Reform of State Procurement

The State Procurement system has been reformed substantially in 2010. The Unified Electronic System of State Procurement has been launched.

The e-procurement:

- Minimizes tender participation costs;
- Provides efficient and transparent use of public funds;
- Ensures fair and unbiased evaluation process;
- Provides easy access to all procurement related information;
- Streamlines procurement procedures;
- Increases competition.

Consequent to the reform:

- Tender fee decreased 4 times – GEL 50 (instead of GEL 200);
- Tender threshold decreased 20 times;
- Non-competitive procurement procedures are rarely used;
- Administrative and logistic expenses decreased significantly;
- Online purchase/ no need for written contract;
- Less formalities/no need to obtain/submit documents from other state bodies, proving qualitative data;
- Only the winning bidder has to submit relevant documents.
- Objective and quantifiable evaluation criteria - price;
- Pass/fail for others (delivery time; relevant experience; turnover, etc.);
- Web-payment of tender participation fee;
- State Procurement Agency is more service oriented (e.g. e-mail notification);
- Ex ante prevention vs. ex post enforcement.

Dispute Settlement Council was created within the State Procurement Agency. Members of the Council are representatives of the governmental and non-governmental agencies chosen on the basis of parity (equal footing).