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**REPUBLIC OF SERBIA**

**PUBLIC PROCUREMENT OFFICE**

**REPORT ON IMPLEMENTATION OF THE 2021 ACTION PLAN FOR IMPLEMENTATION OF THE PUBLIC PROCUREMENT DEVELOPLMENT PROGRAMME IN THE REPUBLIC OF SERBIA**

Belgrade, March 2022

**INTRODUCTION**

The Government of the Republic of Serbia on 13 November 2019 adopted the **Public Procurement Development Programme in the Republic of Serbia for the period 2019-2023** (“Official Gazette of the Republic of Serbia”, No. 82/19, hereinafter referred to as: the Programme).

In order to continue with the reform of the public procurement system in the Republic of Serbia, the Government has established a goal "Further development of a modern and efficient public procurement system" and several objectives:

1. Increasing the efficiency and economy of public procurement procedures,
2. Strengthening competition in the public procurement market,
3. Reduction of the risk of irregularities in the public procurement system,
4. Promotion and encouragement of environmental and social aspects in public procurement and innovations.

The programme determined that the measures whose implementation will directly affect the fulfilment of the above objectives, will relate to the following priority areas:

1. Improvement of the legal framework;
2. Strengthening the institutional framework;
3. Improvement of electronic public procurement
4. Strengthening administrative capacities and education.

The Public Procurement Office (hereinafter referred to as: the PPO), in accordance with the Programme, is obliged to prepare a proposal of action plans for the Government of the Republic of Serbia for a period of one year in order to achieve the determined strategic goals and improve the above-mentioned priority areas in the Programme. Accompanying the Action Plan for the implementation of the Public Procurement Development Programme in the Republic of Serbia for 2019 and 2020,which was adopted together with the Programme, referred to a period of two years, given the late adoption of this public policy document in November 2019. The Government, at the proposal of the PPO, on 6 May 2021 adopted the **Action Plan for 2021 for the implementation of the Public Procurement Development Programme in the Republic of Serbia** 05 number: 404-3457/2021 (hereinafter referred to as: the Action Plan).

The implementation of this Programme is monitored by the PPO as a coordinating body, while measures to achieve the objectives of the Programme are carried out in cooperation with the relevant institutions. Based on the collected information on the execution of the Action Plan, the PPO is obliged to prepare a Report on the implementation of the Action Plan and submit it to the Government for information.

Reporting on the implementation of the Programme and accompanying action plans will be carried out in accordance with Article 43 of the Law on Planning System of the Republic of Serbia ("Official Gazette of the Republic of Serbia", No. 30/18) which stipulates that the party proposing a public policy document is a state administration body, that body reports to the Government, through the state administration body responsible for the coordination of public policies, on the results of the implementation of that document, i.e., on the ex-post analysis of the effects of public policy determined by that document.

In accordance with the above, the PPO has prepared a **Draft and a report on the implementation of the Action Plan for the implementation of the Public Procurement Development Programme in the Republic of Serbia for 2021** (hereinafter referred to as: the Report). Considering the above-mentioned strategic goals, i.e., priority areas of public procurement system reform, all activities within the Action Plan are grouped into four areas, i.e., measures, according to which its implementation is monitored:

1. Improving the legal framework;
2. Strengthening the institutional framework;
3. Improvement of electronic public procurement;
4. Strengthening administrative capacities and education.

The following will show the activities and the degree of their implementation, the impact on the fulfilment of measures and indicators (result indicators) at the level of the measure, as well as indicators at the level of specific objectives (outcome indicators) and goal (effect indicators) during 2021.

1. **IMPROVING THE LEGAL FRAMEWORK**

In the period covered by the Programme, the harmonisation of national regulations with directives and other acts of the European Union in the field of public procurement will be carried out. Within the process of accession of the Republic of Serbia to the European Union, harmonisation with the *Acquis Communautaire* in the field of public procurement is envisaged in the negotiating chapter 5 – Public Procurement. The Republic of Serbia, as a candidate country, is obliged to fully harmonise its legislation in the field of public procurement, including concessions and public-private partnerships, before joining the European Union. Further full harmonisation of legislation must be carried out in good time before the accession of the Republic of Serbia to the European Union, in order to ensure its full implementation at all levels, from national to local.

In 2021, the Republic of Serbia started applying the new methodology for the accession of the Republic of Serbia to the European Union, and in this regard, the negotiating groups are grouped by clusters. The Negotiating Cluster "Basics" was formed for negotiating chapters 5 – Public Procurement, 18 – Statistics, 23 – Justice and Fundamental Rights, 24 – Justice, Freedom and Security and 32 – Financial Control. It is a cluster of core values that includes chapters on the rule of law, economic criteria, the functioning of democratic institutions, public administration reform, public procurement, statistics and financial control.

The following activities are defined within this measure:

* Proposing amendments to the Law on Public-Private Partnerships and Concessions (hereinafter referred to as: PPLPC)

The deadline for the implementation of the above activity was the 4th quarter of 2021.

1. Proposing amendments to the PPLPC

Amendments to the legislative framework in the field of public-private partnerships and concessions are planned to be implemented in the 4th quarter of 2021. The deadline for the implementation of this activity will be postponed to 2022, given that the amendments to the Law on Public-Private Partnerships and Concessions were not adopted.

The indicator for the implementation of the measure "Amendments to the PPLO in implementation", i.e., the target value of the result indicator in 2021 has not been met, given that amendments to the PPLO were not adopted.

1. **STRENGTHENING THE INSTITUTIONAL FRAMEWORK**

The basic institutions whose activities, manner of work and form of organisation are regulated by the Law on Public Procurement ("Official Gazette of the Republic of Serbia", No. 91/19, hereinafter referred to as: PPL) and whose strengthening is necessary to raise the quality of the public procurement system are: the PPO and the National Commission for Protection of Rights in Public Procurement Procedures – Review Body (RB). The State Audit Institution (SAI), the Ministry of Finance (MFIN), the Ministry of Economy, the Commission for Public-Private Partnership, the Agency for Prevention of Corruption, the Commission for Protection of Competition and the Administrative Court also have a significant role in the field of public procurement. The Republic of Serbia has established an institutional framework that ensures the implementation of a unified policy in all areas related to public procurement, including the areas of concessions, public-private partnerships and defence. Bearing in mind that certain issues of public procurement are related to numerous other so-called In various sectors, special attention is paid to the coordination of the work of institutions, establishing a system of regular organisation of meetings and workshops in order to harmonise positions regarding the application of the PPL, exchange of information, lectures and trainings, as well as improvement of measures of control of legal and purposeful spending of public funds in public procurement.

In connection with the foregoing, the Action Plan defines the following activities are defined within this measure:

* Organising the examination for Public Procurement Officers;
* Organising workshops to harmonise the positions of the PPO, RB, MFIN and SAI regarding the new PPL;
* Training of the Police, Public Prosecutor’s Office, SAI and other institutions in the field of public procurement.

The deadline for the implementation of the above activities was the 4th quarter of 2021, although they are being implemented "Continuously", i.e., all the duration of the Action Plan and the Programme is carried out.

1. Organising the examination for Public Procurement Officers.

The PPO continued with the organisation of the exam for public procurement officers in the 1st quarter of 2021. The first examination for public procurement officers in accordance with the PPL and the new Rulebook on the Procedure and Conditions for Obtaining a Certificate for a Public Procurement Officer and Keeping the Register of Public Procurement Officers and Keeping the Register of Public Procurement Officers (“Official Gazette of the Republic of Serbia”, No. 93/20) was organised in March 2021. From March to December 2021, a total of 18 exams were organised. The PPO prepared, and starting from December 2020 made publicly available the Manual for Exam Preparation for Public Procurement Officers for candidates for obtaining a certificate for a public procurement officer (link: <http://www.ujn.gov.rs/nekategorizovano/objavljen-prirucnik-za-pripremu-polaganja-ispita-za-sluzbenika-za-javne-nabavke/>). In this period from March to December 2021, a total of 261 candidates applied to take the exam for public procurement officer, of whom 221 candidates took the exam, while 118 candidates passed the exam. The candidate success rate is 53.39%.

1. Organising workshops to harmonise the positions of the PPD, RB, MFIN and SAI regarding the new PPL.

During 2021, unlike in 2020, when no workshops were organised to harmonise the positions of PPO, RB, MFIN and SAI regarding the PPL with regard to the declaration of a state of emergency and emergency measures in the Republic of Serbia, some of which are still in force. The PPO organised two workshops. The PPO, with support of the United States Agency for International Development – USAID, organised two meetings/workshops in order to strengthen the capacity of central institutions in the field of public procurement in the Republic of Serbia, on 23 November and 16 December. The meetings are organised in an online format. In addition to the representatives of the PPO, representatives of the RB and MFIN also participated in the meeting. It was an opportunity for central institutions in the public procurement system to exchange their experiences and problems in the application of the PPL so far, in order to overcome them and improve the legal framework of public procurement.

1. Training of the Police, Public Prosecutor’s Office, SAI and other institutions in the field of public procurement.

In order to train in the field of public procurement representatives of the Special Department for Suppression of Corruption of High Public Prosecutor's Offices and the Anti-Corruption Department of the Ministry of Interior of the Republic of Serbia, the PPO in 2021, in cooperation with the Republic Public Prosecutor's Office Development – USAID and the Responsible Government Project - GAI, held two two-day online workshops, on 18-19 March and 1-2 April. On that occasion, the participants of the webinar were presented with the new Public Procurement Portal, the new PPL, as well as controversial issues during the processing of cases of abuse related to public procurement. On 29 October 2021, the PPO organised a webinar at which a "Guide to Monitoring the Implementation of Public Procurement Regulations" was presented to representatives of the Higher Public Prosecutor's Offices, all with the aim of improving cooperation and coordination of competent institutions, which is of exceptional importance for an efficient removal of improper conduct in the public procurement system.

Within this measure, two result indicators have been defined. The first indicator of the implementation of the measure "Number of employees in the PPO", i.e., the target value of output indicator in 2021 is fully met, bearing in mind that the systematisation is now the maximum number of civil servants with whom employment can be established for 55 in relation to the maximum number of 38 civil servants according to the previous Rulebook on Internal Organisation and Systematisation (Chart 1). The second indicator for this measure, i.e., the target value of the result indicator " Number of certified officials" is fully met, bearing in mind that the target value of a total of 4,800 certified public procurement officers (under the old and new PPL) has been reached and amounts to 4,845 Register of Public Procurement Officers maintained by the PPO) (Chart 2).

*Initial value (2020) Target value (2021) Achieved value (2021)*

*Values expressed in figures*

*(Graph 1)*

Values expressed in numbers

*Initial value (2020) Target value (2021) Achieved value (2021)*

*(Graph 2)*

1. **IMPROVEMENT OF ELECTRONIC PUBLIC PROCUREMENT**

The PPL introduced the obligation of electronic communication and electronic data exchange in public procurement procedures. Public Procurement Portal (hereinafter referred to as: the Portal), which was set up on 1 July 2020, represents a significant step forward in the process of digitalisation of public procurement procedures. The Portal enables contracting authorities to compile and publish plans and notices on the Portal, publish tender documentation and decisions in public procurement procedures, as well as many other options and functionalities such as: e-submission of bids, e-tenders, dynamic procurement system, e-planning, e-complaints and e-catalogue.

In connection with the foregoing, and in order to further improve the new functionalities on the Portal, the Action Plan defines the following activities within this measure:

* Development of technical specifications for the development of new modules on the Portal;
* Development of new modules on the Portal;
* Translation of the Portal to facilitate the participation of foreign bidders in public procurement procedures;
* Development of a mobile application for the Portal;
* Translation of the PPO website.

Of the above activities, the deadline for the implementation of activities in the 2nd and 3rd quarter of 2021 is due for the following activities and:

**1.** Development of technical specifications for the development of new modules on the Portal. **2.** Development of new modules on the Portal. **3.** Development of a mobile application for the Portal.

Within these activities, and with the support of the GIZ project "Support to further improvement of the public procurement system in Serbia", which is financed from IPA 2013, technical specifications were developed and the Portal was improved with new functionalities that facilitate the work of Portal users. They are: the English version of the Portal has been made, the possibility to submit the offer or part of the offer in a foreign language, the possibility of submitting an e-statement in a foreign language. In addition to the above, the interface of the Portal is adapted to work on mobile devices, and the development of a mobile application for iOS and Android mobile platforms is also planned. The "smart party" option has also been introduced, which greatly facilitates the creation of public calls as well as the submission of bids in cases where the procedure involves a large number of parties. Also, it is possible for the contracting authorities to publish advertisements and carry out activities related to multi-phase public procurement procedures that have been initiated on the basis of the provisions of the previously applicable PPL.

Of the above activities, the deadline for the implementation of activities in the 4th quarter of 2021 is due for the following activities and:

1. Translation of the Public Procurement Portal to facilitate the participation of foreign bidders in public procurement procedures

With the support of the above GIZ project, the Portal has been translated into English. The goal of the implementation of this activity is to enable and facilitate as many potential foreign bidders as possible access to the Portal, the tender documentation on the Portal, but also to participate in public procurement procedures.

1. Translation of Public Procurement Office’s website

With the support of the UNDP project, the PPO website has been translated into English. The English version of the PPO website has been publicly available since January 2022.

Within this measure, one output indicator has been defined. The indicator for the implementation of the measure "Number of submitted electronic bids", i.e., the target value of the result indicator in 2021 has been fully met, given that it exceeds the target value of 45,000 and amounts to 89,717 (Chart 3).

*Values expressed in figures*

*(Graph 3)*

1. **STRENGTHENING ADMINISTRATIVE CAPACITIES AND EDUCATION**

In order to enable the proper application of regulations in the field of public procurement, it is necessary to ensure adequate administrative capacity at all levels. To this end, it is necessary to continue all activities related to training, primarily of contracting authorities and bidders, preparation of all necessary supporting materials such as manuals, guidelines, instructions, etc., which were one of the activities during the implementation of the Public Procurement System Development Strategy in the Republic of Serbia for the period from 2014 to 2018. Development of the above mentioned institutional capacities through the continuation of the process of certification of public procurement officers, as well as strengthening of administrative capacities through strengthening of professional capacities of employees in PPL and other institutions, through development of auxiliary and practical tools important for proper application of PPL (manuals, guidelines, instructions) and through the organisation of trainings for procuring entities and bidders, micro, small and medium enterprises, will facilitate the proper application of the PPL by the participants in public procurement procedures.

In connection with the foregoing, Action Plan for the implementation of the Programme, the following activities are defined within this measure:

* Development of Guidelines for Innovation Partnerships;
* Promotion of the Guidelines for a partnership for innovation and green public procurement;
* Organising training for contracting authorities;
* Organising training for bidders;
* Organising trainings for micro, small and medium-sized enterprises.

All the above activities had a deadline of the 4th quarter of 2021.

1. Development of Guidelines for Innovation Partnerships

Guidelines for Innovation Partnerships were developed at the end of 2021 with the support of UNDP. These guidelines represent, in addition to the Guidelines for Green Public Procurement, which were developed with the support of the GIZ project "Support to further improvement of the public procurement system in Serbia", which is funded by IPA 2013 - <http://eupodrska.ujn.gov.rs/dokumenta/>, an important practical tool in the implementation of the provisions of the PPL related to the new procedure "Partnership for Innovation" and with which interested parties have not had the opportunity to get acquainted.

1. Promotion of the Guidelines for a partnership for innovation and green public procurements

The PPO, in cooperation with UNDP, organised a training on 1 December 2021, on the topic "Partnership for Innovation and Green Procurement". At the training, the representatives of the contracting authorities and the bidders were briefly presented the provisions of the PPL, legal solutions, basic characteristics of the procedure, possibilities and manner of implementing the partnership for innovation and green public procurement, as well as examples of good practice.

1. Organising training for contracting authorities. **4.** Organising training for bidders **5.** Organising trainings for micro, small and medium-sized enterprises.

During 2021, the PPO continued to strengthen the capacity of procuring entities and bidders in terms of the application of the PPL. Due to the pandemic caused by COVID-19, the PPO organised trainings and workshops mostly online. Participants had the opportunity to get acquainted with topics such as: 1) The qualification system on the Public Procurement Portal, 2) Criteria for awarding the contract – the most economically advantageous offer, 3) Partnership for innovation and green procurement, 4) Criteria for qualitative selection of the economic operator and the manner of meeting the fulfilment of the criteria. In organising these trainings, the PPO had the support of UNDP, the Serbian Chamber of Commerce, GIZ and USAID.

The PPO, with the support of the Project "Support to Further Improvement of the Public Procurement System in Serbia", funded by IPA 2013, held a webinar on 11 March 2021 on the topic "Qualification System on the new Public Procurement Portal". The webinar was held in order to acquaint public utility contracting authorities with the way of establishing and managing the qualification system. The PPO, in cooperation with the UNDP, held two webinars entitled "Contract Award Criteria", on 26 May and 10 June 2021. The first webinar covered the following topics: basic characteristics of the most economically advantageous offer, as well as the price-quality ratio, while the second presented life cycle costs as a type of contract award criteria and application of formulas in practice. Furthermore, the PPO, with the support of the project "Support to further improvement of the public procurement system in Serbia", organised the fourth Public Procurement Forum on 27 and 28 May 2021 on Kopaonik "10 months of implementation of the new PPL and the new Public Procurement Portal". On the first day of the Forum, the PPO presented to the participants how it evaluates the application of the PPL and the Portal from its aspect. Also, the participants of the Forum were addressed by the representatives of the RB presented the application of the new PPL from the point of view of protection of rights. In addition to the mentioned institutions, the representative of the Serbian Chamber of Commerce, as well as the representative of the body for centralised public procurement presented their views on the application of the PPL and the Portal. The second day of the Forum was dedicated to the practical aspects of using the Public Procurement Portal. Participants had the opportunity to get acquainted with the implementation of electronic bidding through a practical example, as well as to see what are the solutions to the most commonly observed problems in practice. On 29 October, the PPO organised a webinar at which a "Guide to Monitoring the Implementation of Public Procurement Regulations" was presented to representatives of the Higher Public Prosecutor's Offices, all with the aim of improving cooperation and coordination of competent institutions. improper conduct in the public procurement system. Then, in cooperation with the UNDP, the PPO organised a webinar on the topic: “The criterion for awarding the contract is “economically the most favourable offer”, which was held on 15 November. In addition to legal solutions in the field of contract award criteria and specific examples of life cycle cost and price-quality ratio criteria, webinar participants were introduced to the tender documents from the Public Procurement Portal for public procurement of airline ticket services and hotel accommodation. Furthermore, the PPO, in cooperation with UNDP, organised a training on 1 December 2021, on the topic "Partnership for Innovation and Green Procurement". At the training, the representatives of the contracting authority and the bidder were briefly presented the provisions of the PPL, legal solutions, basic characteristics of the procedure, possibilities and manner of implementing the partnership for innovation and green public procurement, as well as examples of good practice. Also, on 8 December, the PPO, in cooperation with the Serbian Chamber of Commerce, organised a webinar on "Criteria for qualitative selection of a business entity and how to prove the fulfilment of criteria." Some of the topics were how to define the criteria for a good quality selection of a business entity in the tender documentation - legal solutions and submitting bids and filling out a statement on meeting the criteria for qualitative selection of a business entity through the Public Procurement Portal. A large number of representatives of small and medium enterprises were also present at the above-mentioned trainings, and the PPL and Portal newspapers were presented.

Within this measure, one output indicator has been defined. Indicator of the implementation of the measure "Number of organised trainings during the year", i.e., the target value of the result indicator in 2021 has been fully met, bearing in mind that during 2021, 8 trainings were organised for contracting authorities and bidders related to the implementation of the new legislative framework, which represents 2 more trainings compared to 2020 (Chart 4).

*Initial value (2020) Target value (2021) Achieved value (2021)*

*Values expressed in figures*

*(Graph 4)*

1. **IMPLEMENTATION OF INDICATORS OF GOALS (OUTCOME INDICATOR) AND OBJECTIVE (EFFECT INDICATOR)**

The action plan defines the following indicators as outcome indicators:

* Share of conducted public procurements with electronic submission of bids in the total number of public procurements (Objective 1 “Increasing the efficiency and economy of public procurement procedures”);
* Average number of bids under the public procurement procedure (Objective 2 “Strengthening competition in the public procurement market”);
* Number of contracting authorities under supervision and monitoring (Objective 3 “Reduction of the risk of irregularities in the public procurement system”);
* Number of conducted public procurements with the application of environmental criteria (Objective 4 “Promotion and encouragement of environmental and social aspects in public procurement and innovations”).

Objective 1 and outcome indicator “Share of conducted public procurements with electronic submission of bids in the total number of public procurement” was fully completed. The baseline value of the indicator was 29% in 2020, while as of 31 December 2021, the target value for 2021 of 100% was reached (Chart 5).

*Initial value (2020) Target value (2021) Achieved value (2021)*

*Values expressed in figures*

*(Graph 5)*

**Objective 2** and the outcome indicator "Average number of bids under the public procurement procedure", was not met, bearing in mind that the initial value of the indicator was 2.6 in 2020, that the target value for 2021 was 2.7, and that during 2021 the average number of bids under the public procurement procedure was 2.5. The average number of bids in 2021 is, among other things, a consequence of the frequent participation of groups of bidders in public procurement procedures. Namely, in more than 15% of the total number of public procurement procedures, groups of economic operators also submitted bids, of which in 7% of public procurement procedures the group of economic operators was the only bidder (Chart 6).

*Initial value (2020) Target value (2021) Achieved value (2021)*

*Values expressed in figures*

*(Graph 6)*

**Specific objective 3** andoutcome indicator "Number of contracting authorities monitored and monitored" has been fully met. The initial value of the indicator was 78 in 2019, while as of 31 December 2021, the target value for 2021 was 90 times exceeded and amounted to 258 (Chart 7).

*Initial value (2020) Target value (2021) Achieved value (2021)*

*Values expressed in figures*

*(Graph 7)*

**Specific objective 4.** Outcome indicator "Number of conducted public procurements with the application of environmental criteria", is fully met. Given that there were no data for 2020, and that as of 31 December 2021, the target value of 3 is many times higher and amounts to 650 conducted public procurements with the application of environmental criteria, this indicator is fully met (Chart 8).

*Initial value (2020) Target value (2021) Achieved value (2021)*

*Values expressed in figures*

*(Graph 8)*

The action plan defines the following indicators as effect indicators:

* Annual Progress Report of the European Commission for the Republic of Serbia;
* New functionalities of the Public Procurement Portal applied.

Regarding the **objective** "Further development of a modern and efficient public procurement system", and the above indicators, the PPO has fully met the planned indicators, which are reflected in limited/partial progress, in launching a new Public Procurement Portal and strengthening the administrative capacity of the PPO. More information is available in the 2021 Annual Progress Report of the European Commission for the Republic of Serbia.

1. **CONCLUSION**

Based on the analysis of the success of the implementation of the Action Plan for 2021, it can be concluded that 93% of the defined activities were implemented in full in the established manner and within the set deadline (Chart 9). Activities that have not been implemented through this Action Plan, such as the activity "Proposing amendments to the Law on Public Procurement", will be proposed as an integral part of the Action Plan for 2022.

*(Graph 9)*

In terms of outcome indicators at the level of specific objectives, as well as result indicators at the level of measures, the PPO has achieved all planned results indicators at the level of measures, while in terms of outcome indicators at the level of specific objectives, partial progress has been made. Bearing in mind that this is a public policy document for the period 2019-2023, the PPO will strive to fully meet all outcome indicators at the level of specific objectives.

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| **Annex 1 Implementation of the Action Plan in 2021** | | | | | | |
| **Annual report for:** | | **Action plan for 2021 for the implementation of the Public Procurement Development Programme in the Republic of Serbia** | | | | |
| **Institution responsible for monitoring and control of implementation:** | | **PUBLIC PROCUREMENT OFFICE** | | | | |
| **Public policy document for which the action plan is determined:** | | **Public Procurement Development Programme in the Republic of Serbia for the period from 2019 to 2023** | | | | |
|  | | | | | | |
| Goal: Further development of a modern and efficient public procurement system | | | | | | |
| Institution responsible for monitoring and control of implementation: PPO | | | | | | |
| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Target value in the year: 2021** | **Comment on progress towards the target value of the indicator (optional)** |
| Annual Progress Report of the European Commission for the Republic of Serbia | | Partial progress (2020) | | Progress has been made | Partial progress | The Progress Report of the Republic of Serbia shows that the Republic of Serbia has made partial progress in relation to Chapter 5 - Public Procurement compared to the previous year. |
| New functionalities of the Public Procurement Portal applied | | Under preparation (2020) | | applied | applied | The Portal has new functionalities that make it easier for users of the Portal to work. They are: the English version of the Portal has been made, the possibility to submit the offer or part of the offer in a foreign language, the possibility of submitting an e-statement in a foreign language. In addition to the above, the interface of the Portal is adapted to work on mobile devices, and the development of a mobile application for iOS and Android mobile platforms is also planned. The "smart party" option has also been introduced, which greatly facilitates the creation of public calls as well as the submission of bids in cases where the procedure involves a large number of parties. Also, it is possible for the contracting authorities to publish advertisements and carry out activities related to multi-phase public procurement procedures that have been initiated on the basis of the provisions of the previously valid PPL. The indicator is completed. |
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| Specific objective 1: Increasing the efficiency and economy of public procurement procedures | | | | | | |
| Item holder: PPO | | | | | | |
| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Achieved value in 2021** | **Explanation of deviations from the target value of the indicator** |
| Share of conducted public procurements with electronic submission of bids in the total number of public procurements | | 29 % (2020)[[1]](#footnote-1) | | 100% | 100% | Indicator fulfilled, no deviation. |
|  | | | | | | |
| Specific objective 2: Strengthening competition in the public procurement market | | | | | | |
| Item holder: PPO | | | | | | |
| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Achieved value in 2021** | **Explanation of deviations from the target value of the indicator** |
| Average number of bids under the public procurement procedure | | 2.6 - 2020[[2]](#footnote-2) | | 2.7 | 2.5 | This indicator was not met, bearing in mind that the initial value of the indicator was 2.6 in 2020, that the target value for 2021 was 2.7, and that during 2021 the average number of bids under the public procurement procedure was 2.5. The average number of bids in 2021 is, among other things, a consequence of the frequent participation of groups of bidders in public procurement procedures. Namely, in more than 15% of the total number of public procurement procedures, groups of economic operators also submitted bids, of which in 7% of public procurement procedures the group of economic operators was the only bidder (Chart 6). |
|  | | | | | | |
| Specific objective 3: Reduction of the risk of irregularities in the public procurement system | | | | | | |
| Item holder: PPO | | | | | | |
| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Achieved value in 2021** | **Explanation of deviations from the target value of the indicator** |
| Number of contracting authorities under supervision and monitoring[[3]](#footnote-3) | | 78 (2019)[[4]](#footnote-4) | | 90 | 258 | The indicator is fully met. The initial value of the indicator was 78 in 2020, while as of 31 December 2021, the target value for 2021 was 90 times exceeded and amounted to 258 (Chart 7). |
|  | | | | | | |
| Specific objective 4: Promotion and encouragement of environmental and social aspects in public procurement and innovations | | | | | | |
| Item holder: PPO | | | | | | |
| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Achieved value in 2021** | **Explanation of deviations from the target value of the indicator** |
| Number of conducted public procurements with the application of environmental criteria | | no data (2020) | | 3 | 650 | The indicator is fully met. Considering that there were no data for 2020, and that the value of 650 was reached as of 31 December 2021, this indicator has been met. |
|  | | | | | | |
| Measure 1: Improving the legal framework | | | | | | |
| Item holder: ME | | | | | | |
| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Achieved value in 2021** | **Explanation of deviations from the target value of the indicator** |
| Amendments to the PPLPC in application | | Under preparation (2020) | | applied | / | The indicator, i.e., the target value of the output indicator in 2021 has not been met, given that the amendments to the PPLO have not been adopted. |
|  | | | | | | |
| **Activities for the implementation of the measure: 2021** | **Institution responsible for implementation** | **Deadline for implementation in 2021** | **Status of activities** | **New deadline for implementation** | | **Description**  *(Explanation of derogation + Progress made + Future steps)* |
| 1.1: Proposing amendments to the PPLPC | ME | 4th quarter of 2021 | In progress | 4th quarter of 2022 | | Amendments to the legislative framework in the field of public-private partnerships and concessions are planned to be implemented in the 4th quarter of 2021. The deadline for the implementation of this activity will be postponed to 2022, given that the amendments to the Law on Public-Private Partnerships and Concessions were not adopted within the defined deadline. |
|  | | | | | | |
| Measure 2: Strengthening the institutional framework | | | | | | |
| Item holder: PPO | | | | | | |
| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Achieved value in 2021** | **Explanation of deviations from the target value of the indicator** |
| Number of employees in the Public Procurement Office | | 38 (2020) | | 55 | 55 | The indicator, i.e., the target value of output indicator in 2021 is fully met, bearing in mind that the systematisation is now the maximum number of civil servants with whom employment can be established for 55 in relation to the maximum number of 38 civil servants according to the previous Rulebook on Internal Organisation and Systematisation. |
| Number of certified officers | | 4727 (2020) | | 4800 | 4845 | The indicator fully met, bearing in mind that the target value of a total of 4,800 certified public procurement officers (according to the old and new PPL) has been reached and amounts to 4,845 (Data from the Register of Public Procurement Officers maintained by the PPO). |
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| **Activities for the implementation of the measure:** **2021** | **Institution responsible for implementation** | **Deadline for implementation in 2021** | **Status of activities** | **New deadline for implementation** | | **Description**  *(Explanation of derogation + Progress made + Future steps)* |
| 2.1: Organising the examination for Public Procurement Officers | PPO | 4th quarter of 2021 | Completed[[5]](#footnote-5) |  | | The PPO continued with the organisation of the exam for public procurement officers in the 1st quarter of 2021. The first examination for public procurement officers in accordance with the PPL and the new Rulebook on the Procedure and Conditions for Obtaining a Certificate for a Public Procurement Officer and Keeping the Register of Public Procurement Officers and Keeping the Register of Public Procurement Officers (“Official Gazette of the Republic of Serbia”, No. 93/20) was organised in March 2021. From March to December 2021, a total of 18 exams were organised. The PPO prepared, and from December 2020 has made publicly available, the Manual for Exam Preparation for Public Procurement Officers for candidates for obtaining a certificate for a public procurement officer (link: http://www.ujn.gov.rs/nekategorizovano/objavljen-prirucnik-za-pripremu-polaganja-ispita-za-sluzbenika-za-javne-nabavke/). In this period from March to December 2021, a total of 261 candidates applied to take the exam for public procurement officer, of whom 221 candidates took the exam, while 118 candidates passed the exam. The candidate success rate is 53.39%.  The PPO will continue to organise examinations for public procurement officers in the coming period. |
| 2.2: Organising workshops to harmonise the positions of the PPO, RB, MFIN and SAI regarding the new PPL | PPO  RB  MFIN  SAI | 4th quarter of 2021 | Completed[[6]](#footnote-6) |  | | During 2021, the PPO organised two workshops. The PPO, with the support of the United States Agency for International Development - USAID, organised two meetings/workshops in order to strengthen the capacity of central institutions in the field of public procurement in the Republic of Serbia, on 23 November and 16 December. The meetings are organised in an online format. In addition to the representatives of the PPO, representatives of the RB and MFIN also participated in the meeting. It was an opportunity for central institutions in the public procurement system to exchange their experiences and problems in the application of the PPL so far, in order to overcome them and improve the legal framework of public procurement.  The PPO will continue in the coming period with the organisation of workshops in order to harmonize the positions of the Public Procurement, RB, MFIN, SAI in relation to the new PPL. |
| 2.3: Training of the Police, Public Prosecutor’s Office, SAI and other institutions in the field of public procurements | PPO | 4th quarter of 2021 | Completed[[7]](#footnote-7) |  | | In order to train in the field of public procurement representatives of the Special Department for Suppression of Corruption of High Public Prosecutor's Offices and the Anti-Corruption Department of the Ministry of Interior of the Republic of Serbia, the PPO in 2021, in cooperation with the Republic Public Prosecutor's Office Development - USAID and the Responsible Government Project - GAI, held two two-day online workshops, on 18-19 March and 1-2 April. On that occasion, the participants of the webinar were presented with the new Public Procurement Portal, the new PPL, as well as controversial issues during the processing of cases of abuse related to public procurement. On 29 October, the PPO organised a webinar at which a "Guide to Monitoring the Implementation of Public Procurement Regulations" was presented to representatives of the Higher Public Prosecutor's Offices, all with the aim of improving cooperation and coordination of competent institutions. improper conduct in the public procurement system.  The PPO will continue in the coming period with the organisation of trainings for the police, public prosecutor's office, SAI and other institutions in the field of public procurement. |
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| Measure 3: Improvement of electronic public procurement | | | | | | |
| Item holder: PPO | | | | | | |
| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Achieved value in 2021** | **Explanation of deviations from the target value of the indicator** |
| Number of submitted electronic bids | | 27260 (2020)[[8]](#footnote-8) | | 45000 | 89717 | The indicator, i.e., the target value of the result indicator in 2021, has been fully met, since it exceeds the target value of 45,000 and amounts to 89717. |
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| **Activities for the implementation of the measure: 2021** | **Institution responsible for implementation** | **Deadline for implementation in 2021** | **Status of activities** | **New deadline for implementation** | | **Description**  *(Explanation of derogation + Progress made + Future steps)* |
| 3.1: Development of technical specifications for the development of new modules on the Public Procurement Portal | PPO | 2nd quarter of 2021 | Completed |  | | With the support of the GIZ project "Support to further improvement of the public procurement system in Serbia", which is financed from IPA 2013, technical specifications were developed and the Portal was improved with new functionalities that facilitate the work of Portal users. They are: the English version of the Portal has been made, the possibility to submit the offer or part of the offer in a foreign language, the possibility of submitting an e-statement in a foreign language.  In the coming period, the PPO will continue to improve the Public Procurement Portal, develop new modules, functionalities and options on the Portal. |
| 3.2: Development of new modules on the Public Procurement Portal | PPO | 3rd quarter of 2021 | Completed |  | | The English version of the Portal has been made, the possibility to submit the offer or part of the offer in a foreign language, the possibility of submitting an e-statement in a foreign language. In addition to the above, the interface of the Portal is adapted to work on mobile devices, and the development of a mobile application for iOS and Android mobile platforms is also planned. The "smart party" option has also been introduced, which greatly facilitates the creation of public calls as well as the submission of bids in cases where the procedure involves a large number of parties. Also, it is possible for the contracting authorities to publish advertisements and carry out activities related to multi-phase public procurement procedures that have been initiated on the basis of the provisions of the previously applicable PPL.  In the coming period, the PPO will continue to improve the Public Procurement Portal, develop new modules, functionalities and options on the Portal. |
| 3.3: Translation of the Public Procurement Portal to facilitate the participation of foreign bidders in public procurement procedures | PPO | 4th quarter of 2021 | Completed |  | | The English translation of the Portal was completed. Activity completed in full. |
| 3.4: Development of a mobile application for the Public Procurement Portal | PPO | 3rd quarter of 2021 | Completed |  | | The interface of the Portal is adapted to work on mobile devices, and the development of a mobile application for iOS and Android mobile platforms is also planned, which will be implemented during 2022. |
| 3.5: Translation of Public Procurement Office’s website | PPO | 4th quarter of 2021 | Completed |  | | With the support of the UNDP project, the PPO website has been translated into English. The English version of the PPO website has been publicly available since January 2022. |
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| Measure 4: Strengthening administrative capacities and education | | | | | | |
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| **Name of the indicator** | | **Baseline value and year** | | **Target value in 2021** | **Achieved value in 2021** | **Explanation of deviations from the target value of the indicator** |
| Number of organised trainings during the year | | 6 (2020)[[9]](#footnote-9) | | 8 | 8 | The indicator, i.e., the target value of the output indicator in 2021, has been fully met, bearing in mind that during 2021, 8 trainings were organised for contracting authorities and bidders related to the implementation of the new legislative framework, which is 2 more trainings compared to 2020. |
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| **Activities for the implementation of the measure:** **2021** | **Institution responsible for implementation** | **Deadline for implementation in 2021** | **Status of activities** | **New deadline for implementation** | | **Description**  *(Explanation of derogation + Progress made + Future steps)* |
| 4.1: Development of Guidelines for Innovation Partnerships | PPO | 4th quarter of 2021 | Completed |  | | Guidelines for Innovation Partnerships were developed at the end of 2021 with the support of UNDP. These guidelines represent, in addition to the Guidelines for Green Public Procurement, which were developed with the support of the GIZ project "Support to further improvement of the public procurement system in Serbia", which is funded by IPA 2013 - http://eupodrska.ujn.gov.rs/dokumenta/, an important practical tool in the implementation of the provisions of the PPL related to the new procedure "Partnership for Innovation" and with which interested parties have not had the opportunity to get acquainted. |
| 4.2: Promotion  Guidelines for  partnership for  innovation and  green public  procurement | PPO  CCIS | 4th quarter of 2021 | Completed |  | | The PPO, in cooperation with UNDP, organised a training on 1 December 2021, on the topic "Partnership for Innovation and Green Procurement". At the training, the representatives of the contracting authority and the bidder were briefly presented the provisions of the PPL, legal solutions, basic characteristics of the procedure, possibilities and manner of implementing the partnership for innovation and green public procurement, as well as examples of good practice. |
| 4.3: Organising training for contracting authorities | PPO  CCIS  UNDP | 4th quarter of 2021 | Completed[[10]](#footnote-10) |  | | During 2021, the PPO continued to strengthen the capacity of procuring entities and bidders in terms of the application of the PPL. Due to the pandemic caused by COVID-19, the PPO organised trainings and workshops mostly online. Participants had the opportunity to get acquainted with topics such as: 1) The qualification system on the Public Procurement Portal, 2) Criteria for awarding the contract - the most economically advantageous offer, 3) Partnership for innovation and green procurement, 4) Criteria for qualitative selection of the economic operator and the manner of meeting the fulfilment of the criteria. In organising these trainings, the PPO had the support of UNDP, the Serbian Chamber of Commerce, GIZ and USAID.  The PPO, with the support of the Project "Support to Further Improvement of the Public Procurement System in Serbia", funded by IPA 2013, held a webinar on March 11, 2021 on the topic "Qualification System on the new Public Procurement Portal". The webinar was held in order to acquaint public utility contracting authorities with the way of establishing and managing the qualification system. The PPO, in cooperation with the UNDP, held two webinars entitled "Contract Award Criteria", on 26 May and 10 June 2021. The first webinar covered the following topics: basic characteristics of the most economically advantageous offer, as well as the price-quality ratio, while the second presented life cycle costs as a type of contract award criteria and application of formulas in practice. Furthermore, the PPO, with the support of the project "Support to further improvement of the public procurement system in Serbia", organised the fourth Public Procurement Forum on May 27 and 28, 2021 on Kopaonik "10 months of implementation of the new PPL and the new Public Procurement Portal". On the first day of the Forum, the PPO presented to the participants how it evaluates the application of the PPL and the Portal from its aspect. Also, the participants of the Forum were addressed by the representatives of the RB presented the application of the new PPL from the point of view of protection of rights. In addition to the mentioned institutions, the representative of the Serbian Chamber of Commerce, as well as the representative of the body for centralised public procurement presented their views on the application of the PPL and the Portal. The second day of the Forum was dedicated to the practical aspects of using the Public Procurement Portal. Participants had the opportunity to get acquainted with the implementation of electronic bidding through a practical example, as well as to see what are the solutions to the most commonly observed problems in practice. On 29 October, the PPO organised a webinar at which a "Guide to Monitoring the Implementation of Public Procurement Regulations" was presented to representatives of the Higher Public Prosecutor's Offices, all with the aim of improving cooperation and coordination of competent institutions. improper conduct in the public procurement system. Then, in cooperation with the UNDP, the PPO organised a webinar on the topic: “The criterion for awarding the contract is “economically the most favourable offer”, which was held on 15 November. In addition to legal solutions in the field of contract award criteria and specific examples of life cycle cost and price-quality ratio criteria, webinar participants were introduced to the tender documents from the Public Procurement Portal for public procurement of airline ticket services and hotel accommodation. Furthermore, the PPO, in cooperation with UNDP, organised a training on 1 December 2021, on the topic "Partnership for Innovation and Green Procurement". At the training, the representatives of the contracting authority and the bidder were briefly presented the provisions of the PPL, legal solutions, basic characteristics of the procedure, possibilities and manner of implementing the partnership for innovation and green public procurement, as well as examples of good practice. Also, on 8 December, the PPO, in cooperation with the Serbian Chamber of Commerce, organised a webinar on "Criteria for qualitative selection of a business entity and how to prove the fulfilment of criteria." Some of the topics were how to define the criteria for a good quality selection of a business entity in the tender documentation - legal solutions and submitting bids and filling out a statement on meeting the criteria for qualitative selection of a business entity through the Public Procurement Portal. A large number of representatives of small and medium enterprises were also present at the above-mentioned trainings, and the PPL and Portal newspapers were presented. |
| 4.4: Organising training for bidders | PPO  CCIS  UNDP | 4th quarter of 2021 | Completed[[11]](#footnote-11) |  | |
| 4.5: Organising trainings for MSMEs | PPO  CCIS | 4th quarter of 2021 | Completed[[12]](#footnote-12) |  | |

1. Data from the Public Procurement Portal for the period from 1 July 2020 to 31 December 2020. [↑](#footnote-ref-1)
2. Data from the Annual Report on Public Procurement for 2020. [↑](#footnote-ref-2)
3. The Law on Public Procurement, which entered into force on 1 July 2020, introduced new powers of the PPO, which in addition to performing supervision in individual cases performed on the basis of reports of authorised entities, will in future perform systematic monitoring based on the adopted annual monitoring plan. [↑](#footnote-ref-3)
4. Data from the Report on Supervision of the Implementation of the Law on Public Procurement for 2019, according to which the Public Procurement Administration (now the PPO) performed supervision only on the basis of individual reports of authorised entities. [↑](#footnote-ref-4)
5. The indicator of the output results of this activity according to the Action Plan for 2021 is " Increased number of certified employees." [↑](#footnote-ref-5)
6. The indicator of the output results of this activity according to the Action Plan for 2021 is " Number of organised workshops - two per year ". [↑](#footnote-ref-6)
7. The indicator of the output results of this activity according to the Action Plan for 2021 is " At least two trainings were held." [↑](#footnote-ref-7)
8. Data from the Public Procurement Portal as of 31 December 2020. [↑](#footnote-ref-8)
9. Baseline value as of 31 December 2020. [↑](#footnote-ref-9)
10. The indicator of the output results of this activity according to the Action Plan for 2021 is “Number of organised trainings – at least two per year”. [↑](#footnote-ref-10)
11. The indicator of the output results of this activity according to the Action Plan for 2021 is “Number of organised trainings – at least two per year”. [↑](#footnote-ref-11)
12. The indicator of the output results of this activity according to the Action Plan for 2021 is “Number of organised trainings – at least two per year”. [↑](#footnote-ref-12)