

**THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED
BY SLOVAKIA
ARTICLE 9 UNCAC**

PUBLIC PROCUREMENT

SLOVAKIA (SEVENTH MEETING)

In relation to integrity in public procurement and management of public finances (article 9),

States parties and signatories may wish to provide information on measures that:

- Utilize online platforms for the distribution of information relating to public procurement and tenders as a way to prevent corruption, enhance transparency and ensure competition and objective criteria in procurement decision-making.

Information sought may, in particular, include the following:

- Description of any electronic system of public procurement, including, for example:
 - The means by which tender invitations are published;
 - The inclusion of all pertinent information on the award of contracts;
 - Ways in which applications may be submitted (including the use of electronic procurement platforms); and
 - Ways in which the criteria to be used for selection and award are publicized.

When providing information on the use of ICT to increase the transparency of procurement processes, States parties and signatories may wish to refer to their submissions for the sixth intersessional meeting of the Working Group, held in 2015.

During 2013, Ministry of Interior of the Slovak Republic has implemented legislation that created conditions for the fully electronised placement of under-threshold contracts and within the year 2014 established an executive tool – Electronic Contracting System (ECS). Based on legislation changes, the system is since 2015 able to provide functions of placement of above-threshold contracts.

The main module of ECS is the **Electronic Marketplace**, with the following scheme of trading:

- Contract placement on the Electronic Marketplace is executed by choice of a catalogue offer (electronic catalogue) or by definition of the placement by electronic tools
- Automatic notification of the economic operators about tender announcement supports the competition of economic operators. A wide economic competition contributes to the decrease of the price of the subject of delivery.
- In case of an above-threshold contract, the system generates documentation for the announced tender, materials regarding the bidding and a notice of announcement of a public procurement. All documents are then published on the Electronic Table for a time limit of at least 72 hours, or in case of an above-threshold contract, at least 15 days. During this time limit, the participants can propose their offers in an electronic format.

- After the expiration of the time limit for the proposed offers, the system evaluates the tender and automatically compiles order of participants' placement. After that, the system executes an electronic auction (20 min. with a repeated possibility of a prolongation by 2 min.)
- Tender evaluation and the consequent generation of a trade relationship through a contract with the tender winner is conducted by the information system, without any possibility of human input.
- The participants of the trade are deanonymised after the expiration of the time limit for submission of offers during the tender evaluation, particularly at the moment of determining the participants' placement and the consequent generation of the contract, which is automatically compiled from the placed order, winning offer and general terms stemming from the terms and conditions of the Electronic Marketplace
- the contract is published in the Central Register of Contracts. The trading processes are recorded, archived and subsequently fully accessible to the full extent for the next five years

ECS is being administrated by the Ministry of Interior of the Slovak Republic. The “Electronic Marketplace” module is available in favour of all entities in the Slovak Republic obliged to publicly procure and is a free of charge for every user subject (procurer, supplier, public). The whole process of public procurement is published and available online on www.eks.sk not only to procurers and suppliers, but also to the general public. Electronic Marketplace is a tool for a fully **automatized contract placement** that without human input automatically generates contracts based on the results of tenders. These are anonymous, conducted as auctions with unlimited public control, including automatic notification of relevant economic operators. It is also the central commerce space mandatory for public procurers and voluntary for anyone who registers, free of charge.

As confirmed by more than 28.000 positive references of already delivered procurements, application of any distinctive conditions of participation for the suppliers is not necessary, when trading commonly available goods, services and construction works. Basic conditions of personal situation have to be met, such as eligibility to deliver, information that the subject is not indebted to public finance and is eligible to conclude contracts with public administration institutions.

The operation of Electronic Marketplace (as of 19th May 2016), approximately **39.000 contracts were concluded on ECS, valued at almost 350 million Euros with the average saving of more than 17%.**) proves, that it is an extremely efficient anti-corruption tool, that eliminates clientelism and reduces room for corruption by:

- minimisation of human input
- establishing of automatic evaluation and system-based contract generation
- facilitation of public inspection of the procurement process without any limitations
- creation of transparent environment by centralization of commerce
- using same time, same approaches and same conditions for every economic operator
- real-time online trading

Active notification of suppliers appears to be the most efficient measure in clientelism elimination. At the beginning of a tender, all suppliers who previously stated that they are involved in public contract delivery that is same or substantially similar as the subject of a newly announced tender, are personally invited to participate in such tender.

A significant reduction of room for corruption was achieved by **automatic contract generation** and their subsequent publishing based on the results of tender without any possibility of third parties deciding about conclusion or non-conclusion of a contract after acknowledging the winner of a tender/the winning supplier.

Other modules utilized by ECS are Dynamic Purchase System and Electronic Support of Public Procurement Processes (ESPPP).

DPS is an electronic purchasing tool for execution of open supplier qualification systems. It allows the placement of above threshold contracts for goods, constructional works or services commonly available on the market. It is designed to place a contract for a definite time period, for a maximum of four years. Procurement and communication between a contracting authority or contracting entity and a tenderer or candidate is executed solely by electronic means and with documents in electronic form. During the period of its existence for the purpose it has been created for, DPS is available free of charge for all candidates that fulfil the criteria for involvement into it.

ESPPP is a tool of the contracting authority of the Ministry of Interior of the Slovak Republic that simultaneously fulfils the role of central procurement organisation. It serves as a support of process operations in connection with procurement of goods, construction works and services for the Ministry of Interior of the Slovak Republic. The aim of ESPPP is to maximize the electronization of proceedings and to minimize the paper-based communication within public procurement processes, reduction of administrative and time demandingness of public procurement and improvement of processes. It contributes to minimization of administrative error rate. The task of the system is the support of electronic processes of preparation, announcement, execution and conclusion of contract placement, including the process of electronic auction.

The state press agency TASR, a member of the supplier consortium of ECS, assures raising awareness by utilizing various tools.

During the first year of functioning of ECS, numerous activities to raise awareness about this tool were conducted. Furthermore, various ECS training and educational activities were realized including:

- Dozens of direct mails sent to registered subjects (in some cases, direct SMS)
- Regular newsletter about key changes, news and important information concerning commerce on the Electronic Marketplace
- 8 FAQ topics
- 5 educational videos
- Together with support provided by direct email and telephone contact through the Support Centre and courses conducted by 20 certified trainers, more than 8.500

representatives of contracting authorities and 15.500 representatives of economic operators received training, coaching and instructions.

- ECS is being presented on various conferences and workshops almost every month
- press conferences and PR articles
- personal meetings with target groups

The effect of self-education is noticeable, confirmed by the fact that the Support Centre observed a decrease in e-mail and telephone demand. Moreover, on the ECS webpage, the users can find information about the commerce process as well as practical information about procurement and tools published and supported by the European Union.

Tools of public inspection include Quarantine and Open Data. Quarantine is a tool for unlimited cost free discussions about the conditions of every contract. Open Data provides unlimited public inspection of any tender running via ECS.