

**Procurement by Numbers: Electronic
Procurement (e-Procurement) Aspects
in the 2014 EU Directives and the
Amended Public Procurement Act.
National e-Government Implications**

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What is new?

‘May you live in interesting times’

Ancient Chinese curse

‘Interesting times’ marked by new regulations in the public procurement area on both national and Community level:

- **new EU procurement legal framework** – a set of new directives transforming our understanding of public procurement;
- **a bill for the amendment of the Bulgarian Public Procurement Act (PPA)** – aimed at rationalization of the existing procurement process.

What is new?

The 2014 Directives

The new ‘acquis’ is widely announced as aiming at:

- more **simple** and **flexible** procurement procedures;
- public procurement as a response to **new challenges** in strategic Community context;
- widening **SME access** to the procurement market;
- sound procedures;
- improved **efficacy** and **uniformity of EU law application**.

What is new?

The 2014 Directives

As a result we are facing:

- new definitions and new procurement actors;
- new procurement oriented services - ‘ancillary purchasing activities’;
- redefined role of the ‘central purchasing body’;
- revised application of existing procurement instruments;
- introduction of new procurement procedures.

What is new?

The 2014 Directives

As a result we are facing:

- altered scope of service contracts;
- new set of rules on subcontracting;
- extended mandatory grounds for the exclusion of participants in a procurement procedure;
- transposition of ECJ case-law with regard to in-house and inter-authority cooperation;
- MEAT as the only award criterion.

What is new?

The 2014 Directives

As a result we are facing:

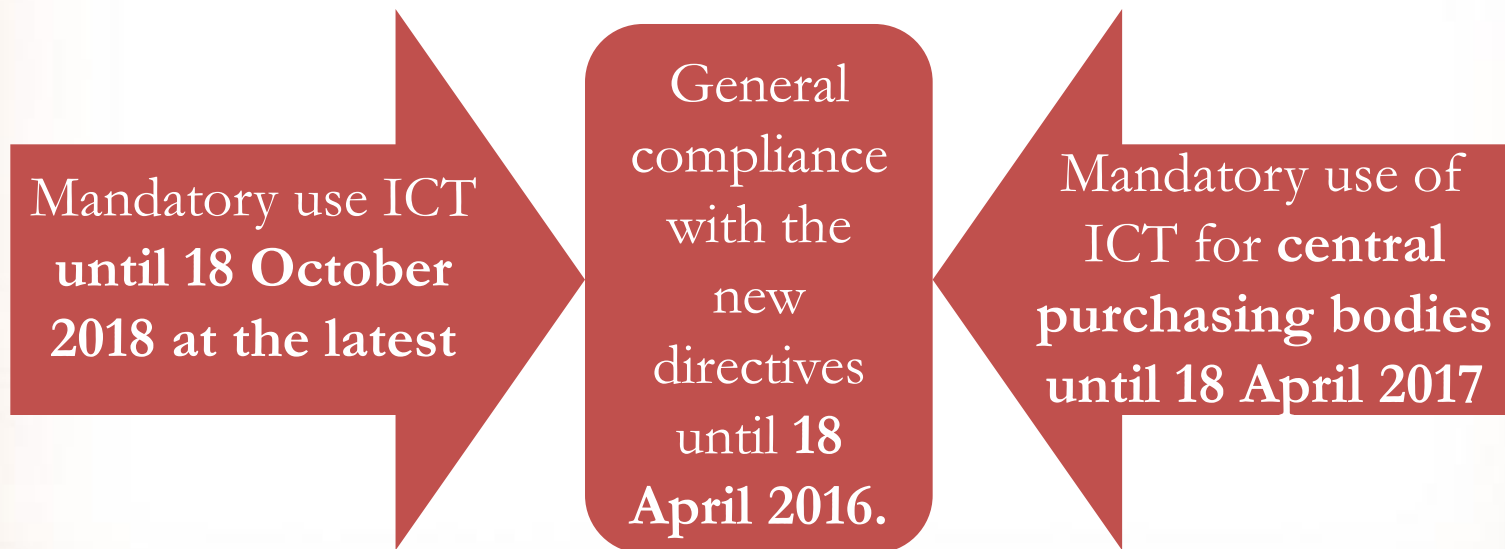
- new requirement for technical specifications set up;
- detailed regulation on the division of public contracts into lots;
- introduction of detailed regulation on post-award public contract modification;
- **the use of ICT as a primary communication tool.**

What is new?

The 2014 Directives

As a result we are facing:

- **the use of ICT as a primary communication tool**



e-Procurement: what sorcery is this?

e-Procurement:

the utilization of electronic means of **communication and information exchange** throughout the **procurement process** by the involved actors – contracting authorities and entities, as well as participants and candidates.

e-Procurement: what sorcery is this?

The e-Procurement process is generally divided in two stages:



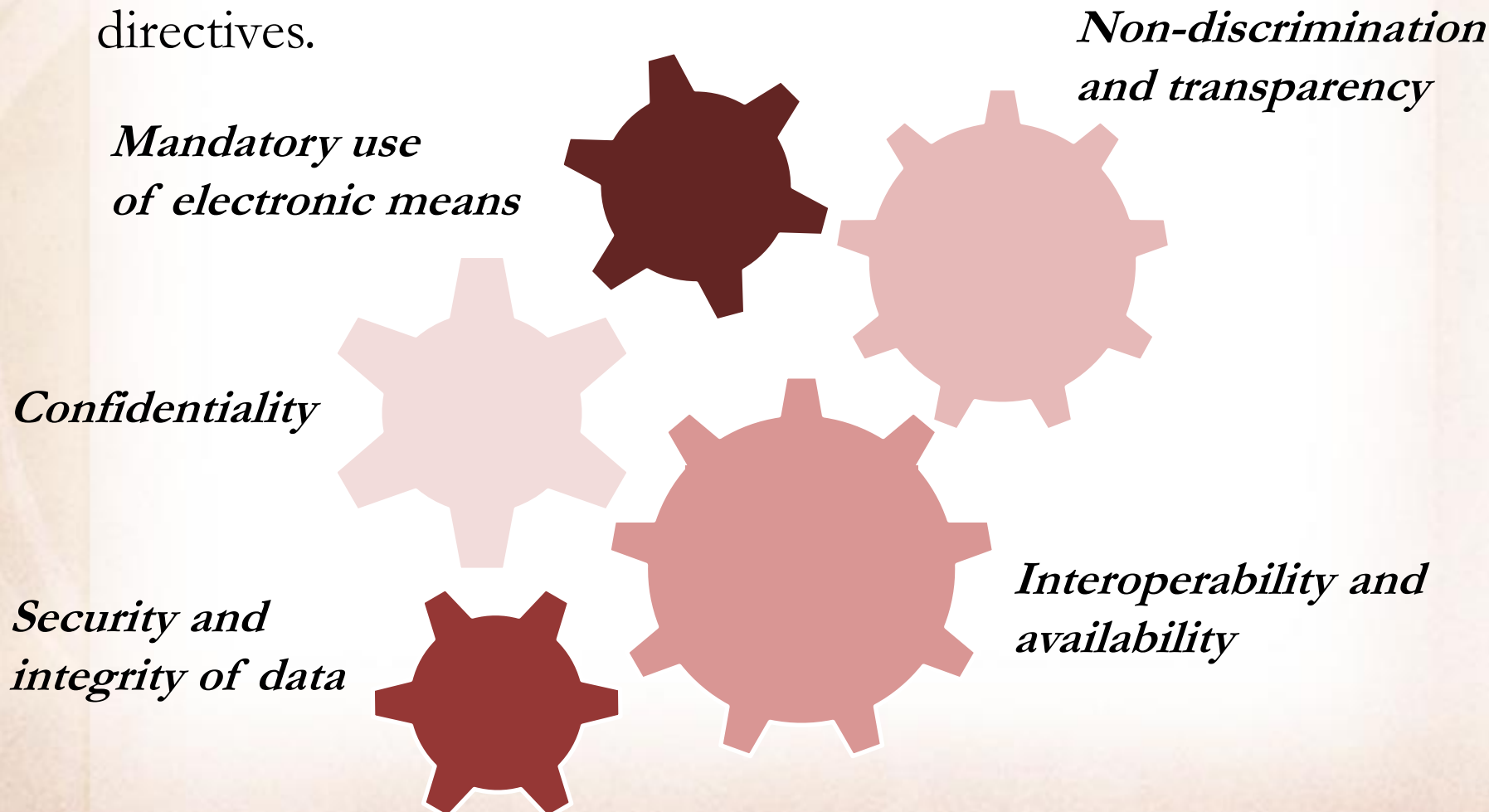
e-Procurement scope of the new directives

The 2014 directives consider e-Procurement as a mandatory requirement in view of the Pre-Award stage:



e-Procurement principles

The general e-Procurement principles can be found in **Article 22** (classic) / **Article 40** (utilities) of the 2014 directives.



What is new?

The PPA amendments

- Reduction in administrative weight;
- Granting SMEs access to the market and abolishment of artificial administrative barriers;
- Administrative capacity built-up;
- Establishing rules for control over the implementation and execution of public contracts;
- Transparency and procurement activities publicity;
- Employment protection and creation of real possibilities for public contracts award to sheltered workshops.

What is new?

The PPA amendments

Some of the more significant amendments include:

- a more detailed set of rules with regard to subcontracting;
- in-house and inter-authority cooperation;
- mandatory use of MEAT to procedures for award of public contracts with a certain subject-matter;
- mandatory publication of procurement procedure documentation in electronic form;
- e-catalogues.

PPA e-Procurement Options

Existing e-Procurement options are based on Directive 2004/18/EC and Directive 2004/17/EC and the subsidiary application on national e-Document and e-Signature legislation (the EDESA). **The added value of the amendments is related to:**

- availability of **procurement documentation** to economic operators, tenderers and candidates **in electronic form;**
- electronic catalogues – **an on-line platform which allows the offer of supplies that have already been standardised or for which the development of new standards is achievable;**
- use of **e-monitoring** and **e-audit** platforms by control authorities.

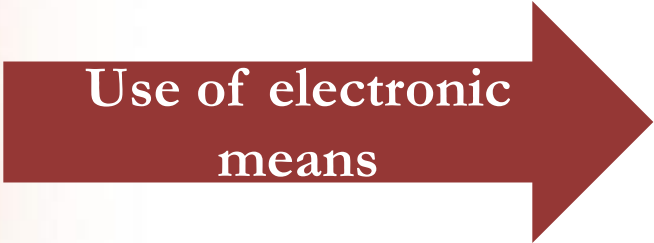
PPA e-Procurement Options

The national legislation adds new features to the general e-Procurement process scheme:



Comparison between the directives and the PPA in terms of e-Procurement

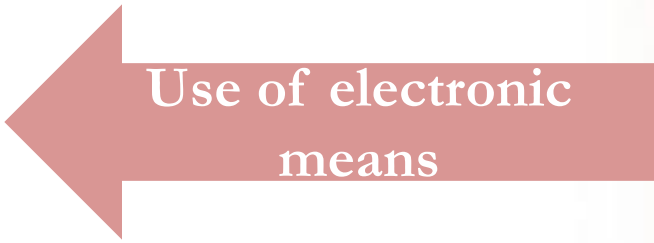
PPA



Use of electronic
means

Use of electronic means and communication is available as an option and is not mandatory

Directives



Use of electronic
means

Use of electronic means and communication is mandatory. Use of other ('paper world') means is allowed only as an exception

Comparison between the directives and the PPA in terms of e-Procurement

PPA



A repetitive process involving an electronic device for the presentation of new prices, revised downwards, and/or new values concerning certain elements of tenders, which occurs after an initial full evaluation of the tenders, enabling them to be ranked using automatic evaluation methods

Directives



CAs may use electronic auctions, in which new prices, revised downwards, and/or new values concerning certain elements of tenders are presented. It is a repetitive electronic process, which occurs after an initial full evaluation of the tenders, enabling the use of automatic evaluation methods

Comparison between the directives and the PPA in terms of e-Procurement

PPA



e-Catalogues

Prerequisite – the subject matter of the public contract refers to supply of goods which are standardised or allow for the development of a standard;
Requirements - developed by participants following the specifications and format laid down by the contracting authority;
No specific requirement to the use any form of advertisement.

Directives



e-Catalogues

Prerequisite – required use of electronic means;
Requirements – developed by participants following the specifications and format laid down by the contracting authority;
The use of e-catalogues must be advertised in contract notices and invitations

Comparison between the directives and the PPA in terms of e-Procurement

PPA



Buyer profile

Mandatory publication of procurement documentation;
Publication of information with regard to the entire procurement process;
Publication of information with regard to contract execution, implementation, termination as well as payments.

Directives

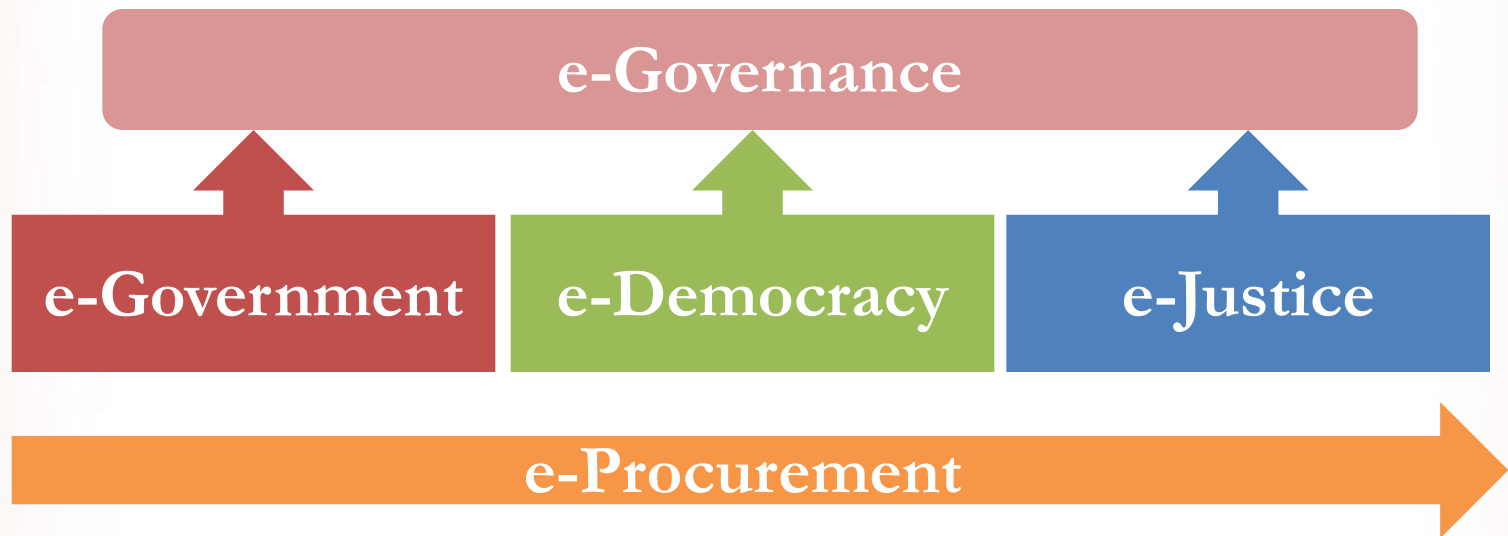


Buyer profile

The use is not mandatory and is often referred to as an alternative or supplementary method of procurement advertising;
Publication of prior information notices, information on ongoing invitations to tender, scheduled purchases, contracts concluded, procedures cancelled and any useful general information, such as a contact point, a telephone and a fax number, a postal address and an e-mail address.

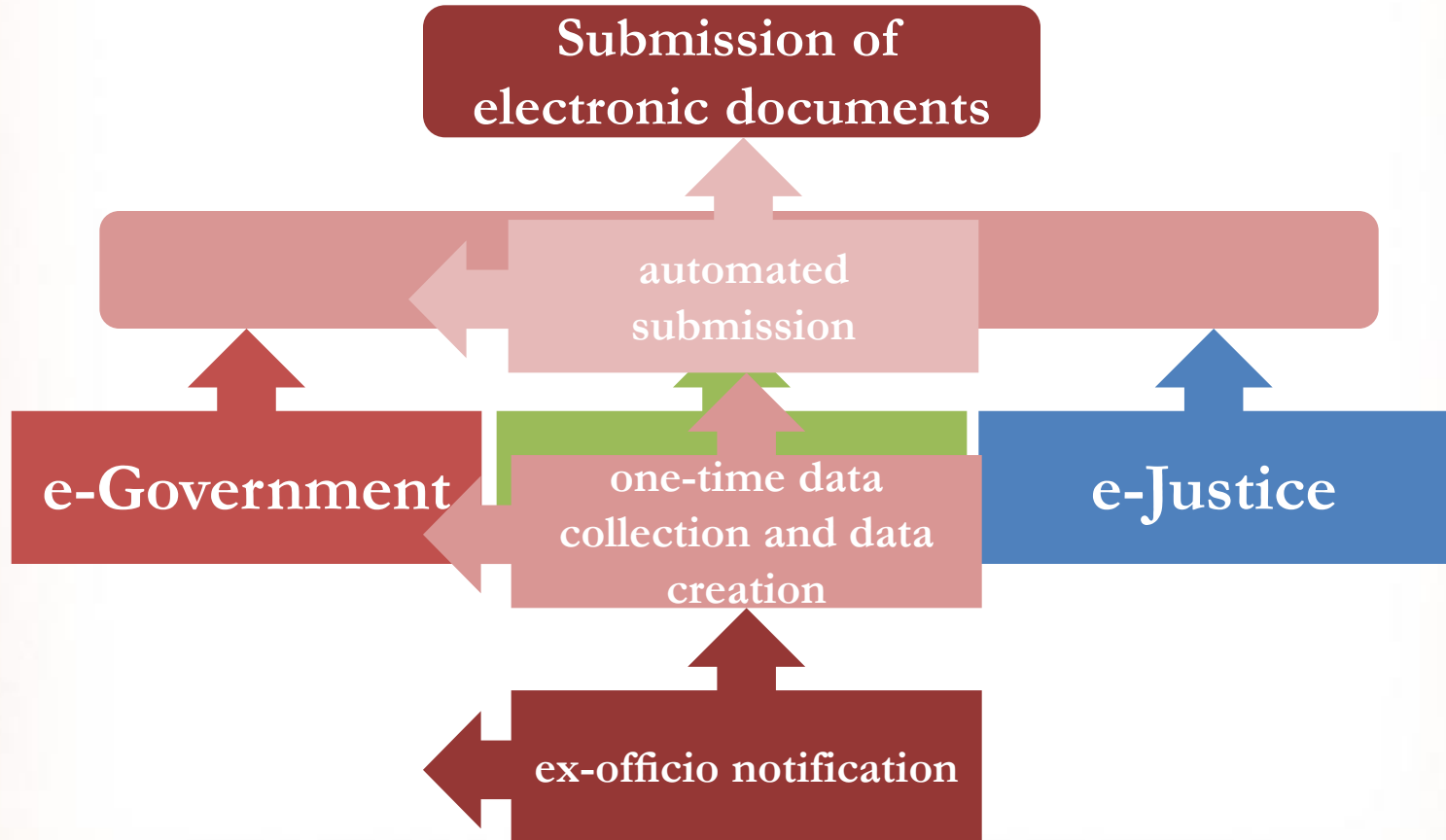
e-Government and e-Procurement

e-Governance vs. e-Government vs. e-Procurement



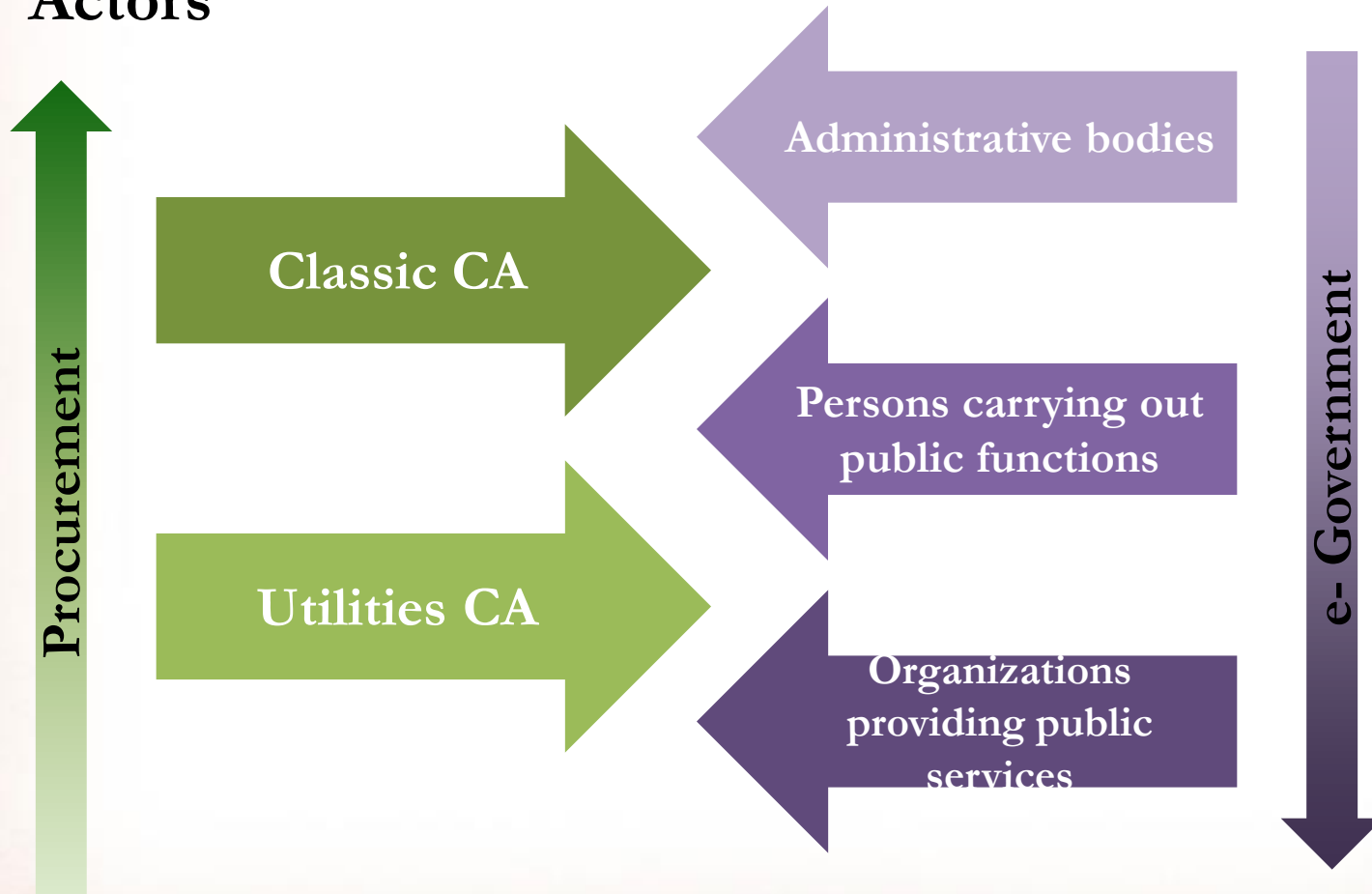
e-Government and e-Procurement

Electronic Government Act (EGA)



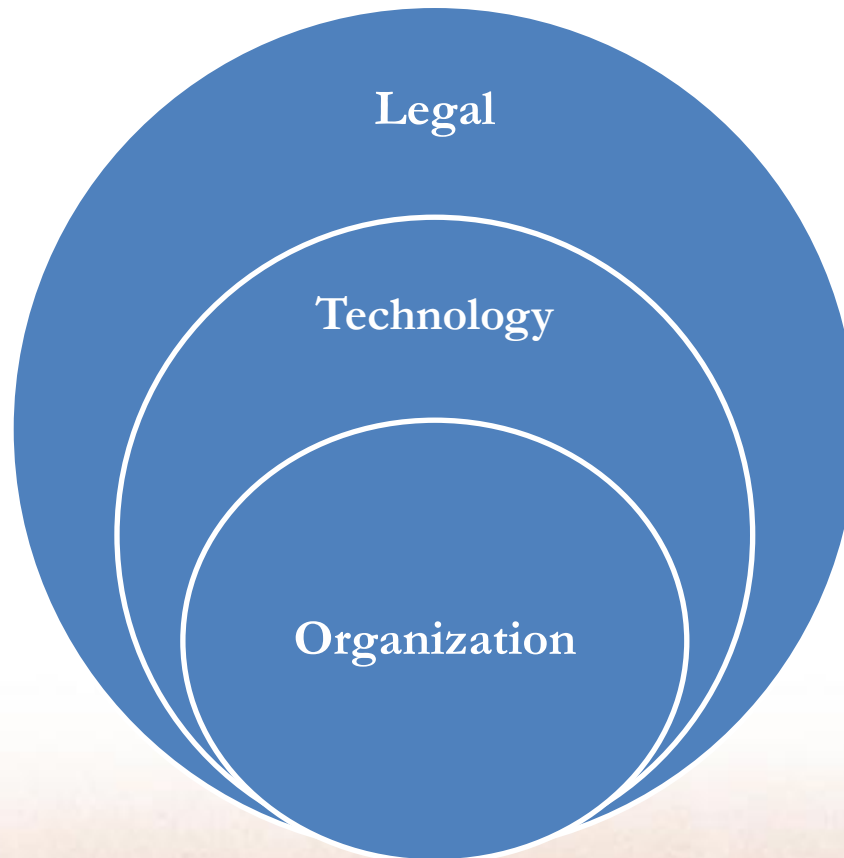
e-Government and e-Procurement

Actors



e-Procurement Implementation

ICT utilization in the procurement process will require a complex set of organisational, technological and legislative measures as well as measures related to information security and information exchange.



*Fear leads to anger.
Anger leads to hate.
Hate leads to suffering.*

THANK YOU FOR YOUR ATTENTION!

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