this framework.

2.3 The elements targeted in strategic documents i.e. National Development Plan/Cooperation agreement/Association Agreement/Sector reform strategy and related Action Plans

The proposed Twinning project is fully in line with the provisions stated in the Association Agreement (AA). The project will specifically support the provisions of Chapter 8 of the AA on public procurement:

- Article 141, which sets forth the main objectives of the chapter;
- Article 145, defines obligation to submit comprehensive roadmap for the implementation of chapter 8 of AA, with time schedule and milestones, which shall include all reforms in terms of approximation to the Union *acquis* and institutional capacity building;
- Article 147, links the opening of the public procurement markets to the gradual progress in the approximation of the Georgian public procurement legislation with the EU public procurement *acquis*, accompanied by institutional reform and the creation of an efficient public procurement system;
- Annex XVI-B of the AA/DCFTA, provides the scope of Georgia's obligations in public procurement.

The EU-Georgia Association Agenda for the period 2017-2020 states that the Parties will cooperate on Georgia's preparation for the implementation of the Procurement Chapter of the Association Agreement and the related reforms. The work will include: Medium term priorities; providing precise and timely information on planned legislative work affecting procurement policy and its implementation, both for the legal approximation and the set-up of institutions in the field of public procurement. As comprehensive roadmap has already been adopted by the Government of Georgia on 31 March 2016, covering five phases of actions to be implemented during the period from 2016 to 2022. The Parties will further discuss implementation of the roadmap, also in view of ensuring the approximation of the Georgian public procurement legislation with the EU public procurement *acquis* as foreseen in the Association Agreement.

The twinning project will further contribute to the execution of the “**Roadmap and Action Plan for the Implementation of the Public Procurement Chapter of the EU-Georgia Association Agreement**”

^[1] Twinning manual Annex A2

¹ "The Contracting Authority communicates the choice of the selected Twinning partner at the latest within two weeks after the date of the selection meetings", as per section 2.4.3. of the Twinning Manual.

adopted by the Decree of the Government of Georgia #536 on 31 March 2016. The roadmap presents the planned, gradual introduction of the EU Public Procurement Directives into Georgian legislation and their effective implementation as envisaged in Annex XVI-B of the AA/DCFTA. The process of gradual approximation will take place over an eight-year period from 2015 to 2022 and is divided into 5 phases, with the fixed legislative, as well as institutional changes to be made. The planning corresponds to the phases and time schedules set forth in Annex XVI-B of the AA/DCFTA. Georgia has already fulfilled its Phase I obligations. This twinning project will mainly target the implementation of Phase II obligations specified in Annexes XVI-C and XVI-D of the AA/DCFTA.

The project is fully in line with the **Socio-economic Development Strategy of Georgia “Georgia 2020”**¹, according to which the Government of Georgia will continue to reduce remaining technical barriers to trade in order to facilitate export development and integration with international and European markets and to increase the competitiveness of Georgian products and services. In this context, Georgia will consistently approximate its national legislative and institutional framework with the corresponding EU regulations.

The Government of Georgia (GoG) recognizes the importance of the Public Procurement and highlights it as an essential component within the **National Anti-Corruption Strategy and Action Plan of Georgia**, adopted by the Governmental Decree N443 on September 27, 2017². The strategy distinguishes public procurement as one of the priority directions and dedicates special chapter 7 “Ensuring transparency and prevention of corruption risks in public finance and public procurement spheres” 7.1 Public procurement clearly states the goals that is to improve the unified electronic public procurement system, to maintain a high degree of transparency, to ensure non-discrimination and a healthy competition in the process of public procurement, to minimize corruption risks, to upgrade the legislation on public procurement and ensure its gradual harmonization with the EU legal framework.

Furthermore, the strategy states that particular attention should be paid to the commitments taken under the Association Agreement (AA) and to the harmonisation of the national legislation with the EU standards on public procurements which envisages legislative and institutional changes.

3. Description

3.1 Background and justification:

The Georgian public procurement system has undergone significant reform over the last few years. In December 2010, paper based tenders were abolished and electronic procurement became the single platform for public procurement. Former paper-based tenders were challenged by a high risk of corruption, restricted competition, high compliance costs and lack of transparency. Through the introduction of a new, electronic procurement platform the Georgian procurement system became considerably more transparent and non-discriminatory, encouraging free and fair competition and minimising the risk of corruption. Nevertheless, the level of participation, the extent of single source procurement and the award patterns in some sectors like construction remain a focus of attention.

Despite its recent success, the importance of further development of the Georgian public procurement system is thus recognised by the Government of Georgia as one of the most essential aspects of overall economic development and this was especially underlined in the context of the AA/DCFTA.

The State Procurement Agency (SPA) is an independent Legal Entity of Public Law (LEPL), which coordinates and monitors activities related to public procurement in Georgia. The legal basis of the SPA’s activities is the Constitution of Georgia, applicable international agreements and treaties, the law of Georgia “On Public Procurement”³ and the SPA’s regulations, which include various items of secondary legislation, guidelines and manuals and standard documents. The Chairman, who is appointed by the Prime Minister of Georgia, manages the SPA.

The SPA is designated as the responsible body to facilitate and co-ordinate the implementation of the public procurement chapter of the AA/DCFTA and guide the process of gradual approximation to the EU public procurement *acquis*.

¹ http://www.mrdi.gov.ge/sites/default/files/social-economic_development_strategy_of_georgia_georgia_2020.pdf

² <http://www.justice.gov.ge/Ministry/Index/174>

³ Law no. 1388, Official Journal no. 22 of 18 May 2005 (as amended); see <https://matsne.gov.ge/ka/document/view/31252>.

The main task of the SPA is to protect the principles of transparency; fairness and non-discrimination in public procurement (see Annex 3. Objectives, Functions, Structural units of the State Procurement Agency). It strives to contribute to a competitive market economy by developing a transparent and equal environment for Georgian and international companies, thus encouraging greater competition in public procurement, which ultimately results in minimising the risk of corruption and ensuring the effectiveness of public expenditures.

Now, the major challenge faced by the SPA, is to continue the legislative and institutional development of the Georgian public procurement framework and its application, including the remedies system that will fully comply with best European and internationally recognised practices.

In order to fully exploit the potential of the Georgian e-procurement system, it is of crucial importance to continue the ongoing reform process. Moreover, under the AA/DCFTA, the Georgian public procurement system has to meet new challenges; reforms targeted to the coherent implementation of basic principles of public procurement envisaged in the AA/DCFTA will contribute to effective, reciprocal and gradual opening of the EU and Georgian public procurement markets. Therefore, the SPA is actively planning to extend its services based on European and international standards and best practices. The crucial intentions in this context are to:

1. Increase awareness and general procurement skills among users (contracting authorities and economic operators) of the Georgian e-procurement system through strengthening the capacity of SPA's Training Centre and reinforcement of its operations;
2. Increase awareness of the EU public procurement *acquis* among SPA staff responsible for implementation the obligations under the AA/DCFTA;
3. Further simplify public procurement procedures and reduce tender participation costs (e.g. through self-certification of compliance with selection criteria and the introduction and adoption of official lists of approved economic operators and of qualification systems as means for prequalification), and limit the incidence of single source procurement;
4. Assure e-procurement quality and set up information and cyber security standards and tools;
5. Develop and implement new e-services and modules and integrate them into the Georgian e-procurement system;
6. Ensure the alignment of the remedies system with the EU requirements and good procurement review body practice.

This Twinning project will thus facilitate the fulfilment of the commitments undertaken by the Government of Georgia under the AA/DCFTA, contribute to the approximation of the Georgian public procurement legislation with the EU public procurement *acquis* and assist in meeting the challenges stated above. In addition, it will accelerate the enhancement of the professional capacities of the SPA and increase the visibility and effectiveness of the Georgian e-procurement system at national and international levels.

Specific attention will be paid to ensure that legal approximation process supported under this Twinning project will be according to the national framework on policy and legislative development and to the better regulation approach supported also at the EU level⁴. A better regulation approach requires that policies and legislation are prepared on the basis of the best available evidence (impact assessments) and according to an inclusive and evidence-based approach involving both internal and external stakeholders.

Furthermore, building on the lessons learnt and the Better Regulation agenda promoted at the EU level⁵, this Twinning project will contribute to the overall public administration reform in Georgia by ensuring the introduction of an inclusive and evidence-based approach to policy-making and legal drafting in the respective sector. It will also pay specific attention to accountability and reporting lines between concerned institutions. SPA will ensure participation of the representatives of stakeholders in the activities that will be undertaken within the project (ex. agencies, ministries, business representatives, contracting authorities and etc.).

3.2 Ongoing reforms:

The SPA is actively working on the implementation of the public procurement chapter of the AA/DCFTA and the gradual approximation of the Georgian public procurement legislative along with institutional framework to the EU public procurement *acquis*, in line with the adopted roadmap.

⁴ http://ec.europa.eu/info/strategy/better-regulation-why-and-how_en

⁵ http://ec.europa.eu/info/files/better-regulation-better-results-eu-agenda-0_en

Article 144 of the AA sets out the **basic standards regulating the award of contracts** and reflecting core EU principles of non-discrimination, equal treatment, transparency and proportionality, which must be ensured in the first phase of the approximation process. According to the adopted reforms agenda, the SPA reviewed existing public procurement legislation *vis-à-vis* the basic standards referred to in Article 144 of the AA and drafted amendments to the Law of Georgia on Public Procurement (PPL). The goal of the abovementioned amendments is to ensure that public procurement legislation is adjusted in order to adequately reflect the set of basic standards in line with Article 144 of the AA. The Government of Georgia approved the proposed changes and the Parliament of Georgia has adopted proposed changes to the law on April 6, 2017.

In order to fully implement the obligations foreseen under the reforms agenda, SPA launched new procurement procedure with prequalification in December 2016 (DAP e-tenders). Moreover, in September 4, 2017, SPA launched another procurement procedure – Electronic Tender with Prequalification (TEP), which is analogous to the EU Directive’s restricted procedure. It is noteworthy, that according to the Roadmap an obligation concerning the implementation of restricted procedure was foreseen in 2019. Therefore, under the amendments the obligation has already been fulfilled in advance.

According to **article 143(2) of the AA**, SPA has elaborated changes to the law, and ensure establishment of a new model for public body tasked with the review of decisions taken by contracting authorities. The new amendments passed the parliament of Georgia in December 23, 2017. According to the changes, new review body was created with representatives of different governmental and nongovernmental entities. The SPA is still facing challenges regarding its independence and impartiality. The SPA and the European Commission are still discussing this issue to find a legal solution that complies with the above requirements.

3.3 **Linked activities:**

With the support of international organisations and donors, several international technical assistance projects have been implemented in the SPA in recent years.

USAID - Governing for Growth (G4G), (duration 2015-2019), the project aims to raise awareness of representatives of contracting authorities, local self-government bodies, civil society, as well as economic operators on issues concerning public procurement. Within the framework of this initiative, several meetings were held with the relevant stakeholders throughout Georgia.

GIZ – EU funded project - “Support to the Development of Private and Administrative Law System in Georgia” (duration January 2016 - January 2018), with one component providing assistance to the SPA for redrafting the public procurement law in line with the EU Directives and for a study visit to Sweden and the Netherlands.

SIGMA - Cooperation with SIGMA started since 2008. During 2015-2018 the scope of the assistance concentrated on supporting the SPA in general issues according to the reform agenda. As mentioned above with the support of SIGMA a comprehensive “**Roadmap and Action Plan for the Implementation of the Public Procurement Chapter of the EU-Georgia Association Agreement**” has been developed.

SIGMA provided assistance in relation to information and benchmarking on e-catalogues and dynamic purchasing system (DPS); Standard tender documentation for off-the-shelf supplies; Contract management; Concessions and etc. During last years SIGMA support included review of documents, advisory missions and workshops related to the preparation of the new Public Procurement Law as well as related secondary legislation.

TAIEX – Workshop on EU Legislation on Public Procurement (ref N 62955). The two day seminar on Directive 2014/24/EU, was held in Tbilisi on February 20-21, 2017. The aim of the workshop was provision of information on EU public procurement legislation and assist the State Procurement Agency in enhancing its policy development capacities. During the seminar the focus was done on the procurement system and monitoring and supervision practices, advantages and disadvantages of different contract models and the positive impact of enhanced transparency and accountability. The seminar was attended by the representatives of different procuring entities;

Related Programmes and Projects

The reform of Public Administration (PAR) is of utmost importance for the country and the process is supported through donor community. The EU total contribution to the “Support to the Public Administration Reform in Georgia” 2016-2019, is EUR 30 000 000 Euro. Out of which EUR 20 000 000 is budget support share and EUR 10 000 000 for complementary support. The objective of the programme is to improve the efficiency, accountability and transparency of the public administration of Georgia, in line with the key Principles of Public Administration that have been developed by OECD/SIGMA in close cooperation with the European Commission. It will have a particular focus on the improvement of the policy planning and coordination capacities and processes in the central public administration. The professionalization of the civil service (including the reform of the civil service training system) will also be supported through the programme.

Project Title: Facility for the implementation of the Association Agreement in Georgia; EU funded; Duration: 2015-2018; Description: the project provides policy advice and capacity building support to the Georgian Government in coordinating the implementation of the Association, strengthening the institutional capacities of the line ministries and other public institutions to carry out the required reforms, including on policy development and legal approximation processes.

Project Title: Legislative Impact Assessment, Drafting and Representation; EU funded;

Duration: 2015-2018; Description: the project aims to improve the legal drafting process at the central level of government (through promoting better coordination among relevant entities, and introduction of the regulatory impact assessment of draft legislation) as well as the Government's international representation and reporting functions with special emphasis on the Ministry of Justice.

These two projects: AA Facility and Legal drafting supported the elaboration of unified methodologies, and provided capacity building to key institutions (government and parliament) in the legal approximation and RIA processes. These methodologies are to be formally approved by Government.

Two other projects, EU funded – implemented by GIZ, and USAID-funded ("G4G") also support LA and Regulatory Impact Assessment (RIA) but with focus on economic sphere.

Policy and legislative process

The National Policy Planning System Reform Strategy, adopted by the Government of Georgia in August 2015 recognises the current weak link between the policy planning process and legislation drafting, the absence of practice of legislative impact assessment and the weak institutional capacity of ministries in legal drafting. The OECD/SIGMA 2018 assessment in the policy development and coordination area highlights a number of weaknesses in the current (policy-making) and legislative process⁶. The assessment specifically notes the reoccurring problem with implementation of laws, which can be attributed to the low quality of laws due to weaknesses in the law-making process. There is a pressure to complete numerous legal reforms in the shortest possible time: "This situation inevitably places enormous pressure on the combined law-making resources of the Government and the Parliament and leaves little time for essential elements of a well-ordered law-making process, such as regulatory impact assessments or proper consultation with civil society." Improvement of the legislative drafting process and quality of legislation is now a priority area of action for the Administration of Government under the Prime Minister (steering the policy-making process) and all line ministries. This primarily involves the Administration of Government, Ministry of Justice, and Ministry of Economy and Sustainable Development. The Government, with international support, is currently developing a uniform methodology for regulatory impact assessments, to be used by all legal drafters. Similar effort is being made with regards to developing a uniform approach to legal approximation.

To sustain the legal approximation process the Ministry of Justice (MoJ) with the support of the EU assistance (under above mentioned projects Association Agreement Facility and Legal Drafting projects) elaborated Legal Approximation Guidelines and Manual. These documents provide key principles and techniques of approximation that will guide and orient legal drafters throughout the approximation process.

These documents should be used consistently, not only by MoJ, but also by all line ministries, and institutions tasked with the approximation exercise. Such proceedings will help to ensure the achievement of a steady and sustainable approximation path.

⁶ <http://www.sigmaxweb.org/publications/Baseline-Measurement-Report-2018-Georgia.pdf>

3.4 List of applicable EU *acquis*/standards:

- **Directive 2014/24/EU** of the European Parliament and of the Council of 26 February 2014, on public procurement and repealing directive 2004/18/EC O.J. L 94/65 (Public Sector Directive);
- **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 O.J. L 94/243 (Utilities Directive);
- **Directive 2014/23/EU** of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts O.J. L 94/1 (Concessions Directive);
- **Directive 89/665/EEC**, on the coordination of laws, regulations and administrative provisions relating to the application of review procedures to the award of public supply and public works contracts, O.J. 1989 L395/33, as amended (Public Sector Remedies Directive);
- **Directive 92/13/EEC** coordinating the laws, regulations and administrative provisions relating to the application of Community rules on the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors, O.J. 1992 L76/14, as amended (Utilities Remedies Directive);
- **Directive 2007/66/EC** amending Council Directives 89/665/EEC and 92/13/EEC with regard to improving the effectiveness of review procedures concerning the award of public contracts O.J. L335;

The requirements of these Directives are to be incorporated into the revised public procurement law according to the timeline defined in the AA/DCFTA.

3.5 Results per component

Component 1: Support in upgrading and implementation of public procurement regulations

Under the component one it would be advisable to make the analysis of implementation of the existing legal framework and based on the findings prepare the report incorporating the recommendations and ways for improvement. The general legal framework on procurement is not in compliance with the union *acquis* and relevant directives, moreover there is a need to comply the secondary legislation with the EU requirements. Based on the recommendations and findings regulatory impact assessment could be applied as well. In order to efficiently implement legal framework appropriate legal acts, guiding documents and implementing tools have to be developed and relevant stakeholders trained. Therefore assistance will be needed from project partners to put in place all supplementary and operational materials to facilitate strengthening of existing public procurement system in Georgia and approximating it to the EU rules and regulations. Relevant staff could also benefit from study visit to the MS partner country to facilitate transfer of practical knowledge.

Result 1.1 Contribution to the revision of the primary public procurement legislation and put into practice in line with relevant union *acquis* and best practices with the aim of improved efficiency.

Indicators of achievement:

- Amendments to the primary and secondary legislation prepared and initiated in an inclusive and evidence-based process and using unified LA methodology, with emphasis on increasing efficiency and simplification of public procurement regulations;
- Various implementing tools (such as manuals, guidelines, instructions, templates, self-teaching aids, e-tutorials, etc.) developed and put to good use by contracting authorities and economic operators, with focus on enhancing more efficient implementation of upgraded legal framework;
- At least 75% of participants to study visit very satisfied by quality of exchanges with EU MS relevant administrations;
- At least 75% of participants very satisfied by logistical arrangements of study visit;
- At least one thematic event organized per year.

Component 2: Support to strengthening the SPA and stakeholder (procuring entities, economic operators and Civil Society Organisations CSOs) capacities within the national public procurement system

It is expected that the actions under component two would focus on strengthening capacities of the SPA and relevant stakeholders. It would be essential to train the SPA relevant staff with special emphasis on

Union acquis as well as enhance knowledge on new business processes, public procurement procedures and tools. At the same time would be beneficial to analyse and prepare recommendations for improvement of cyber security policies applicable for the SPA activities and overall development of electronic procurement system. Effective functioning of training dimension is also very important, so analysis and recommendations for further improvements (with emphasis on development of demand-oriented services) are highly demanded.

In parallel there is a need to conduct Training Needs Analysis (TNA) for various stakeholders within the public procurement system and develop tailor made training programme. Based on the programme elaborated series of trainings would be delivered in order to enhance capacities and professionalism of relevant stakeholder representatives. Along with the training system one of the important issues is existence of the certification mechanism for procurement specialists so the project is expected to make progress in this regard. Relevant staff will benefit from different project activities of practical nature together with the study visits. Also special attention would be required in relation to development of promotional materials, booklets, leaflets, manuals, users' guides or any other editions.

Results 2.1 Institutional and administrative capacities of the SPA strengthened

Indicators of achievement:

- The performance of SPA relevant staff increased in relation to application of the best European standards, new procedures and CJEU practice⁷;
- Information exchange and cyber security policy relevant to the SPA strengthened in regards to the overall development of electronic procurement system;
- The number of demand-oriented services and quality of courses increased within Training Centre of the SPA;
- At least 20% SPA's staff trained by the end of the first year, at least 50% SPA's staff trained by the end of the project;
- At least of 75% of trained staff very satisfied with quality of training sessions or workshops;
- At least of 75% of trained staff very satisfied with logistical arrangements of training sessions or workshops;
- At least 75% of SPA's staff members to study visit very satisfied by quality of exchanges with the EU MS relevant administrations;
- At least 75% of SPA's staff members very satisfied by logistical arrangements of study visit;
- At least 40% female participation in relevant training sessions and workshops.

Results 2.2: Increased awareness and professional skills strengthened among various stakeholders

Indicators of achievement:

- Various stakeholder representatives trained based on the programme elaborated;
- Promotional and guiding materials developed and disseminated to relevant stakeholders;
- Qualification/certification system of procurement specialists in place and operational;
- At least two thematic events organized per year;
- At least 75% of participants to study visit very satisfied by quality of exchanges with the EU MS relevant administrations;
- At least 75% of participants very satisfied by logistical arrangements of study visit;
- At least 40% female participation in relevant project activities;
- E-Newsletters prepared and published quarterly;
- Project webpage operational under SPA's website – procurement.gov.ge during the first year of project duration. At least 1,000 visitors by the end of the first year. At least 3,000 visitors by the end of the second year;

Component 3: Enhancement of the remedies system

The component will be focused on revision of the remedies system in light of the requirements and best practices in the EU. Through the component various models, scenarios, proposals, legal acts, guidelines,

⁷ Court of Justice

recommendations and implementing tools should be developed for the use of the relevant stakeholders. Training programme will be developed and relevant target groups (members of the review body and relevant staff members) trained. Best practices in EU will be studied in order to ensure full compliance of new system/model with EU regulations.

Result 3.1 Remedies system and practices improved within the national public procurement system

Indicators of achievement:

- Various implementing tools (assessment reports, models, scenarios, proposals, legal acts, recommendations, guidelines) developed with focus on further improvement of the remedies system;
- Independence and impartiality of the new review body is secured according to EU standards;
- Representatives of the relevant institution(s) trained within the remedies system;
- The actual and perceived independence, competence and timeliness of the work of the procurement review body established and recognised;

3.6 Means/input from the EU MS Partner Administration(s):

Member State(s) MS is/are kindly requested to develop activities in the submitted proposal which are needed in order to achieve the results stipulated in the fiche.

The MS PL will be expected to devote a minimum of 3 days per month to the project in his/her home administration. In addition, he will coordinate from the Member state side the work of the Project Steering Committee (PSC). MS Project Leader may participate in the project also as short-term expert (STE). In this case the MS Project Leader should satisfy requirements stipulated in the fiche for both the Project Leader and the relevant STE profile.

The RTA will be located in the premises of the SPA in the beneficiary country on a full time basis and will be responsible for the direct implementation of the project under the overall supervision of the MS Project Leader.

The RTA will maintain day-to-day cooperation with the beneficiary administration and coordinate the work performed by the STEs. The RTA will have a key role in the coordination of the inputs required for the successful implementation of all the project activities.

Minimum two visibility events will be organized in the course of the implementation of the project; Kick-off meeting at the start of the implementation and the Final meeting at the end of the implementation of the project activities.

The required MS experts must either be civil/public servants of the relevant MS administration or be permanent staff of authorised mandated bodies. All experts must comply with the requirements set in the Twinning Manual 2017.

The RTA should be supported by a permanent RTA Assistant. The RTA assistant should be in close collaboration with the BA. The RTA assistant will perform general project duties and providing translation and interpretation services as necessary, practical arrangements for the project, such as organizational issues of expert missions, conferences, training, seminars, maintaining project records and etc. Until the RTA can select and hire an assistant, the Beneficiary administration makes a member of its staff available to support the RTA in his/her daily tasks.

A full-time language assistant should also be recruited. She/he should perform most of the required interpretation/translation services. She/he will provide day-to-day interpretation/translation to the RTA and project experts during missions.

Whenever required and needed for simultaneous interpretation during seminars and workshops, translation of large volume of documents additional interpretation may be procured and funded by the project.

Proposals shall include only the CVs of the proposed PL, of the RTA and of the Component Leaders.

3.6.1 Profile and tasks of the Project Leader:

Profile:

- University level education in economics, law, public finance, public administration or equivalent professional experience in a related field of minimum 10 years;

- At least 5 years' experience in the field of public procurement;
- Professional experience in the field of public procurement in institutions similar to the SPA;
- High ranking official or assimilated agent from a full mandated body;
- Experience of EU legislation and practice in the field of public procurement;
- Solid knowledge of EU procurement rules and standards;
- Fluency in both written and spoken English;
- Computer literacy;
- Experience in project management;
- Good communications and inter-personal skills;
- Good leadership skills;

Tasks:

- Overall direction, supervision, guidance and monitoring of the project; ability to mobilise the necessary expertise in support of the efficient implementation of the project;
- Signature of project progress reports and the final report prepared with the support of RTA;
- Timely achievement of the project results;
- Co-Chairing of project steering committees; Provision of legal and technical advice and analysis whenever needed.

3.6.2 Profile and tasks of the RTA:

Profile:

- University level education or equivalent professional experience of at least 5 years in the field of public procurement and/or public administration;
- At least 3 years of extensive professional experience in the field of public procurement;
- Professional experience in the field of public procurement in institutions similar to the SPA;
- Working experience of EU legislation and practice in the field of public procurement;
- Solid knowledge of EU procurement rules and standards;
- Fluency in both written and spoken English;
- Computer literacy;
- Good team-working, communications and inter-personal skills;
- Strong analytical and report writing skills;
- Proven experience in project management, with a demonstrable record of organisational leadership and staff motivation;

Tasks:

- Overall coordination project implementation and of all activities ;
- Coordination of the activities of the team members in line with the agreed work plan to enable timely completion of project outputs;
- Provide technical input to the project whenever needed and provision of advice in his field of expertise;
- Liaise with MS and BC PLs and daily contacts with BC RTA counterpart;
- Preparation of the initial and subsequent work plan(s) and project progress reports, together with PL, to be submitted to the Steering Committees;
- Timely achievement of the project results;
- Liaison with EUD Project Manager and Programme Administration Office (PAO);
- Liaison with other relevant projects and relevant Georgian institutions;

3.6.3 Profile and tasks of Component Leaders:

Component 1: Support in upgrading and implementation of public procurement regulations

Profile:

- University level education in law or other applicable subject or equivalent professional experience in a related field of minimum 5 years;
- At least 3 years' of extensive professional experience in the field of public procurement;
- Professional experience in the field of public procurement in institutions similar to the SPA;

- Excellent knowledge of EU laws and the best practices in public procurement;
- Sound knowledge in legal drafting principles and approximation techniques;
- Experience in preparing regulatory framework, including fiscal and regulatory impact assessments, public consultations and inter-institutional coordination;
- Experience in preparing tender documentation, guidelines, instructions, recommendations and manuals on procurement procedures;
- Experience in planning and delivering training in the field of public procurement;
- Excellent spoken and written English language skills;
- Good team-working, communications and inter-personal skills;
- Strong analytical and report writing skills;
- Previous experience in similar projects would be an asset;

Tasks:

- Reviewing the existing national legal framework, procedures and methodologies;
- Component coordination, guidance and monitoring;
- Conducting analysis of the area relevant to the component;
- Provision of legal and technical advice and analysis whenever needed;
- Training coordination and conduction based the practical needs of the beneficiary administration;
- Timely achievement of the component results;
- Timely proposals for any corrective measures;
- Liaise with MS and BC PLs and daily contacts with RTA and BC counterpart.

Component 2: Support to strengthening the SPA and stakeholder (procuring entities, economic operators and Civil Society Organisations CSOs) capacities within the national public procurement system

Profile:

- University level education in law or other applicable subject or equivalent professional experience in a related field of minimum 5 years;
- At least 3 years' of extensive professional experience in the field of public procurement;
- Professional experience in the field of public procurement in institutions similar to the SPA;
- Excellent knowledge of EU procurement standards and procedures;
- Relevant experience in capacity building activities;
- Solid knowledge of human resource management, training and professional development of personnel;
- Experience in planning and delivering training in the field of public procurement.
- Excellent spoken and written English language skills;
- Good team-working, communications and inter-personal skills;
- Strong analytical and report writing skills;
- Previous experience in similar projects would be an asset;

Tasks:

- Reviewing the existing national legal framework, procedures and methodologies;
- Component coordination, guidance and monitoring;
- Conducting analysis of the area relevant to the component;
- Provision of legal and technical advice and analysis whenever needed;
- Training coordination and conduction based the practical needs of the beneficiary administration;
- Timely achievement of the component results;
- Timely proposals for any corrective measures;
- Liaise with MS and BC PLs and daily contacts with RTA and BC counterpart.

Component 3: Enhancement of the remedies system

Profile:

- University level education in law or other applicable subject or equivalent professional experience in a related field of minimum 5 years;

- At least 3 years' professional experience in the field of public procurement;
- Professional experience in the field of public procurement in institutions similar to the SPA;
- Solid knowledge and practical experience of remedies system in the procurement field;
- Experience in planning and delivering training in the field of public procurement;
- Experience in preparing procurement documentation, guidelines, instructions, recommendations and manuals on procurement procedures;
- Excellent spoken and written English language skills;
- Good team-working, communications and inter-personal skills;
- Strong analytical and report writing skills;
- Previous experience in similar projects would be an asset;

Tasks:

- Reviewing the existing national legal framework, procedures and methodologies;
- Component coordination, guidance and monitoring;
- Conducting analysis of the area relevant to the component;
- Provision of legal and technical advice and analysis whenever needed;
- Training coordination and conduction based the practical needs of the beneficiary administration;
- Timely achievement of the component results;
- Timely proposals for any corrective measures;
- Liaise with MS and BC PLs and daily contacts with RTA and BC counterpart.

1.6.4 Profile and tasks of other short-term experts:

Specialist civil servants/staff of approved mandated bodies will be made available by the Twinning Partner (MS) to support the implementation of the activities and agreed with the beneficiary administration. Specific and technical matters relevant to this Twinning project will be taken over by a pool of STEs. The detailed expert input shall be established when drawing up the Twinning work plan.

Below some indicative qualifications and tasks: (NB: STEs CV should not be included in the MS proposal)

Profile:

- University level education or equivalent professional experience in a related field of minimum 5 years;
- At least 3 years' of extensive professional experience in the field of public procurement;
- Experience of EU legislation and practices in the field of public procurement;
- Professional experience in the field of public procurement in institutions similar to the SPA;
- Experience in preparing tender documentation, guidelines, instructions, recommendations, manuals, etc. in the field of public procurement;
- Experience in planning and delivering training in the field of public procurement;
- Experience in strengthening institutional and service delivery capacities of the institution similar to the SPA;
- Working experience in human resources development and training;
- Demonstrated understanding of communication tools and mechanisms;
- Excellent spoken and written English language skills;
- Good team-working, communications and inter-personal skills;
- Strong analytical and report writing skills;
- Computer literacy;
- Previous experience as an STE in similar projects would be an asset;

Tasks:

- Contributing to the sustainability of the project by ensuring that aspects of the project related to their field of expertise are implemented timely;
- Supervision and on-site coordination of all activities related to their field of expertise and performed under this project;
- Timely proposals for any corrective measures;
- Assistance with drafting project related documents in accordance with the national rules for legislative development and preparation of trainings, study tours, workshops, seminars, etc.
- Liaise with RTA and BC counterparts;

4. Budget

Maximum Budget available for the Twinning Grant 1, 400,000 €

5. Implementation Arrangements

5.1 5.1 The European Union Delegation in Tbilisi, Georgia, will be responsible for the tendering, contracting, payments and financial reporting, and will work in close co-operation with the Beneficiary. The person in charge of this project at the Delegation of the European Union to Georgia is:

Mr. Irakli Khmaladze
Project Manager, Economics, Regional Development and Public Finance
Delegation of the European Union to Georgia
38 Nino Chkheidze St, 0102 Tbilisi, Georgia
Tel: +995 32 2943 763
E-mail: irakli.khmaladze@eeas.europa.eu

5.2 Institutional framework

The main beneficiary institution is the State Procurement Agency (SPA), an independent legal entity of public law under the Prime Minister of Georgia, directly responsible for the development and maintenance of the public procurement framework in Georgia

Any reorganisation or liquidation of the SPA has to be decided by a resolution of the Government of Georgia. The Government of Georgia approves the internal regulation and structure of the SPA, and implements state control of the SPA's activities.

The SPA is chaired by the Chairmen supported by three Deputy Chairmen. Currently the SPA has 73 permanent employees and 18 employees on contract bases. Structural units of SPA are: Legal Department (Division of legal Provision, Division of Dispute Resolution Affaires, and Division of Legal Proceedings), Monitoring Department (Tender Monitoring Division, Division for Monitoring Contests, Procuring Plans and Simplified Contracts), Simplified Procuring Service, Consolidated tenders' Service, Department of Financial Management and Administrative Provision (Division of Financial and Logistics, Division of Administrative Provision), IT Department, International Relations Service, Training Center, Analytical Service (see Annex 4. Organisational Chart)

Ministry of Economy and Sustainable Development will be actively involved in the implementation of the project together with other relevant stakeholders. All stakeholder representatives, including agencies, ministries, distribution and transmission licensees, etc. will act according to their mandate and responsibilities.

5.3 Counterparts in the beneficiary administration:

5.3.1 Contact person:

Mr. Dimitri Gulisashvili
Head of Foreign Relations Department
State Procurement Agency of Georgia
8 Richard Holbrooke St., 0113 Tbilisi, Georgia

5.3.2 Project Leader counterpart:

Prof. Dr. Kakha Demetrashvili
Deputy Chairman
State Procurement Agency of Georgia
8 Richard Holbrooke St., 0113 Tbilisi, Georgia

5.3.3 RTA counterpart

Mr Dimitri Gulisashvili
Head of Foreign Relations Department
State Procurement Agency of Georgia
8 Richard Holbrooke St., 0113 Tbilisi, Georgia

6. Duration of the project

Duration of the execution period: 27 months. [The execution period will end 3 months after the implementation period of the Action (work plan) which will take 24 months].

7. Sustainability

The sustainability of the project will be achieved through the following:

- a suitable implementation of the project activities;
- maintenance of skilled personnel in the SPA;
- development of relevant documents and training materials for further use in Georgia.

In particular, the SPA will continue to maintain its Training Centre and retain training staff, and staff currently engaged in e.g. regulatory development will continue working in this field, with the added benefits of the skills and experience acquired through the project. The SPA will ensure that all training courses developed with the support of the Twinning project becomes integral part of the training curricula available in the SPA's Training Centre. Coordination with the Civil Service Bureau (CSB) will also contribute to sustainability of training activities by integrating them, where possible, in the general training system of civil servants.

In order to contribute to develop implementable legislation, the twinning project will support preparation of analytical prerequisites i.e. preparation of concept notes, impact assessments, estimation of implementation costs and will support SPA on conducting inter-institutional and public consultations, including publication of consultation results.

Any internal procedure developed with the support of the project will be consistent with the formal decrees on the organisational structure and job requirements for the organisation and any by-laws that exist for all government bodies regarding job descriptions and written procedures. In addition, any written procedural manual or guidelines developed with the support of the project will be simple enough to be regularly updated and changed by the staff of the respective organisations without external support.

8. Crosscutting issues

SPA will ensure equal opportunities between male and female participants in the management and implementation of the Project, including equal opportunities in training, study visits and participation in all of the Projects' missions and events; contributing thus to the promotion of gender equality. The principle of equal opportunity will be integrated into all stages of the project implementation.

The introduction of good public procurement practices through the contributions of the project to the efforts of the SPA will have wide-ranging indirect benefits in terms of improved public administration and public financial management practices, greater attention to environmental and other related sustainability issues and enhanced observation of corresponding regulations, a more open, competitive and well performing supply market, as well as improved opportunities for incorporating social and other policy aspects in public procurement.

9. Conditionality and sequencing

There are no particular conditions for the ultimate success of the project, apart from what has been set out under "Assumptions" in the logical framework in Annex 1.

The project will only cover a short period during the eight years of the overall approximation process for full alignment of public procurement in Georgia with the requirements in the AA/DCFTA. Nevertheless, the intention of the SPA is to use the project to help ensure the success also of the subsequent approximation stages, as witnessed by the SPA's current work with finalising all new primary public procurement legislation, thus well in advance of the actual application of the new provisions.

By its nature, the project is complementary to the longer term advisory support provided by SIGMA.

The SPA undertakes to:

- Assign appropriately skilled and competent staff at all levels to act as counterparts to the RTA and his/her colleagues;
- Release members of staff to participate in project activities (e.g. training workshops, study tours, communications actions);
- Ensure that the results of the project are fully integrated into the work routine of the SPA;

- Provide access to all relevant legislation, regulations, policies, strategies and supporting documentation relevant to the project;
- Provide facilities for the STEs to allow them to perform their work efficiently and effectively while on mission;
- Facilitate access to decision-makers at national, regional and local levels;
- Provide suitable venues for training workshops/presentations/meetings held within the framework of the project.

10. Indicators for performance measurement

The indicators for performance are described in Chapter 3.5 together with project results. They are also listed in the Logical Framework Matrix included in the annex 1.

The project MS and BC partners will ensure the smooth implementation of project activities and assess performance measurement in line with the logical framework.

As already mentioned the relevant staff from SPA (higher management and filed specialists) will be involved in the project implementation and nominated for the overall coordination and project management. All necessary information/documentation will be provided in regards with the national regulatory framework.

Strong coordination with other stakeholder organizations and involved parties will also facilitate successful implementation of the Twinning project.

11. Facilities available

The SPA as the beneficiary institution will provide the following facilities and inputs for the work of the Twinning Partner on site:

- Adequately equipped office space for the RTA and the RTA assistant(s) for the entire duration of their secondment.
- Supply of office room including access to computer, telephone, internet, printer, photocopier.
- Adequate conditions for the STEs to perform their work while on mission to the BC.
- Provide suitable venues for the training sessions and meetings that will be held under the Project.
- Security related issues will be assured according to the standards and practices applicable for all Georgian public institutions.

In order to ensure the success of the Twinning project, the beneficiary institution will assign one full time liaison officer at middle management level for working with the Twinning team. In addition, the beneficiary institution will ensure that staff is given the necessary time and administrative support for timely implementation of its obligations according to the agreed action plan for the Twinning.

The SPA has four training rooms (capacity: around 15 participants per room) with full facilities (including IT equipment) for carrying out public procurement training in all relevant fields.

ANNEXES TO THE PROJECT FICHE

1. Logical Framework Matrix
2. List of Relevant Laws and Regulations
3. **Objectives, Functions**, Structural units of the State Procurement Agency
4. Organisation Chart

Annex 1. Logical framework matrix in standard format

Strengthening Public Procurement Practices in Georgia		Programme name and number	Technical Cooperation Facility II ENI/2016/039-337/
State Procurement Agency of Georgia		Total budget: 1,400,000 EUR	Financing: 100% 1,400,000 EUR
Overall objective (impact)	Objectively Verifiable Indicators	Source of Verification	Assumptions
The overall objective of the project is to support to develop and maintain a transparent, non-discriminatory, competitive public procurement system in line with EU and international best standards that in the long-term perspective will let Georgia become a part of the EU public procurement market, leading to greater opportunities for the EU companies to participate in Georgian public procurement and vice versa.	<ul style="list-style-type: none"> • The level of Georgian Public Procurement system's effectiveness, accessibility, flexibility, service delivery, information security, cyber security strengthened; • Increased compliance of Georgian Public Procurement system with EU relevant system; • Tender participation rate increased; • Share of single source procurement decreased. 	<ul style="list-style-type: none"> • EC Reports; • SPA Reports; • AA Implementation Reports; • Monitoring/assessment reports by international organizations; • Procurement statistics; 	
Specific Objective(s) (outcome)	Objectively Verifiable Indicators	Source of Verification	Assumptions
The specific objective of the project is to provide quality assurance and enhancement of the Georgian State Procurement Agency's (SPA) institutional, human and technical capacities in order to facilitate the approximation of the Georgian public procurement legislation with the relevant Union <i>acquis</i> , as defined by the AA/DCFTA, and to introduce EU and international best practices within this framework.	<ul style="list-style-type: none"> • Institutional and human capacity of the SPA enhanced in line with the requirements of the EU legal framework till the end of the project; • Georgian public procurement legislation and practice compliant with the Union <i>acquis</i> and standards; • All necessary tools in place and operational by the end of the project; • Full compliance in remedies system; • Increased awareness and professional skills among various stakeholders within public 	<ul style="list-style-type: none"> • Project Reports; • Operational and Visibility Manuals, Guidelines; • Project documentation (analysis reports, training programmes, materials, recommendations and etc.); • External reviews, assessment and Monitoring Reports; • Minutes of Project steering committee meetings; • Visibility events' evidences. 	<ul style="list-style-type: none"> • Strong support and commitment from the senior management of SPA • Strong support and commitment from twinning partner(s) • Relevant staff of SPA available and involved in the process • Timely decisions by Government; • Co-operation with relevant stakeholders;

	<ul style="list-style-type: none"> procurement system; • Team Leaders of similar on-going projects in the country participated to at least one steering committee meeting; • Team Leaders of similar on-going projects in the country participated to at least one visibility event. • At least 40% female participation in relevant project activities; 		
Mandatory Results (outcomes)	Objectively Verifiable Indicators	Source of Verification	Assumption
<p>Component 1: Support in upgrading and implementation of public procurement regulations</p> <p>Result 1.1 Contribution to the revision of the primary public procurement legislation and put into practice in line with relevant <i>Union acquis</i> and best practices with the aim of improved efficiency.</p>	<ul style="list-style-type: none"> • Amendments to the primary and secondary legislation prepared and initiated in an inclusive and evidence-based process and using unified LA methodology, with emphasis on increasing efficiency and simplification of public procurement regulations; • Various implementing tools (such as manuals, guidelines, instructions, templates, recommendations, market research techniques, catalogues, etc.) developed and published to good use by contracting authorities and economic operators, with focus on enhancing more efficient implementation of upgraded legal framework; • At least 75% of participants to study visit very satisfied by quality of exchanges with EU MS relevant administrations; • At least 75% of participants very satisfied by logistical arrangements of study visit; • At least one thematic event organized per 	<ul style="list-style-type: none"> • Legislative amendments and explanatory note • Project documentation, interim and final reports; • Project activity reports (consultations, discussion); • Assessment reports; • Long- term strategy; • Manuals, guidelines, templates and other implementing tools, published on the website; 	<ul style="list-style-type: none"> • Government commitment on fulfilment of AA requirement continued; • Strong support and commitment from the senior management of SPA; • Twinning MS partner commitment; • Availability of local staff; • All relevant documentation/information available;

	year.		
<p>Component 2: Support to strengthening the SPA and stakeholder (procuring entities, economic operators and Civil Society Organisations CSOs) capacities within the national public procurement system</p> <p>Results 2.1 Institutional and administrative capacities of the SPA strengthened</p>	<ul style="list-style-type: none"> • The performance of SPA relevant staff increased in relation to application of the best European standards, new procedures and CJEU practice; • Information exchange and cyber security policy relevant to the SPA strengthened in regards to the overall development of electronic procurement system; • The number of demand-oriented services and quality of courses increased within Training Centre of the SPA; • At least 20% SPA’s staff trained by the end of the first year, at least 50% SPA’s staff trained by the end of the project; • At least of 75% of trained staff very satisfied with quality of training sessions or workshops; • At least of 75% of trained staff very satisfied with logistical arrangements of training sessions or workshops; • At least 75% of SPA’s staff members to study visit very satisfied by quality of exchanges with the EU MS relevant administrations; • At least 75% of SPA’s staff members very satisfied by logistical arrangements of 	<ul style="list-style-type: none"> • Report on gap/needs analysis; • Recommendations; • Publicly available data; • Project documentation (working procedures, activity reports and etc.); • Training programmes; 	<ul style="list-style-type: none"> • Strong support and commitment from the senior management of SPA; • Availability of local staff; • Good communication between the Beneficiary and other stakeholders; • All relevant documentation/information available.

	<ul style="list-style-type: none"> study visit; At least 40% female participation in relevant training sessions and workshops. 		
<p>Results 2.2: Increased awareness and professional skills strengthened among various stakeholders</p>	<ul style="list-style-type: none"> Various stakeholder representatives trained based on the programme elaborated; Promotional and guiding materials developed and disseminated to relevant stakeholders; Qualification/certification system of procurement specialists in place and operational; CA's capacity for planning activities increased, respectfully volume of single source procurement decreased; At least two thematic events organized per year; At least 75% of participants to study visit very satisfied by quality of exchanges with the EU MS relevant administrations; At least 75% of participants very satisfied by logistical arrangements of study visit; At least 40% female participation in relevant project activities; E-Newsletters prepared and published quarterly Project webpage operational under SPA's website – procurement.gov.ge during the 	<ul style="list-style-type: none"> Assessment /Analysis reports; Project documentation (relevant training materials, training reports, training evaluation and checklists , list of participants); Monitoring reports; Certification programmes; Promotional materials; SPA progress and annual reports; CA's requests statistics data for SMP e-module; E-Newsletters; 	<ul style="list-style-type: none"> Strong support and commitment from the senior management of SPA Availability of local staff; Good communication between the Beneficiary and other stakeholders; All relevant documentation/information available.

	<p>first year of project duration. At least 1,000 visitors by the end of the first year. At least 3,000 visitors by the end of the second year;</p>		
<p><u>Component 3: Enhancement of the remedies system</u></p> <p>Result 3.1 Remedies system and practices improved within the national public procurement system</p>	<ul style="list-style-type: none"> • Various implementing tools developed (assessment reports, models, scenarios, proposals, legal acts, recommendations, guidelines) with focus on further improvement of the remedies system; • Independence and impartiality of the new review body is secured according to EU standards; • Representatives of the relevant institution(s) trained within the remedies system; • The actual and perceived independence, competence and timeliness of the work of the procurement review body established and recognised; 	<ul style="list-style-type: none"> • Available Implementing tools; • Assessment and recommendations reports, guidelines, proposals, legal acts; • Training programmes, course evaluations; • Review body statistics; • Project reports; 	<ul style="list-style-type: none"> • Strong support and commitment from the senior management of SPA • Availability of local staff; • Good communication between the Beneficiary and other stakeholders; • All relevant documentation/information available.

Annex 2. List of relevant laws and regulations

- **Directive 2014/24/EU** of the European Parliament and of the Council of 26 February 2014, on public procurement and repealing directive 2004/18/EC O.J. L 94/65;
- **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 O.J. L 94/243;
- **Directive 2014/23/EU** of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts O.J. L 94/1;
- **Directive 89/665/EEC**, on the coordination of laws, regulations and administrative provisions relating to the application of review procedures to the award of public supply and public works contracts, O.J. 1989 L395/33, as amended;
- **Directive 92/13/EEC** coordinating the laws, regulations and administrative provisions relating to the application of Community rules on the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors, O.J. 1992 L76/14, as amended;
- **Directive 2007/66/EC** of 11 December 2007, amending Council Directives 89/665/EEC and 92/13/EEC with regard to improving the effectiveness of review procedures concerning the award of public contracts O.J. L335;
- **WTO Agreement on Government Procurement (GPA);**
- **Law of Georgia on State Procurement;**
- **Criminal Code of Georgia (Article 195¹);**
- **Administrative Offences Code of Georgia (Articles 159⁵-159⁹);**
- **“Roadmap and Action Plan for the Implementation of the Public Procurement Chapter of the EU-Georgia Association Agreement”** adopted by the Decree of the Government of Georgia #536 of 31 March 2016;
- **Twenty-four Orders (Secondary Legislation) of the Chairman of the State Procurement Agency applicable in public procurement;**
- **Nine Decrees of the Government of Georgia applicable in public procurement.**

Annex 3. Objectives, Functions, Structural units of the State Procurement Agency

The objectives of the SPA are the following:

- To ensure maximum publicity, impartiality, non-discrimination and transparency in its decision making;
- To monitor the legality of public procurement procedures;
- To protect the principles of publicity, transparency, equity and non-discrimination during public procurement procedures, monitor the protection of procedures and reporting principles developed by law, and ensure the possibility of rational and free choice for the parties of public procurement in terms of healthy competition;
- To ensure the functioning and development of a unified public procurement system and to raise public confidence in it;
- To ensure the precision of the law regulating public procurement, ensuring compliance with international standards and best practices.

The functions of the SPA are the following:

- To define public procurement policy;
- To develop public procurement legislation;
- To co-ordinate and monitor activities related to public procurement;
- To systematically study and analyse the existing situation in public procurement and present relevant suggestions to the Government of Georgia.

The competencies of the SPA are the following:

- To monitor public procurement;
- To address contracting authorities in case of violation or misuse of norms established by law and normative acts or irrational expenditure of funds allocated for public procurement, and request them to adjust their irrational decisions and activities to the norms and rules developed by legislation, issue warnings, or fine the failing contracting authority.

The SPA meets its objectives through:

- Public procurement policies which are binding for all contracting authorities in Georgia. Therefore, the activities of the SPA have a nationwide coverage;
- Development of a legal framework, ensuring its compliance with internationally recognized standards and best practice;
- Development and maintenance of the e-procurement system;
- Monitoring and supervision of the public procurement market;
- A fair and transparent review procedures for procurement related complaints;
- Elaboration of an adequate strategy for the development of the public procurement system and its implementation;
- Training activities for representatives of central government agencies and local self-government bodies, law enforcement bodies, economic operators intending to participate in public procurement, media and other interested parties;
- Everyday advice, providing advice to contracting authorities and economic operators and civil society organisations, within the range of its competence.

Monitoring Department:

Monitors the legality of public procurement procedures; analyses, generalises and prepares relevant recommendations regarding existing violations in public procurement procedures; prepares recommendations regarding changes in the public procurement law and public procurement unified electronic system; consults procuring entities and suppliers regarding public procurement procedures.

Legal Department:

Elaborates and develops legal provision of the SPA's activities; develops the public procurement law; oversees administrative acts and other legal documents prepared by other units; represents the SPA in the

court; carries out administrative procedures regarding the Black List and the White List; conducts dispute resolution function related to public procurement; within its competence, reacts to the facts of administrative offence in the sphere of public procurement.

IT Department:

Manages the Unified Public Procurement System and ensures its smooth operation; equips the SPA with modern IT technology, creates new e-Government services and implements the rules and norms of their usage; analyses the SPA's IT communication infrastructure, software systems and electronic databases and ensures their development; monitors and assesses daily computer system operations, identifies IT incidents and analyses security norms; manages the SPA's web-page.

Department of Financial Management and Administrative Provision:

Manages financial, economic, administrative and accounting activities of the SPA; plans and manages the SPA's budget and revenue; develops the SPA's unified draft budget and co-ordinates and manages its implementation and changes; plans and manages public procurement; supports of the SPA's units; organises the SPA's proceedings, chancery and hotline.

Training Centre:

Based on the SPA's strategic goals and priorities, determines basic learning directions; prepares methodological and practical documentation of specialized learning programs in the sphere of public procurement; organises trainings, seminars and other learning projects related to public procurement; develops, organises and implements internal employee qualification improvement learning programs and study tours; within the competence communicates with local and international learning institutions, international organisations, projects and academic circles.

International Relations Service:

Represents the SPA at local and international organisations and participates in local and international projects; based on the international agreements works on the documentations related to the SPA's commitment; based on the international commitments of the Republic of Georgia, develops action plans of the commitments taken by the SPA in international and local projects, co-ordinates their fulfilment and prepares reports; works on receiving financial support from donor organisations to fulfil projects and initiatives related to public procurement, manages and co-ordinates these projects.

Analytical Service:

Studies systematically and analyses existing situation, problems and tendencies in public procurement; prepares recommendations based on the information analysis from business analytics system (business intelligence), public procurement processes and other sources; improves existing analytical instruments and implements new instruments; identifies risk factors, analyses them and creates effective system for their elimination, prepares recommendations for their prevention; prepares the SPA's reports, different publications and manuals; develops SPA's strategic development and working plans.

Consolidated Tenders' Service:

Conducts market research with the purpose of conducting consolidated tenders; negotiates with relevant business sector representatives participation in consolidated tenders; develops draft tender documentation and places it in the Unified Electronic System of the State Procurement Agency; monitors, analyses and assesses consolidated tenders process and places information about conducted consolidated tenders in the Unified Electronic System of the State Procurement Agency; communicates with administration of Georgian Government about consolidated tenders; monitors and controls procuring organisations and suppliers to perform their liabilities.

Simplified Procurement Service:

As regulated by the "Law of Georgia on State Procurement", reconciles the decision on conducting simplified procurement by purchasing organisations; consults procuring organisations, suppliers and other interested parties about the procedures of agreement on conducting simplified procurement by procuring organisations; generalises and analyses the practice of simplified procurement service and prepares relevant recommendations.

Stand-alone positions:

Public Relations manager:

Co-ordinates the SPA's communication with different public, private and non-governmental sectors; prepares information about the SPA's activities and distributes it to mass-media and society; analyses information about the SPA in mass-media and presents it to the chairman; on behalf of the SPA organises press-conferences, briefings, meetings and other events, organises photo and video shooting; monitors information about the SPA on and the SPA's website and social networks; co-ordinates proactive disclosure of information.

HR Manager:

Prepares different types of ordinances and employment contracts; prepares recommendations regarding professional development and training of employees; communicates with the Civil Service Bureau and the Personal Data Protection Inspector; participates in preparing organisational structure of the SPA; prepares statistical analysis about employee stability and retention; organises internship and recruitment process in the SPA; prepares employee job descriptions and develops criteria for employee assessment.

Information Security Manager:

Co-ordinates fulfilment of minimum requirements of information security management system and information security policy requirements; collects information about information security incidents and monitors incident response process; develops information security action plan and presents annual report on its fulfilment to the SPA Chairman and the Data Exchange Agency; organises and conducts trainings to the employees about information security; supports information security audit process.

Annex 4. Organisational Chart

