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## ANALIZA VJETORE

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## **ABBREVIATIONS:**

**CA** – Contracting Authority  
**PPA** – Public Procurement Agency  
**ASPA** – Albanian School of Public Administration  
**ATRAKO** – Concession Handling Agency  
**WB** – World Bank  
**BPA** – Bulletin of Public Notices  
**CEO** – Consortium of Economic Operators  
**EO** – Economic Operator  
**HIDAACI** – High Inspectorate of Disclosure and Audit of Assets and Conflict of Interest  
**BEC** – Bid Evaluation Committee  
**APC** – Administrative Procedure Code  
**SAI** – State Audit Institution  
**CoM** – Council of Ministers  
**PPC** – Public Procurement Commission  
**PAL** – Public Auction Law  
**PPL** – Public Procurement Law  
**FA**-Framework Agreement  
**PU**- Procurement Unit  
**CPB** – Central Purchasing Body  
**GDP**- Gross Domestic Product  
**PPP** – Public-Private Partnership  
**NBC** – National Business Center  
**ACS** – Anti –Corruption Strategy  
**EAS** – Electronic Archive System  
**PFMS** – Public Finance Management Strategy  
**EPS**- Electronic Procurement System

## DEFINITIONS:

For the purpose of this analysis interpretation, the following terms shall have the following meanings:

**Procured limit fund** – The value excluding VAT, calculated by the contracting authority at the time of publication of the contract notice or at the time of commencement of the procurement procedure, when such publication is not required.

**Contracted value** - The value of the winning bid.

**Saved fund** - The difference between the procured limit fund and the contracted value.

**Electronic procedure** - Procurement procedure conducted in the electronic procurement system.

**Competitive procedure** - Procurement procedure conducted in the electronic procurement system, following the publication of the contract notice.

**Negotiated procurement procedure without prior publication of a contract notice** - A type of procedure which is conducted electronically and is used in special circumstances provided by public procurement legislation.

**Negotiated contract supplement without prior publication of a contract notice** - A type of negotiated procurement procedure, without prior publication of a contract notice, based on an existing contract concluded through a previous competitive procurement procedure, used to meet the needs at the beginning of each year, until normal procurement procedures are finalized, in the amount of up to 20% of the total value of the original contract.

**New negotiated procedures without prior publication of a contract notice** - Procurement negotiated procedures without prior publication of a contract notice, pursued by the Contracting Authority in one of the situations provided by the PPL, with the exception of contract supplements.

**Unfinished (canceled) procedures** - Procurement procedures that are not finalized with a contract award notice.

**Electronic Procurement** - Procurement procedures that are conducted through the Electronic Procurement System.

**Suspension** - Termination of the procurement procedure in case there are complaints to the Contracting Authority or the Public Procurement Commission.

**Assistance / coordination** - A process conducted in the context of providing assistance to contracting authorities, which undertake a procurement procedure, regarding the drafting of tender documents.

**Verification-** Process conducted after the completion of the procurement procedure with the finalization of a contract to verify whether the procurement procedure conducted by the Contracting Authority has been performed in accordance with legal provisions.

**Contract monitoring** - The process of monitoring the implementation of the contract signed by the contracting authorities through reports submitted by them.



## 1. INTRODUCTION

This report reflects the work of the Public Procurement Agency (hereinafter "PPA") and the functioning of the public procurement system for the period from 1 January 2020 to 31 December 2020.

PPA conducts its activity based on Law no. 9643/2006 "On Public Procurement", as amended, Law no. 125/2013 "On concessions and public-private partnership", as amended, Law no. 9874/2008 "On public auction", as amended.

The structure and staff of the institution has been approved by Order no. 54, dated 15.03.2019 of the Prime Minister "On the approval of the structure and staff of the Public Procurement Agency".

The report also presents in detail statistical data related to the functioning of the public procurement system in general, including the electronic procurement system.

### 1.1. PURPOSE OF THE ACTIVITY OF PUBLIC PROCUREMENT AGENCY

2020 was characterized by significant challenges in the field of public procurement as a result of two main factors; (i) The earthquake of November 26, 2019 and the need to address its consequences and reconstruct the affected areas; and (ii) The global pandemic caused by the COVID-19 virus and the need to take emergency measures to cope with the situation and ensure all necessary materials for this purpose.

The above two events have not only had a significant impact on the Albanian economy, but have also brought about the inevitable change in the priorities of the Albanian government and public institutions, also affecting their budget expenditure forecasts.

Under these circumstances, Public Procurement Agency has been continuously engaged to assist and guide the Contracting Authorities in carrying out procurement procedures for both of the above processes through the issuance of constant recommendations and notices for this purpose.

In this context, the focus of the work of PPA has been the orientation of contracting authorities to avoid the use of negotiated procedures without prior publication of a contract notice to cover their needs by focusing on the use of competitive procedures to ensure process transparency, free competition and value for money.

Thus, despite the emergency and unforeseen situation caused especially by the Covid-19 pandemic, the number of negotiated procedures without prior publication of a contract notice in 2020 is 8.3% of the total number of finalized procedures, of which 3.83% are procedures conducted as part of the post-earthquake reconstruction process and the process of coping with the pandemic situation.

On the other hand, PPA has carried on the work for the implementation and finalization of a series of reforms undertaken to improve the procurement system in Albania, especially in terms of legal and regulatory framework as follows:

1. The new legal framework of procurement in the fields of defense and security has been adopted, having in place for the first time provisions dedicated to these types of procedures in accordance with European directives in this field;
2. The new law on public procurement has been adopted, which has been drafted based largely on the relevant European directives and which aims to bring about significant improvements to the public procurement process;
3. The National Strategy for Public Procurement and its action plan have been adopted, defining the main objectives towards the improvement of the procurement system in Albania, including concessions and PPPs, procurements in the fields of defense and security, centralized purchasing/procurement and administrative review in this area.

## 2. STATISTICAL DATA ON PUBLIC PROCUREMENT SYSTEM IN ALBANIA

Public procurement is one of the main areas of state activity and one of the most important processes in public financial management. As shown by the figures and data processed in this context, the budget fund spent on public procurement in the countries of the region for 2019 ranges on average from 6.5-12.4% of Gross Domestic Product. Specifically as presented in Chart no. 1 below, according to the published data it turns out that:

- 1- **Kosovo:** According to the European Commission report, in 2019, Public Procurement amounted to 10.7% of GDP, with an average increase from the percentage of 2018, when Public Procurement occupied 9.4% of GDP<sup>1</sup>.
- 2- **Serbia:** According to the European Commission report, in 2019, Public Procurement amounted to about 8.14% of GDP, experiencing a slight increase from the percentage of 2018, when Public Procurement occupied 8% of GDP<sup>2</sup>.
- 3- **Montenegro:** According to the European Commission report, based on preliminary data, in 2019, Public Procurement occupied 12.4% of GDP, experiencing a significant increase from the percentage of 2018, when Public Procurement occupied 9.1% of PBB<sup>3</sup>.
- 4- **North Macedonia:** According to the European Commission report, in 2019, Public Procurement represents 11% of GDP, experiencing a significant increase from the percentage of 2018, when Public Procurement occupied 9% of GDP<sup>4</sup>.

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<sup>1</sup> European Commission (2020), Kosovo Report, pg. 74

[https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/kosovo\\_report\\_2020.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/kosovo_report_2020.pdf)

<sup>2</sup> European Commission (2020), Serbia Report, pg. 74

[https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/serbia\\_report\\_2020.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/serbia_report_2020.pdf)

<sup>3</sup> European Commission (2020), Montenegro Report, pg. 76

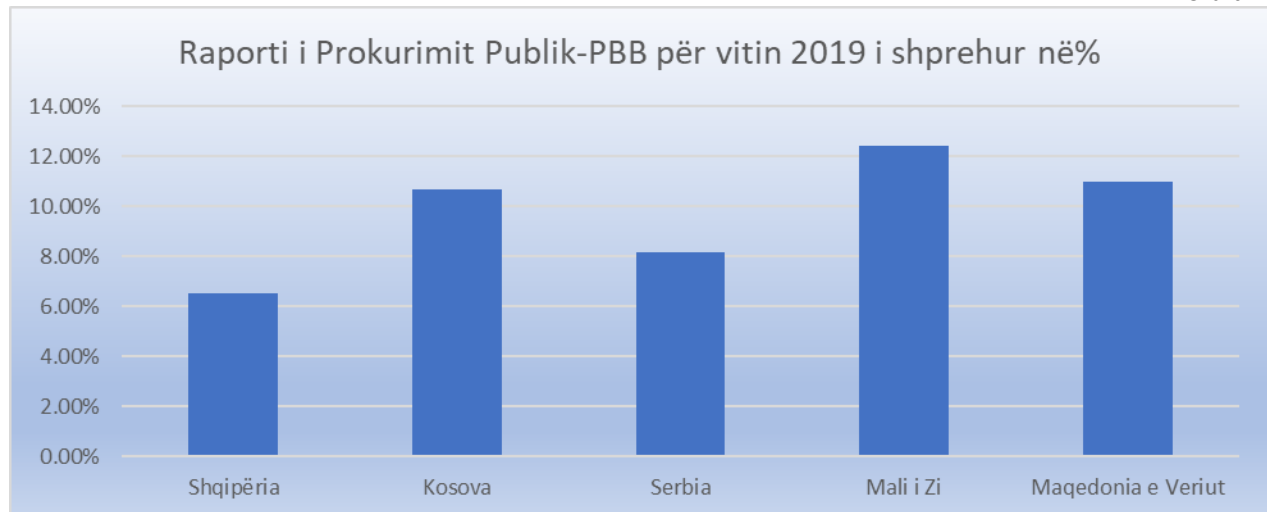
[https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/montenegro\\_report\\_2020.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/montenegro_report_2020.pdf)

<sup>4</sup> European Commission (2020), North Macedonia Report, pg. 64

[https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/north\\_macedonia\\_report\\_2020.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/north_macedonia_report_2020.pdf)

- 5- **Albania:** According to the annual report of 2019, published by PPA, based on preliminary data on GDP, Public Procurement for 2019 occupied about 6.5% of GDP<sup>5</sup>.

Chart 1



Source: Data obtained from European Commission Reports on Region's countries

**Translation of the chart:**

Albanian	English
Raporti i Prokurimit Publik-PBB për vitin 2019 i shprehur në%	Ratio of Public Procurement – GDP for 2019 expressed in %
Shqipëria	Albania
Kosova	Kosovo
Serbia	Serbia
Mali i Zi	Montenegro
Maqedonia e Veriut	North Macedonia

Meanwhile, from the processing of data in the Electronic Procurement System, as well as based on preliminary data provided by the Ministry of Finance and Economy<sup>6</sup> on Gross Domestic Product (GDP), it turns out that, **in 2020 the total procured limit fund occupies 14.7 % of Gross Domestic Product (GDP).**

The following table and chart represent the data related to the published total fund limit-GDP ratio:

Table 1

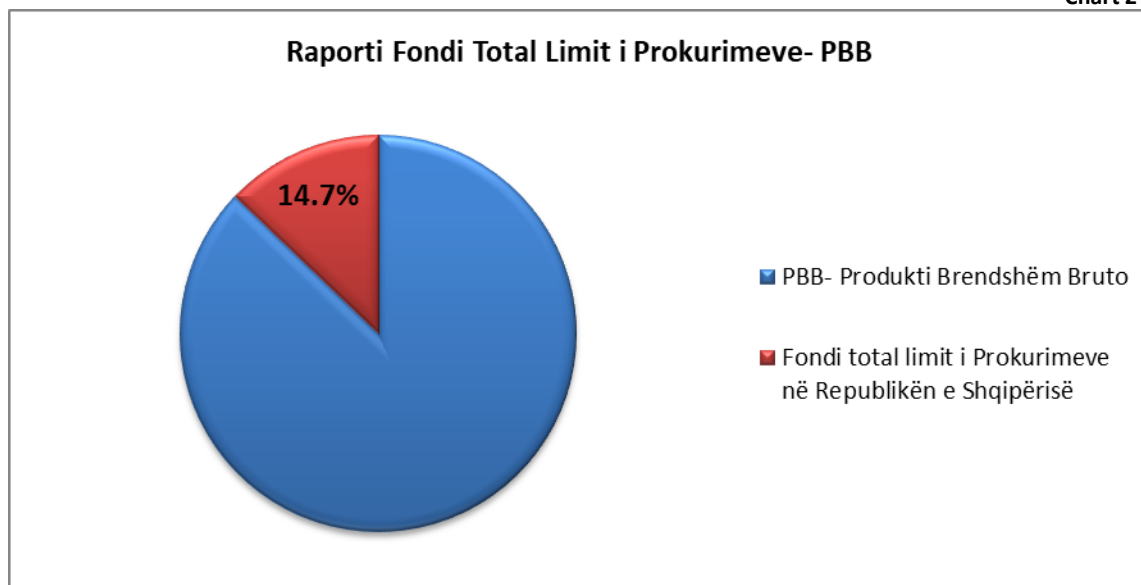
Macroeconomic indicator	Value (in billions of ALL)
GDP- Gross Domestic Product	1,793,466,000,000

<sup>5</sup> Annual Analysis 2019, PPA, p. 9

<sup>6</sup> According to the official preliminary forecasts in 2020 of the Ministry of Finance and Economy (<https://financa.gov.al/projektbuxheti-2020/>), Gross Domestic Product in 2020 is: **1,793,466,000,000 ALL**

Total limit fund published in the Republic of Albania	264,072,258,684
Total limit fund published in the Republic of Albania versus GDP (in %)	<b>14.7%</b>

Chart 2



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>PBB – Produkti i Brendshëm Bruto</i>	<i>GDP-Gross Domestic Product</i>
<i>Fondi total limit i Prokurimeve në Republikën e Shqipërisë</i>	<i>Procurements total limit fund in the Republic of Albania</i>

As shown by the above data, during 2020 there is a significant increase in the total fund limit and GDP ratio as compared to 2019 when this ratio was 6.5%.

As it can be seen from the administered data, it turns out that during 2020 there was a significant increase in the total fund published by the contracting authorities, which is more than double of the limit fund published in 2019 (110,664,365,109 ALL).

The increase in public expenditure is directly related to the increased needs of contracting authorities in the context of the reconstruction process and the COVID-19 pandemic.

## **2.1. STATISTICS RELATED TO FORECAST REGISTERS ESTABLISHED IN THE ELECTRONIC PROCUREMENT SYSTEM IN 2020**

The forecast register of public procurement procedures and the register of performed public procurement procedures are prepared electronically and published in the Electronic Procurement System. The automation of these two registers has been of great importance for increasing the

responsibility of the Contracting Authorities for the timely planning of the needs they will procure during the next year, enabling the economic operators to have information on all procedures and public funds to be procured during the year in real time, significantly increasing transparency regarding the use and good management of public funds.

Also, the automation of registers enables PPA to identify data on planned procurements to be carried out by contracting authorities in real time.

From the data of the National Register of Procurement Procedure Forecasts in 2020, it turns out that about 37,441 elements have been approved and published in the procurement forecast registers (new elements and changes).

Specifically, the details of the elements in the National Register of Procurement Procedure Forecasts are as follows:

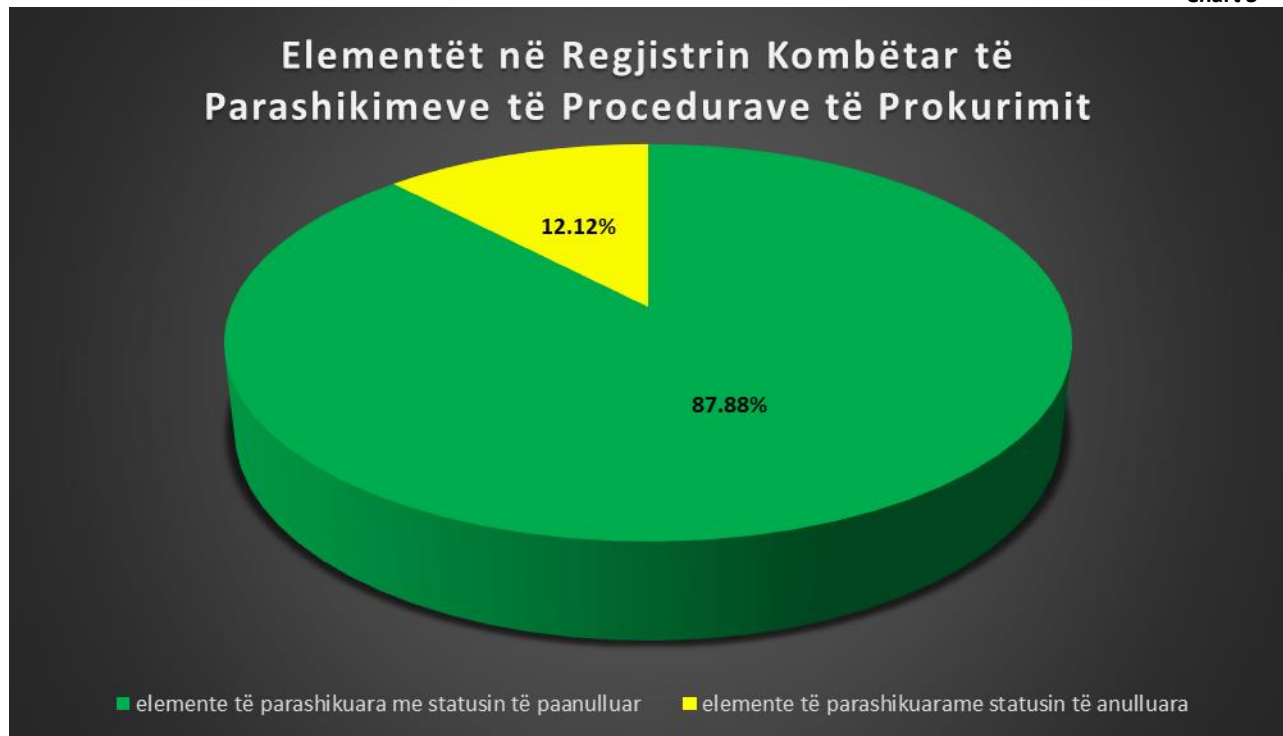
**Table 2**

Type of Contract	Type of procurement procedure	2020
Works	Contracts above 800,000 ALL	1,895
	Small value procurement	586
	Negotiated procedure, without prior publication of a contract notice	30
Supplies	Contracts above 800,000 ALL	4,402
	Small value procurement	8,767
	Purchases below 100,000 ALL	6,866
	Amendment for beginning of the year needs	36
	Negotiated procedure, without prior publication of a contract notice	224
Services	Contracts below 800,000 ALL	2,302
	Small value procurement	5,614
	Purchases below 100,000 ALL	6,254
	Amendment for beginning of the year needs	73
	Dynamic purchasing system of fares	235
	Negotiated procedure, without prior publication of a contract notice	157
Total of elements of published register		37,441

From monitoring the preparation of the Elements of the Forecast and Implementation Register in EPS in 2020, it turns that there are 37,441 elements foreseen in the register, of which 32,903 elements, or 87.88% of the total, have followed the procedures, while 4,538 elements, or 12.12% of the total, have the 'canceled' status.

In graphical form, the above data are represented as follows:

Chart 3



**Translation of the chart:**

Albanian	English
Elementët në Regjistrin Kombëtar të Parashikimeve të Procedurave të Prokurimit	Elements in the National Register of Procurement Procedures Forecast
Elemente të parashikuara me statusin të paanulluar	Elements foreseen with the status "not canceled"
Elemente të parashikuara me statusin të anuluar	Elements foreseen with the status "canceled"

From the analysis of the elements in the forecast register of public procurement procedures, which have carried on with the publication of the procedures by the contracting authorities, it turns out that 6,358 elements have undergone modifications. Modifications in the forecast register are an indicator of the performance of the Forecast Register.

If we analyze the Performance of the Forecast Register expressed in percentage as a ratio of modified elements to the total of elements with non-canceled status ( $6,358/32,903 \times 100$ ), it turns out that in 2020 they are presented in the amount of 19.3%.

Table 3

Performance of Forecast Registers	
January - December 2020	Number of Elements

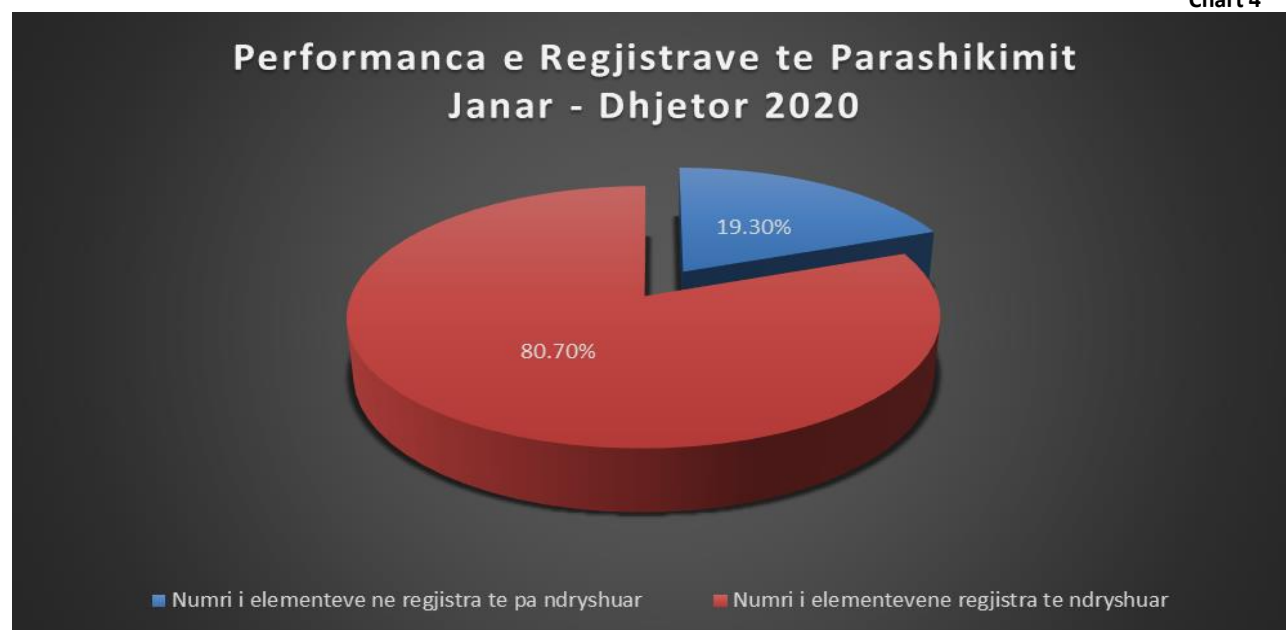
Total number of non-canceled elements of Forecast Registers	32,903
Number of modified elements of Forecast Registers	6,358
Performance or % of Modified Elements (6,193/28,310x100)	19.3%

As noticed above, about 80.7% of the elements that are approved Register Elements (foreseen and implemented, as well as in the process of implementation) have not been modified.

Compared to 2019 where the performance indicator was 15.6%, there is an increase of modifications in the elements of the register, which is related to the situation, created in our country by the pandemic caused by COVID-19, where many procurement procedures were modified to cope with the consequences of this pandemic.

The diagram below shows the performance of the unmodified forecast register elements in 2020.

Chart 4



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Performanca e regjistrave të Parashikimit Janar-Dhjetor 2020</i>	<i>Performance of Forecast Registers January-December 2020</i>
<i>Numri i Regjistrave të Parashikimit të padryshuar</i>	<i>Number of unchanged Forecast Registers</i>
<i>Numri i Regjistrave të Parashikimit të ndryshuar</i>	<i>Number of changed Forecast Registers</i>

## 2.2. STATISTICS RELATED TO THE NUMBER OF PUBLISHED PROCUREMENT PROCEDURES DURING 2020 IN THE PUBLIC PROCUREMENT SYSTEM

This section presents detailed data regarding public procurement procedures, including negotiated procedures without prior publication of a contract notice, small value procurement procedures and dynamic purchasing system conducted in the Republic of Albania, during 2020.

In summary, the main data for the competitive procedures with a value above 800,000 ALL and the negotiated procedures without prior publication of a contract notice, as well as the percentage ratios and the total saved fund in 2020, are presented as follows:

**Table 4**

<b>Competitive procedures and Negotiated Procedures without prior publication of a contract notice for period January-December 2020</b>	
Total number of published Procedures/ Lots in EPS	6,440
Total limit fund published in EPS	264,072,258,684
Total number of published and canceled Procedures/ Lots in EPS	1,490
Limit fund of published and canceled Procedures/ Lots in EPS	24,952,656,712
Total number of published and carried on procedures/ Lots in EPS	4,950
Limit fund of published and carried on procedures/ Lots in EPS	239,119,601,972
Total number of Procedures Finalized with a Contract Award Notice	4,568
Total limit fund of Procedures Finalized with a Contract Award Notice (value in ALL)	160,563,346,248
Total number of Negotiated Procedures without prior publication of a contract notice (including negotiations for COVID-19 and Reconstruction)	416
Total limit fund of Negotiated Procedures without prior publication of a contract notice (including negotiations for COVID-19 and Reconstruction)	6,260,950,869
% occupied by total number of Negotiated Procedures without prior publication of a contract notice (including negotiations for COVID-19 and Reconstruction) versus the total number of Procedures Finalized with a Contract Award Notice (competitive + negotiated procedures without prior publication of a contract notice)	8.3%
% occupied by total limit fund of Negotiated Procedures without prior publication of a contract notice versus the total number of Procedures Finalized with a Contract Award Notice (competitive + negotiated procedures without prior publication of a contract notice)	3.8 %
Number of Negotiated Procedures without prior publication of a contract notice (not including negotiations for COVID-19 and Reconstruction)	151
Limit fund of Negotiated Procedures without prior publication of a contract notice (not including negotiations for COVID-19 and Reconstruction)	1,943,789,784
% occupied by number of Negotiated Procedures without prior publication of a contract notice (not including negotiations for COVID-19 and Reconstruction) versus the total number of Procedures Finalized with a Contract Award Notice (competitive + negotiated procedures without prior publication of a contract notice)	3.03 %
% occupied by the limit fund of Negotiated Procedures without prior publication of a contract notice (not including negotiations for COVID-19 and Reconstruction) versus	1.2%



the total limit fund of Procedures Finalized with a Contract Award Notice (competitive + negotiated procedures without prior publication of a contract notice)	
Number of Negotiated Procedures without prior publication of a contract notice for the Reconstruction	74
Limit fund of Negotiated Procedures without prior publication of a contract notice for the Reconstruction	2,171,328,183
% occupied by number of Negotiated Procedures without prior publication of a contract notice for the Reconstruction versus the total number of Procedures Finalized with a Contract Award Notice (competitive + negotiated procedures without prior publication of a contract notice)	1.48 %
% occupied by the limit fund of Negotiated Procedures without prior publication of a contract notice for the Reconstruction versus the total limit fund of Procedures Finalized with Award Notice (competitive + negotiated procedures without prior publication of a contract notice)	1.3 %
Number of Negotiated Procedures without prior publication of a contract notice for COVID-19	191
Limit fund of Negotiated Procedures without prior publication of a contract notice for COVID-19	2,145,832,902
% occupied by no of Negotiated Procedures without prior publication of a contract notice for COVID-19 versus the total no of Procedures Finalized with a Contract Award Notice (competitive + negotiated procedures without prior publication of a contract notice)	3.83 %
% occupied by the limit fund of Negotiated Procedures without prior publication of a contract notice for COVID-19 versus the total limit fund of Procedures Finalized with a Contract Award Notice (competitive + negotiated procedures without prior publication of a contract notice)	1.3 %
<b>TOTAL SAVINGS</b>	
% occupied by the total contracted value versus the total procured limit fund	92.15%
Total saved value in ALL excluding VAT	13,093,770,033
% occupied by the total saved value versus the total procured limit fund	7.85%

As shown in the table above, in terms of the number of negotiated procedures without prior publication of a contract notice, for the period January-December 2020 a total of 416 procedures were conducted, of which 191 procedures were used to cope with emergencies in the context of COVID-19 pandemic and 74 procedures in the context of the reconstruction process.

Only 151 negotiated procedures without prior publication of a contract notice have been used by the Contracting Authorities based on the provisions of the public procurement law, for different situations (not including Covid-19 and Reconstruction). Compared to the total number of procedures finalized with a contract award notice (competitive + negotiated procedures without prior publication of a contract notice), negotiated procedures without prior publication of a contract notice constitute 8.3% of them.

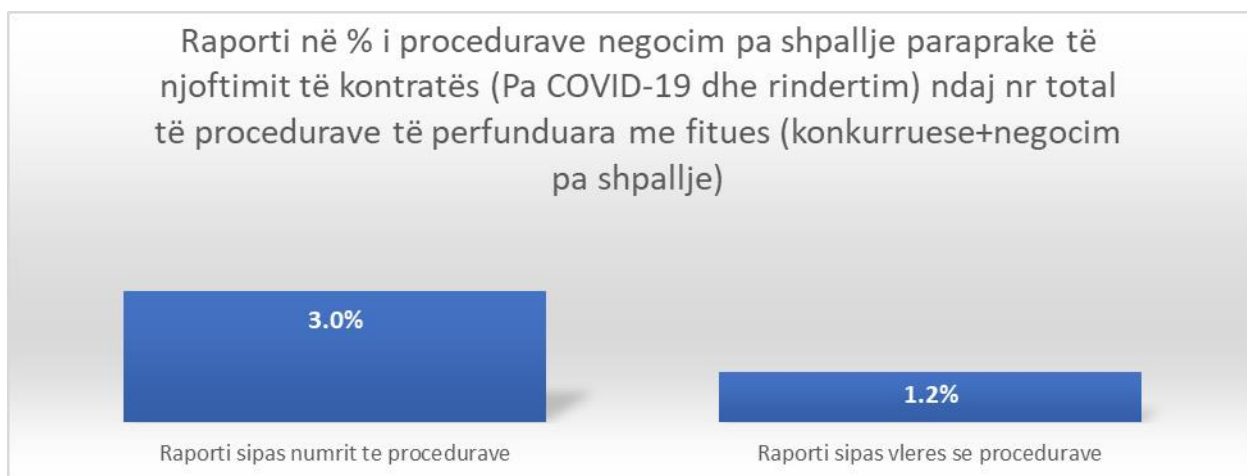
In any case, as it turns out from the above data, the limit fund published for this type of procedure (6,260,950,896 ALL) is much lower, compared to the total limit fund of procedures finalized with a contract award notice (electronic + negotiated procedures without prior publication of a contract notice), (166,87,297,11 ALL) occupying only 3.8% of the total published fund.

Specifically, if we analyze separately the data of the negotiations according to the created situations, it turns out that:

- Regarding the negotiated procedures without prior publication of a contract notice for COVID-19, their number occupies **3.83%** of the total number of procurement procedures finalized with a contract award notice (competitive + negotiated procedures without prior publication of a contract notice), while the limit fund of these type of procedures occupies only **1.3%** of the total limit fund of procedures finalized with a contract award notice (competitive + negotiated procedures without prior publication of a contract notice).
- Also from the above data it turns out that the number of negotiated procedures without prior publication of a contract notice for Reconstruction occupies **1.48%** of the total number of procurement procedures finalized with a contract award notice (competitive + negotiated procedures without prior publication of a contract notice), while the limit fund of these types of procedures occupies only **1.3%** of the total limit fund of procedures finalized with a contract award notice (competitive + negotiated procedures without prior publication of a contract notice).
- Regarding other negotiated procedures without prior publication of a contract notice (not including the procedures for COVID-19 and Reconstruction), their number accounts for **3.03%** of the total number of procedures finalized with a contract award notice (competitive + negotiated procedures without prior publication of a contract notice), while the limit fund of these procedures occupies only **1.2%** of the total limit fund of procedures finalized with a contract award notice (competitive + negotiated procedures without prior publication of a contract notice).

Data on other negotiated procedures without prior publication of a contract notice (not including COVID-19 and Reconstruction procedures) as well as ratios in % in 2020 are presented in the chart below.

Chart 5



**Translation of the chart:**

Albanian	English
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<i>Raporti në % i procedurave me negocim pa shpallje paraprake të njoftimit të kontratës (Pa Covid-19 dhe rindërtim) ndaj nr total të procedurave të përfunduara me fitues (konkurruese+negocim pa shpallje)</i>	<i>Ratio in% of negotiated procedures without prior publication of the contract notice (Without Covid-19 and reconstruction) to the total number of procedures completed with a winner (competitive + negotiation without publication)</i>
<i>Raporti sipas numrit të procedurave 3.0%</i>	<i>Ratio by number of procedures 3.0%</i>
<i>Raporti sipas vlerës së procedurave</i>	<i>Ratio by the value of the procedures</i>

These indicators are a clear picture that if we did not have the situation of COVID-19, as well as the declaration of the natural disaster state due to the earthquake of 26.11.2019, the number of negotiated procedures without prior publication of a contract notice and the fund used for them would be minimal and very low compared to the data for the period of last 12 years, which includes the years 2009-2020.

Following this analysis detailed data regarding the procurement negotiated procedures without prior publication of a contract notice will be presented, including data on contract supplements signed through the use of this procedure and their ratio to the total number of procedures finalized with a contract award notice.

### 2.3. STATISTICS ABOUT COMPETITIVE PROCUREMENT PROCEDURES, CONDUCTED IN ELECTRONIC PROCUREMENT SYSTEM

The data on the number of public procurement procedures in the amount of 800,000 ALL, which have been published to be conducted in the Electronic Procurement System, will be reflected and interpreted in this part of the annual analysis.

Also, the respective data on the number of contract award notices and the number of the signed contract notices will be reflected and the analysis of these data will be done in this part of the analysis.

#### 2.3.1. Statistics by Contract type

The total number of contract notices for procurement procedures published during 2020 in the electronic procurement system, according to the type of contract: services, supplies and works is 6,440 (944 less than in 2019). Specifically, the number of procedures by contract type is presented as follows:

Table 5

Procedure Notices 2020					
Services		Supplies		Civil Works	
Type of procedure	Number of procedure notices	Type of procedure	Number of procedure notices	Type of procedure	Number of procedure notices
Consultancy Services and Design Contest	142	Consultancy Services and Design Contest	-	Consultancy Services and Design Contest	-

International, Open procedure	32	International, Open procedure	299	International, Open procedure	1
Local, Open procedure	417	Local, Open procedure	937	Local, Open procedure	600
Request for proposal	852	Request for proposal	2,544	Request for proposal	446
Local, Restricted procedure (not including Reconstruction)	3	Local, Restricted procedure (not including Reconstruction)	-	Local, Restricted procedure (not including Reconstruction)	-
International, Restricted procedure (not including Reconstruction)	40	International, Restricted procedure (not including Reconstruction)	-	International, Restricted procedure (not including Reconstruction)	-
Local, Restricted procedure for Reconstruction	84	Local, Restricted procedure for Reconstruction	-	Local, Restricted procedure for Reconstruction	26
International, Restricted procedure for Reconstruction	1	International, Restricted procedure for Reconstruction	-	International, Restricted procedure for Reconstruction	16
<b>TOTAL</b>	<b>1,571</b>	<b>TOTAL</b>	<b>3,780</b>	<b>TOTAL</b>	<b>1,089</b>

From the analysis of data in 2020 it is noticed that the largest number of published procedures is occupied by the procedures for the procurement of supplies with 3,780 published procedures in total or 59% of the published procedures, followed by the procedures for services 1,571 procedures published in total or 24% and for civil works 1,089 procedures published in total or 17%.

Also, it turns out that international, open procedures are in large numbers with 332 published procedures or 5.1% of the total published procedures, with a limit fund of 47,780,228,294 ALL which is over 75% more compared to the number and limit fund published in 2019 (there were 47 procedures with a limit fund of 12,791,070,118 ALL).

### 2.3.2. Statistics by type of procedure

Regarding the data on the number of public procurement procedures, divided by type of procedure, conducted in the electronic procurement system in 2020, and the respective limit funds, are as follows:

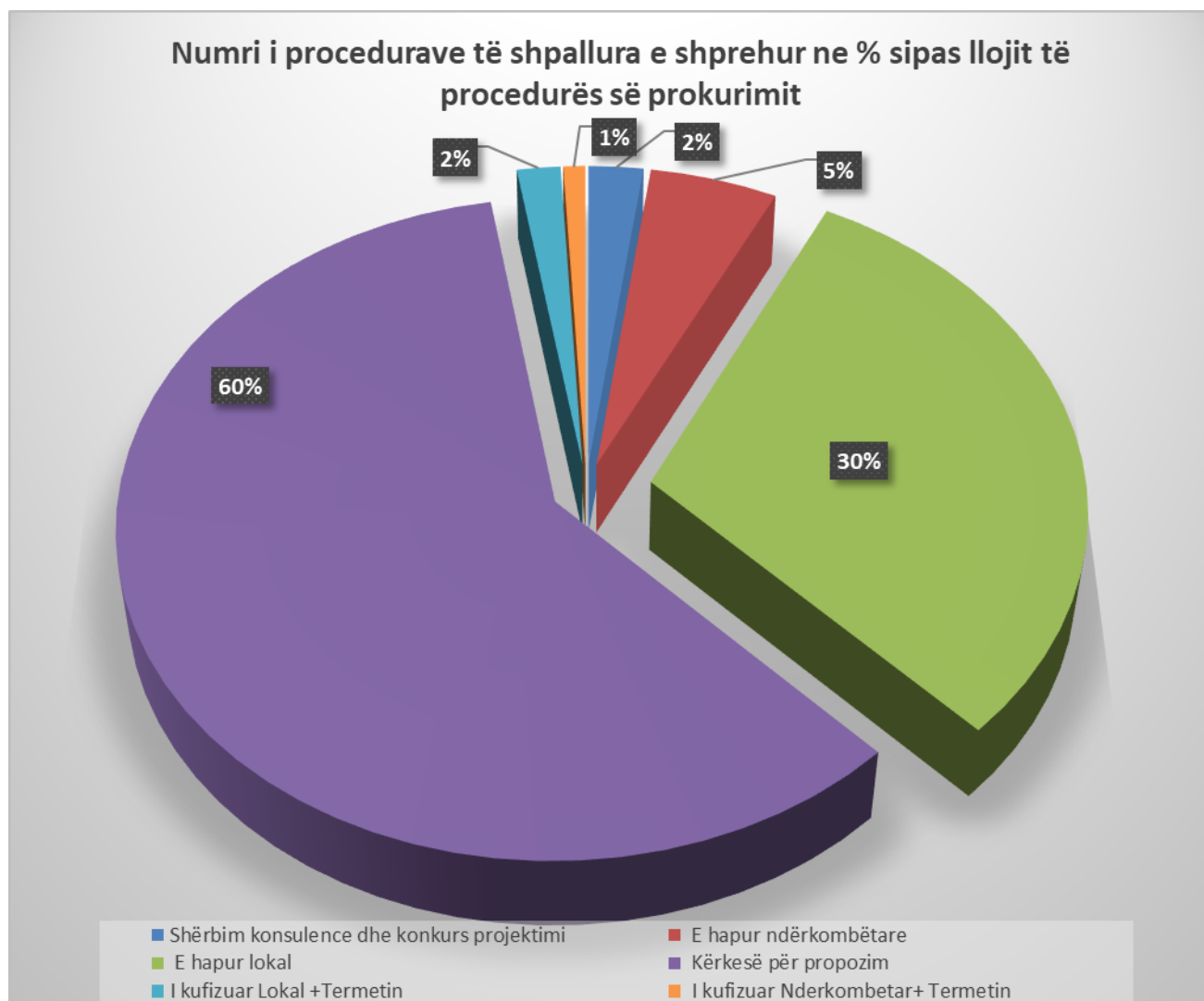
Table 6

Total number of published procedures divided by type of procedure for period January - December 2020	
Total number of published procedures	6,440
Total limit fund of published procedures (value in ALL excluding VAT)	264,072,258,684

Number of consultancy services and design contest procedures	142
Limit fund of consultancy services and design contest procedures (value in ALL excluding VAT)	2,870,217,730
Number of International, Open procedures	332
Limit fund of International, Open procedures (value in ALL excluding VAT)	47,780,228,294
Number of Local, Open procedures	1,954
Limit fund of Local, Open procedures (value in ALL excluding VAT )	123,247,664,809
Number of Request for Proposal procedures	3,842
Limit fund of Request for Proposal procedures (value in ALL excluding VAT )	8,235,601,242
Number of Local, Restricted procedures not including Reconstruction	3
Limit fund of Local, Restricted procedures (value in ALL excluding VAT) not including Reconstruction	186,289,623
Number of International, Restricted procedures not including Reconstruction	40
Limit fund of International, Restricted procedures (value in ALL excluding VAT ) not including Reconstruction	10,419,821,448
Number of Local, Restricted procedures (Reconstruction only)	110
Limit fund of Local, Restricted procedures (value in ALL excluding VAT) (Reconstruction only)	8,914,808,901
Number of International, Restricted procedures (Reconstruction only)	17
Limit fund of International, Restricted procedures (value in ALL excluding VAT ) (Reconstruction only)	62,417,626,770

The following chart shows the percentage of the number of public procurement procedures, divided by type of procedure, conducted in the electronic procurement system in 2020:

Chart 6



**Translation of the chart:**

Albanian	English
Shërbim konsulence dhe konkurs projektimi	Consultancy service and design contest
E hapur lokal	Open local
I kufizuar Lokal+Termetin	Restricted local +Earthquake
E hapur ndërkombëtare	Open international
Kërkesë për propozim	Request for proposal
I kufizuar Ndërkombëtar	Restricted International

Regarding the type of procedures conducted in 2020, as noted in the above data, the largest number of procedures is **request for proposal** procedure with 3,842 published procedures or 60% of the total number of published procedures.

Compared to 2019, it turns out that in 2020, 616 fewer procedures were published than in 2019 when this figure was 4,458 requests for proposal procedures published, while the ratio of these procedures to other published procedures remains the same.

Also, regarding other types of procedures, it turns that Local, Open procedures constitute 30% of the total number with 1,954 published procedures, International, Open procedures occupy 5% of the total number with 332 published procedures, Consultancy Service procedures occupy 2% of the total number with 142 published procedures, Local, Restricted procedures including Reconstruction occupy 2% of the total number with 113 published procedures and International, Restricted procedures including Reconstruction occupy only 1% of the total number with 57 published procedures.

The following table presents the percentage of the limit fund of public procurement procedures, divided by type, conducted in the electronic procurement system in 2020:

Table 7

Type of procedure	Limit fund by procedure type	% of limit fund of procedures by type versus the total
Local, Open	123,247,664,809	47.0%
Request for proposal	8,235,601,242	3.0%
Consultancy services + Design contest	2,870,217,730	1.0%
Open above the threshold	47,780,228,294	18.0%
Local, Restricted (not including Reconstruction)	186,289,623	0,4%
Local, Restricted (Reconstruction only)	8,914,808,768	3.0%
International, Restricted (not including Reconstruction)	10,419,821,448	4.0%
International, Restricted (Reconstruction only)	62,417,626,770	23,6%
<b>TOTAL</b>	<b>264,072,258,684</b>	<b>100,0%</b>

Regarding the limit fund of public procurement procedures, divided by type of procedures conducted in 2020, as seen in the above data, the largest percentage is occupied by **Local, Open** procedures with a limit fund of 123,247,664,809 ALL excluding VAT, or 47% of the total limit fund of published procedures, while the largest number of procedures was occupied by the **request for proposal** procedures.

Compared to 2019 where **local, open** procedures had the limit fund 82,703,647,164 ALL excluding VAT, it turns out that the limit fund of **local, open** procedures (123,247,664,809 ALL) published in 2020 is 33% higher than in 2019.

### 2.3.3. Statistics about procurement procedures published and carried on in the course of 2020, by quarter

In tabular form, the data on the number of public procurement procedures published and carried on in the electronic procurement system in 2020 and the respective fund limits, by quarter are as follows:

Table 8

Published and carried on procurement procedures in the course of 2020, by quarter					
Nr.	Description	No. of Published Procedures / Lots	Limit Fund in ALL excluding VAT	% of number of quarter procedures/lots versus the total	% of quarter Limit Fund versus the total
1	Published Procurement Procedures in EPS in the first quarter of 2020	1,123	32,528,142,487	22,7%	13,6%
2	Published Procurement Procedures in EPS in the second quarter of 2020	1,076	32,643,820,250	21,7%	13,6%
3	Published Procurement Procedures in EPS in the third quarter of 2020	1,366	77,706,115,123	27,6%	32,5%
4	Published Procurement Procedures in EPS in the fourth quarter of 2020	1,385	96,241,524,112	28,0%	40,3%
5	<b>TOTAL</b>	<b>4,950</b>	<b>239,119,601,972</b>	<b>100%</b>	<b>100%</b>

As it can be seen from the above data, the third and fourth quarters have the largest number of published and carried on procedures which account for 55.6% of the total. Also, the limit fund of published and carried on procedures in the 3<sup>rd</sup> and 4<sup>th</sup> quarters has occupied 72.8% of the total.

The large number of procedures published in the 3<sup>rd</sup> and 4<sup>th</sup> quarters is explained by the fact that in the 1st and 2nd quarters, the needs were re-planned and reoriented, imposed by the COVID-19 pandemic period.



The following chart shows the percentage of publication of public procurement procedures in the electronic procurement system in 2020, by quarter:

Chart 7



**Translation of the chart:**

Albanian	English
Publikimi i procedurave sipas 3 mujorëve	Publication of procedures by quarters
Publikime Procedura Prokurimi ne SPE 3 mujori I-re (Janar-Mars)	Publication of procedures in the EPS I-st Quarter (January-March)
Publikime Procedura Prokurimi ne SPE 3 mujori II-te viti 2020	Publication of procedures in the EPS II-nd Quarter year 2020
Publikime Procedura Prokurimi ne SPE 3 mujori III-te viti 2020	Publication of procedures in the EPS III-rd Quarter year 2020
Publikime Procedura Prokurimi ne SPE 3 mujori IV-te viti 2020	Publication of procedures in the EPS IV-rth Quarter year 2020

From the above chart it turns out that the largest percentage of procedures was conducted in the second semester of the year. These figures in 2020 have also been imposed by the Covid-19 pandemic period, where in the first and second quarters the needs were suspended or rescheduled. However, better coordination and planning preparation is required in the fund budgeting and detailing process, mainly in terms of public investment.

#### 2.3.4. Statistics about the number of contract notices for published procurement procedures in the course of 2020 compared to 2019.

The number of contract notices for published procurement procedures published, by type of contract in 2020, compared to 2019 is presented as follows:

Table 9

Comparison of Published Competitive Procedures in 2019 and 2020 by type of contract		
Year	2019	2020
Services	2,110	1,571
Supplies	4,066	3,780
Works	1,208	1,089
Total number of procedures	7,384	6,440
Total limit fund	110,646,365,109	264,072,258,684

As it can be seen from the processed data, the total number of procedures published in 2020 is 10% lower than in 2019, while the value of the limit fund is significantly higher than the value published in 2019.

The increase of the value of the published limit fund is related to the published procedures, within the process of reconstruction after the earthquake of 2019 and coping with the situation created by the COVID-19 pandemic.

The number of published procurement procedures, the number of canceled procedures, the number of procedures that have been carried on, the number of procedures finalized with a contract award notice, as well as the number of procedures finalized with signed contracts, by type of procedure, in 2020, is summarized as follows:

Table 10

Type of Procedure	Number of Published Procedures in EPS	Limit Fund of Published Procedures in EPS in ALL	Number of Canceled Procedures	Limit Fund of Canceled Procedures in ALL excluding VAT	Number of Carried on procedures	Limit Fund of Carried on procedures (not Canceled) in ALL excluding VAT	Number of Procedures Finalized with a Contract Award Notice	Value of Procedures Finalized with a Contract Award Notice in ALL excluding VAT	% in value of Procedures Finalized with a Contract Award Notice versus the published total	Number of Signed Contracts	Value of Signed Contracts in ALL excluding VAT	% in value of Signed Contracts versus the published total
Local, Open	1,954	123,247,664,809	299	8,890,731,231	1,655	114,356,933,578	1,439	77,314,872,121	63%	1,101	64,342,630,408	52%
Request for Proposal	3,842	8,235,601,242	1,078	1,331,251,343	2,764	6,904,349,899	2,681	5,963,714,588	72%	2,221	5,347,926,743	65%
Consultancy Services+ Design Contest	142	2,870,217,730	21	192,512,788	121	2,677,704,942	82	1,974,417,102	69%	61	1,650,863,345	58%
Open above the Threshold	332	47,780,228,294	61	6,168,259,677	271	41,611,968,617	261	16,313,719,722	34%	8	2,524,185,466	5%
Negotiated without Prior Publication	416	6,260,950,869	-	-	416	5,984,577,084	416	5,984,577,084	95%	416	5,984,577,084	95%
Local, Restricted (not including Reconstruction )	3	186,289,623	1	8,066,500	2	178,223,123	1	148,591,621	80%	-	-	-
Local, Restricted (Reconstruction only)	110	8,914,808,768	25	830,697,512	85	8,084,111,256	60	6,259,865,640	70%	48	5,427,763,641	61%
International, Restricted (not including Reconstruction )	40	10,419,821,448	3	490,428,217	37	9,929,393,231	31	7,744,528,828	74%	1	2,800,347,570	27%
International, Restricted (Reconstruction only)	17	62,417,626,770	2	7,040,709,444	15	55,376,917,326	13	32,026,240,378	51%	3	17,683,802,805	28%
Total	6,856	270,333,209,553	1,490	24,952,656,712	5,366	245,380,552,841	4,984	153,730,527,084	57%	3,859	105,762,097,062	39%

Regarding the data of the above table we clarify that:

- In the open above the threshold procedures the difference between the Limit Fund 41,611,968,617 ALL of canceled procedures and the declared winning value 16,313,719,722 ALL, is explained by the fact that in December 2020, 10 procedures with a limit fund of 24,834,485,581 ALL excluding VAT were published, for which the deadline for submission of bids is January 2021, so the winner will be published in 2021.

- Regarding the low number of signed contracts (8) in open above the threshold procedures, we clarify that out of 261 procedures / lots finalized with a contract award notice, 250 of them are Framework Agreements, for which mini-contracts are signed, therefore they are not reflected in the signed contracts.

- Also regarding the low number of signed contracts (1) in International, Restricted (not including Reconstruction) Procedures, as well as the low number of signed contracts (3) in International, Restricted (Reconstruction only) Procedures, we clarify that most of them are multi-year contracts for road maintenance and reconstruction, for which partial contracts or mini-contracts are signed, therefore they are not reflected in the signed contracts.

The number of notices for procurement procedures in 2020, by type of procedure compared to 2019 is presented as follows:

**Table 11**

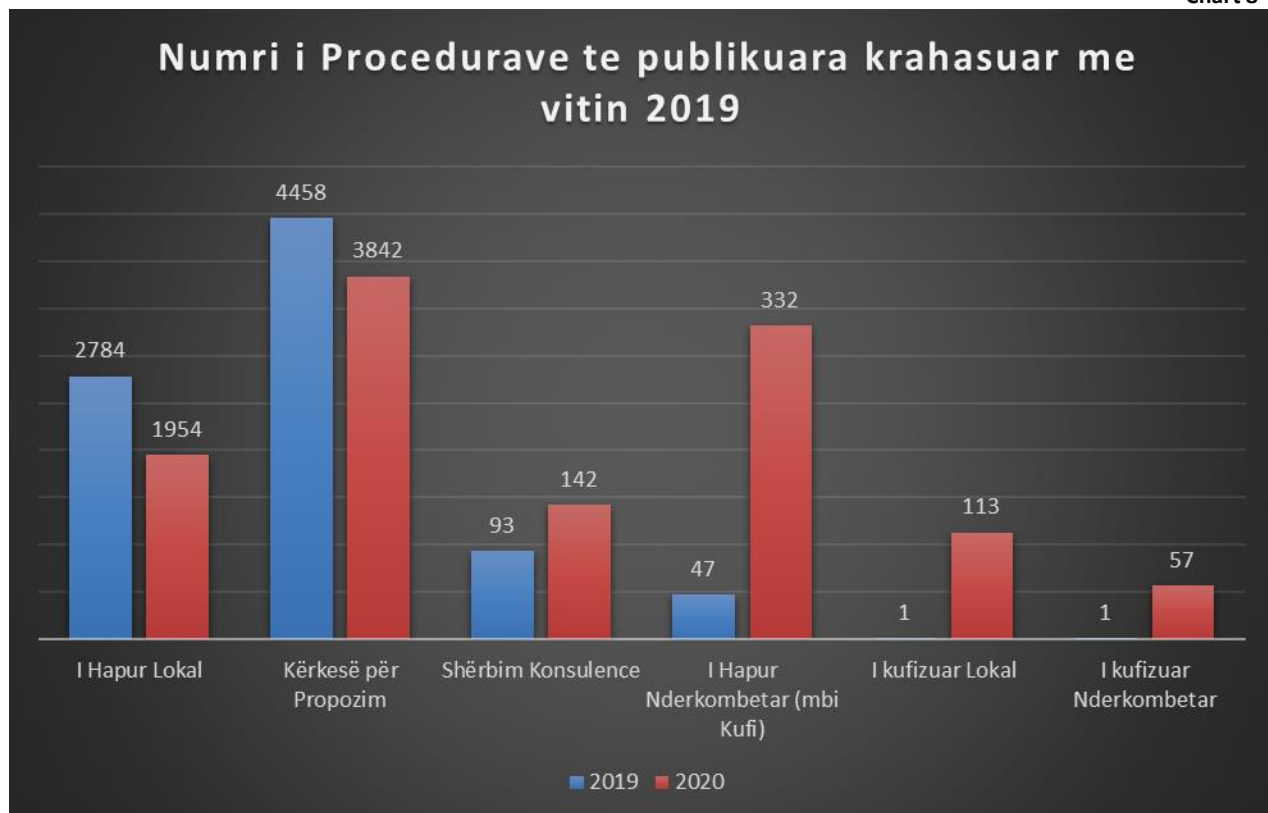
<b>Comparison of number of Competitive Procedures notices in 2019 and 2020 by type of procurement procedures</b>		
<b>Year</b>	<b>2019</b>	<b>2020</b>
Local, Open	2,784	1,954
Request for Proposal	4,458	3,842
Consultancy Services	93	142
International, Open (above the Threshold)	47	332
Local, Restricted	1	113
International, Restricted	1	57
Number of Procedures	7,384	6,440
Total value of limit fund	110,646,365,109	264,072,258,684

From the data in the table above it turns out that:

- The number of published procedures in 2020 (6,440) is smaller than the number of published procedures in 2019 (7,384), while the limit fund of published procedures in 2020 (264,072,258,684 ALL excluding VAT), is much higher than the limit fund of published procedures in 2019 (110,646,365,109 ALL excluding VAT).
- There is a significant increase in the number of Local and International, Restricted procedures in 2020 (170 procedures), compared to 2019 (2 procedures). This increase in the number of Local and International, Restricted procedures comes as a result of the use of these types of procedures for the reconstruction of damage caused by the earthquake of 26.11.2019.
- There is an increase in the number of International, Open published procedures in 2020 (332 procedures), compared to those published in 2019 (47 procedures). This increase in the number of International, Open procedures comes as consequence of the use of the Framework Agreement with a time limit of several years, which due to the limit fund to cover the continuous needs for all years of the CAs, obliges the authorities to conduct the International, Open competitive procedure.

The following chart shows the number of published procedures compared by type of procedure, respectively in 2019 and 2020.

Chart 8



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Numri i procedurave të publikuara krahasuar me 2019</i>	<i>Number of published procedures as compared to 2019</i>
<i>I hapur Lokal</i>	<i>Open local</i>
<i>Kërkesë për Propozim</i>	<i>Request for proposal</i>
<i>Shërbim konsulence</i>	<i>Consultancy service</i>
<i>I hapur ndërkombëtar ( mbi Kufi)</i>	<i>Open international (above the threshold)</i>
<i>I kufizuar lokal</i>	<i>Restricted local</i>
<i>I kufizuar ndërkombëtar</i>	<i>Restricted international</i>

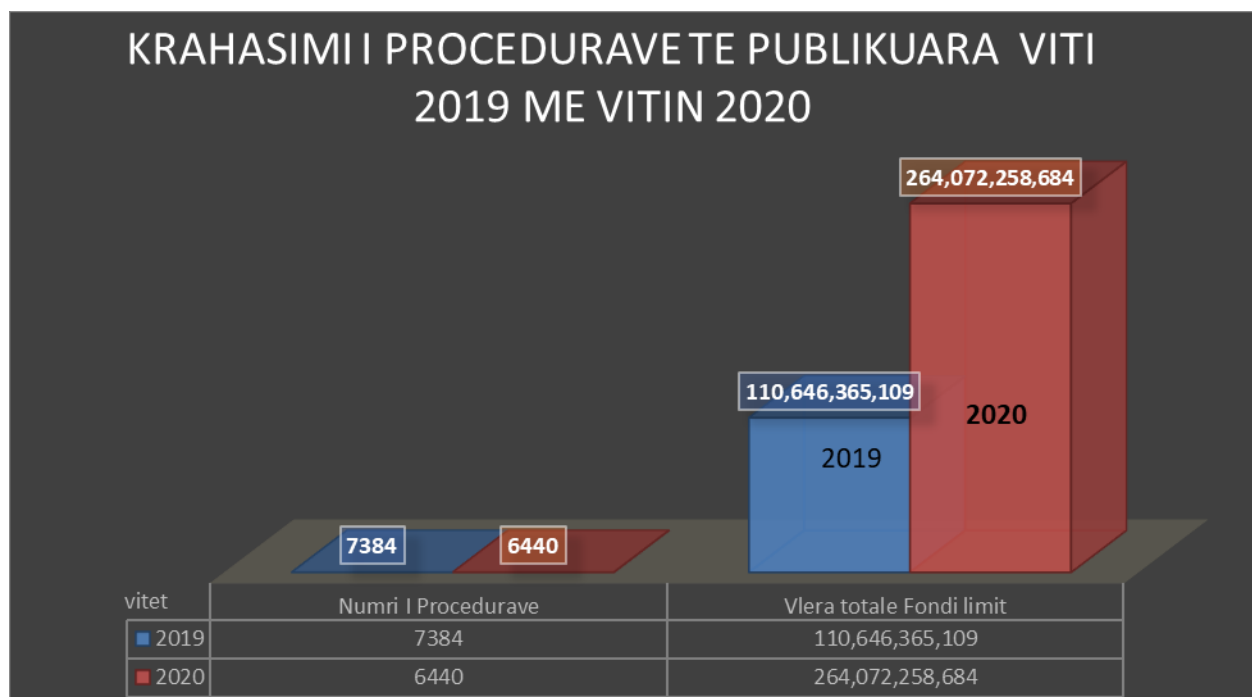
The data on the limit fund values for the published procedures in 2020 compared to the limit fund values for the published procedures in 2019 are presented in the following table:

**Table 12**

<b>Comparison of Limit Fund Values, by Type of Competitive Procedure in 2019 and 2020</b>		
<b>Year</b>	<b>2019</b>	<b>2020</b>
Local, Open	82,703,647,164	123,247,664,809
Request for Proposal	11,038,980,409	8,235,601,242
Consultancy Services	1,231,302,997	2,870,217,730
International, Open (above the Threshold)	12,791,070,118	47,780,228,294
Local, Restricted	81,016,850	9,101,098,391
International, Restricted	2,800,347,570	72,837,448,218
Total Value of Limit Fund	110,646,365,109	264,072,258,684

The chart below shows the number of published procedures comparatively and the limit fund values, respectively in 2019 and 2020.

**Chart 9**



**Translation of the chart:**

Albanian	English
Krahasimi i procedurave te publikuara viti 2019 me vitin 2020	The comparison between 2019 and 2020 regarding the published procedures
Vitet	Years
Numri i procedurave	Number of procedures
Vlera totale Fondi limit	Total value Limit fund

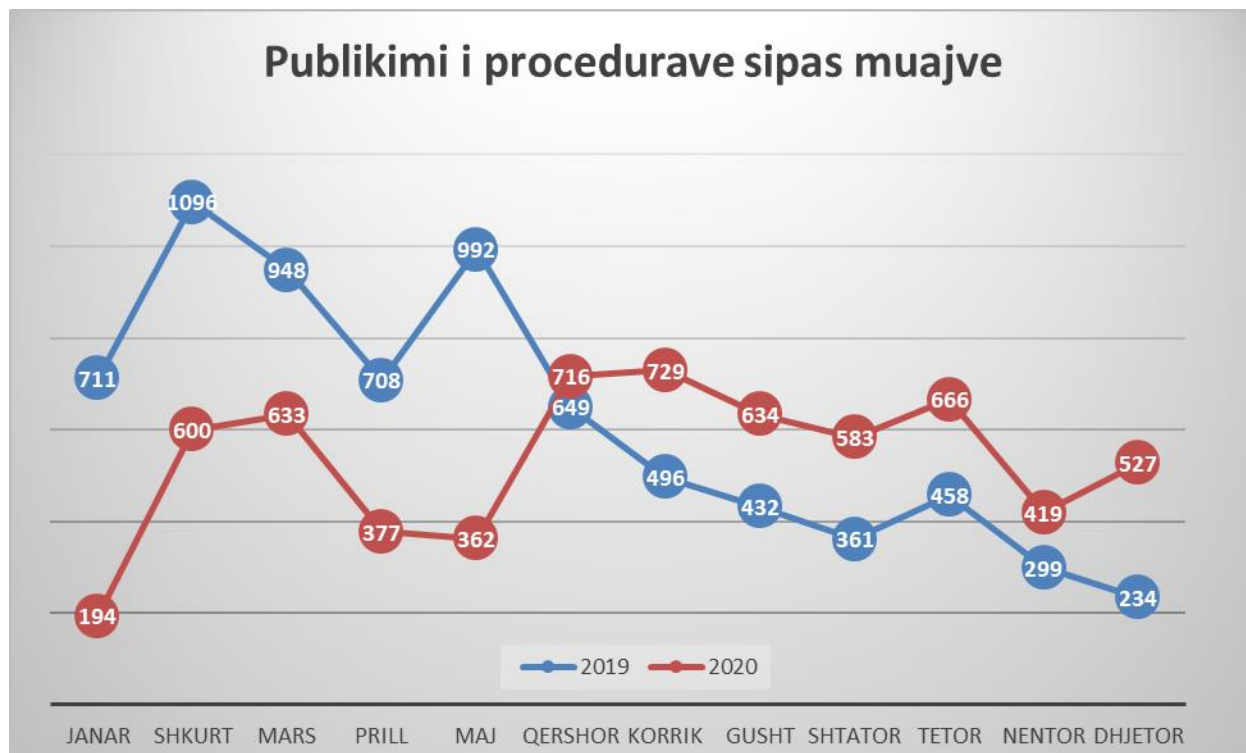
The table and chart below show the number of published procedures in detail, respectively in the period January - December 2019 and January - December 2020, by month.

**Table 13**

Comparison of number of published procedures in the Electronic Procurement system in 2019 and 2020		
Year	2019	2020
January	711	194
February	1,096	600
March	948	633
April	708	377
May	992	362
June	649	716
July	496	729
August	432	634
September	361	583
October	458	666
November	299	419

December	234	527
Total	7,384	6,440

Chart 10



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Publikimi i procedurave sipas muajve</i>	<i>Publication of procedures by months</i>
<i>Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nentor-Dhjetor</i>	<i>January-February-March-April-May-June-July-August-September-October-November-December</i>

As it can be seen from the above data, the impact on slowing down the finalization of procedures due to the situation created in our country, the pandemic caused by COVID-19 and the declaration of the state of natural disaster in the Republic of Albania, mainly in the first semester of 2020, and their transfer in the second semester of 2020.

Finally, from the analysis of the data presented in this section, it is worth noting that, in the identification of these numbers other factors have had an influence such as:

- PPA recommendation to contracting authorities for the immediate commencement at the end of 2019 of the procurement procedures for the envisaged objects (supplies / works / services) in 2020, as long as the funds are foreseen and in any case within the budget limit in 2020, in order to increase the performance of fund management by contracting authorities, as well as the overall functioning of the public procurement system. The positive effects of this recommendation were reflected in the



higher number of competitive procedures finalized with a contract award notice during 2020, as compared to a year ago.

- PPA recommendation to contracting authorities to use Framework Agreements with time limits of 1 or 2 years, for categories of supplies and services of a recurring nature, ensuring the coverage of constant needs of authorities at all times. It is worth mentioning that a considerable number of Framework Agreements have been finalized which were published in 2019 and have covered the needs of CAs. The positive effects of this recommendation were reflected in the much lower number of negotiated procedures without prior publication conducted by the CAs during 2020 (excluding the procedures conducted due to the situation caused by Covid-19 and those for the earthquake), compared not just with a year ago, but with the whole period of the last twelve years.

- Informatization of the forecast register where the authorities have the obligation to forecast in the relevant elements the time of conducting the procedures and the observance of this planning, avoiding frequent modifications in the register.

### 2.3.5. Statistics by contract award notice

In this part of the report, the respective data related to the publication of contract award notices in the Electronic Procurement System will be reflected, as well as the analysis of these data.

The total number of contract award notices of the published procurement procedures during 2020 in the electronic procurement system, by the type of contract: services, supplies and works is 4,568 (1,135 less than in 2019).

The lower number of contract award notices is also related to the lower number of procedure publications during 2020 (where 6,440 procedures were published), compared to the procedure publications in 2019 (where 7,384 procedures were published).

Also, this decrease in the number of procedures finalized with a contract award notice first shows the positive effects the measures taken by PPA have had, especially the recommendations for using the Framework Agreement with several-year time limits for envisaged objects (supplies / works / services) but also the suspension and slowing down of the process of finalization of procurement procedures, for those procurement objects, which are not closely **related to the situation created in our country by the pandemic caused by COVID-19, as well as the declaration of the state of natural disaster in the Republic of Albania.**

#### 2.3.6.1 Statistics about the number of contract award notices published during 2020, by type of contract

In tabular form, the data for electronic procurement procedures, divided by type of contract conducted and finalized with a contract award notice in the system during 2020 are as follows:

Table 14

#### Number of contract award notices published by type of contract

Services		Supplies		Civil Works	
Type of Procedure	Number of Contract Award Notices	Type of Procedure	Number of Contract Award Notices	Type of Procedure	Number of Contract Award Notices
Consultancy Services and Design Contest	82	Consultancy Services and Design Contest	-	Consultancy Services and Design Contest	-
International, Open	15	International, Open	246	International, Open	-
Local, Open	307	Local, Open	691	Local, Open	441
Request for Proposal	714	Request for Proposal	1,588	Request for Proposal	379
Local, Restricted (not including Reconstruction)	1	Local, Restricted (not including Reconstruction)	-	Local, Restricted (not including Reconstruction)	-
Local, Restricted (Reconstruction only)	44	Local, Restricted (Reconstruction only)	-	Local, Restricted (Reconstruction only)	16
International, Restricted (not including Reconstruction)	30	International, Restricted (not including Reconstruction)	1	International, Restricted (not including Reconstruction)	-
International, Restricted (Reconstruction only)	1	International, Restricted (Reconstruction only)	-	International, Restricted (Reconstruction only)	12
<b>TOTAL</b>	<b>1,194</b>	<b>TOTAL</b>	<b>2,526</b>	<b>TOTAL</b>	<b>848</b>

From the data reflected above, it turns out that the highest number of winners is for supplies contracts with 2,526 winners or 55.3% of the total winners.

#### 2.3.5.2. Statistics about the contract award notices published during 2020, by type of procurement procedure

Contract award notices by type of procedure, the procured limit fund and the value obtained for the 2020 procedures are presented as follows:

Table 15

Data on procurement procedures conducted and finalized with a contract award notice January -December 2020	
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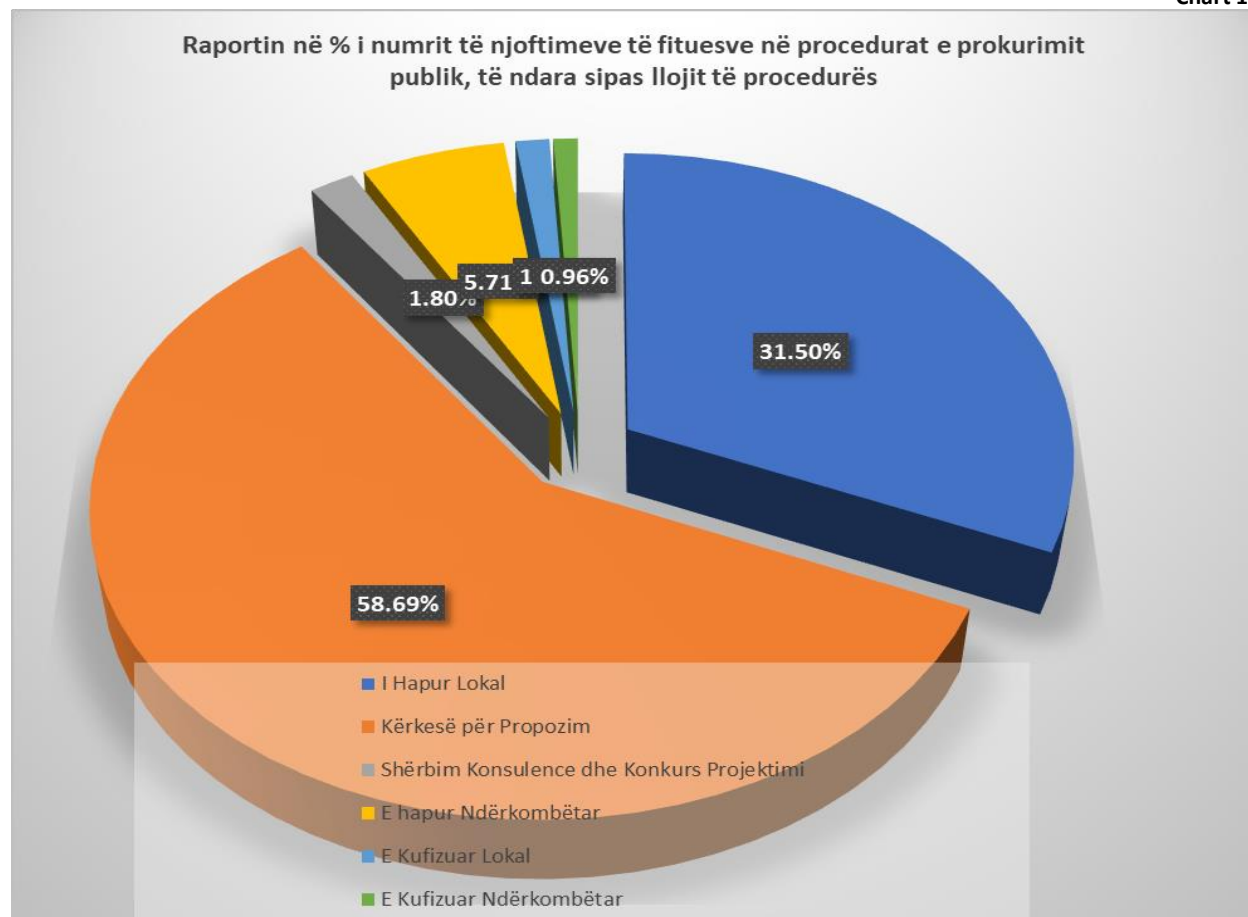
Type of procedures	Total number of procedures	Total published limit fund (value in ALL)	Total contracted value (value in ALL)	% occupied by the provided fund versus the published limit fund	Total saved fund (value in ALL)	% occupied by the saved fund versus the published limit fund
Local, Open	1,439	89,119,291,910	77,314,872,121	86,8%	11,804,419,789	13,2%
Request for Proposal	2,681	6,592,131,744	5,963,714,588	90,5%	628,417,156	9,5%
Consultancy Services and Design Contest	82	2,035,510,484	1,974,417,102	97,0%	61,093,382	3,0%
International, Open	261	16,615,534,208	16,313,719,722	98,2%	301,814,486	1,8%
Local, Restricted (not including Reconstruction)	1	148,823,123	148,591,621	99,9%	231,503	0,1%
Local, Restricted (Reconstruction only)	60	6,281,230,644	6,259,865,640	99,7%	21,365,004	0,3%
International, Restricted (not including Reconstruction)	31	7,744,583,756	7,744,528,828	99,9%	54,928	0,1%
International, Restricted (Reconstruction only)	13	32,026,240,378	32,026,240,378	–	–	–
TOTAL	4,568	160,563,346,248	147,745,950,000	92,0%	12,817,396,248	8,0%

As it can be seen from the above data, the highest percentage of savings of the published limit fund is in the Local, Open procedure, through which the largest value of the public fund was procured during 2020.

The percentage of savings of the limit fund evidenced in the Local, Restricted and International, Restricted procedures, is explained by the fact that through these procedures mainly Framework Agreements and not contracts are procured, and in Framework Agreements, the mini-competition continues according to specific needs and the decrease in the fund based on which the mini-contract is awarded is done at the mini-competitions phase (which take place periodically throughout the duration of FA and cannot be measured with the data of one year).

The following diagram shows the ratio in percentage of the number of contract award notices in public procurement procedures, divided by type of procedure, conducted in the electronic procurement system in 2020.

Chart 11



**Translation of the chart:**

Albanian	English
Raporti në % i numrit të njoftimeve të fituesve në procedurat e prokurimit publik, të ndaras ipas llojit të procedurës	Ratio in % of the number of winner notices in the public procurement procedures, divided by type of procedure
Procedurë e hapur ndërkombëtare	Open international procedure
Procrdurë e hapur lokale	Open local procedure
Kërkesë për Propozim	Request for proposal
Shërbim konsulence, konkurs projektimi	Consultancy service and design contest

2.3.5.3. Statistics about the number of contract award notices published during 2020, compared to 2019

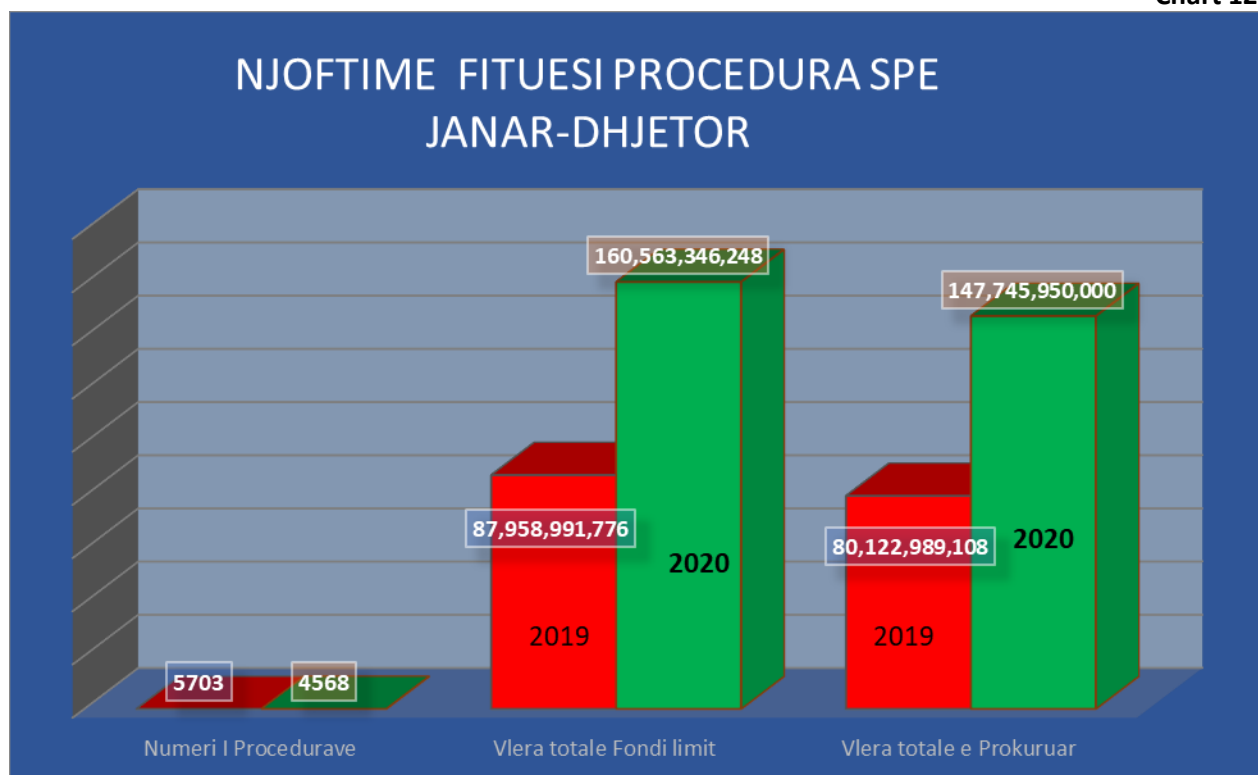
The table and chart below provide statistical data on contract award notices in 2020 compared to 2019.

**Table 16**

Comparison of number of contract award notices published in EPS in 2019 and 2020		
Year	2019	2020
Number of procedures	5,703	4,568
Total value of limit fund	87,958,991,776	160,563,346,248
Total procured value	80,122,989,108	147,745,950,000

The chart below provides statistical data on contract award notices in 2020 compared to 2019.

**Chart 12**



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Njoftime fituesi procedura SPE Janar-Dhjetor</i>	<i>Winner notice Electronic Procurement System procedure January - December</i>
<i>Numri i Procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale Fondi limit</i>	<i>Total limit fund value</i>
<i>Vlera totale e Prokuruar</i>	<i>Total procured value</i>

Based on the data reflected in the above tables, the difference between the number of procedures published and those finalized with a contract award notice in the system, is explained by the fact that at the end of 2020 a number of procedures were published, based on the continual PPA recommendations for immediate commencement of procurement procedures for envisaged objects (supplies / works / services) for the next year, which are finalized with a contract award notice in the following year.

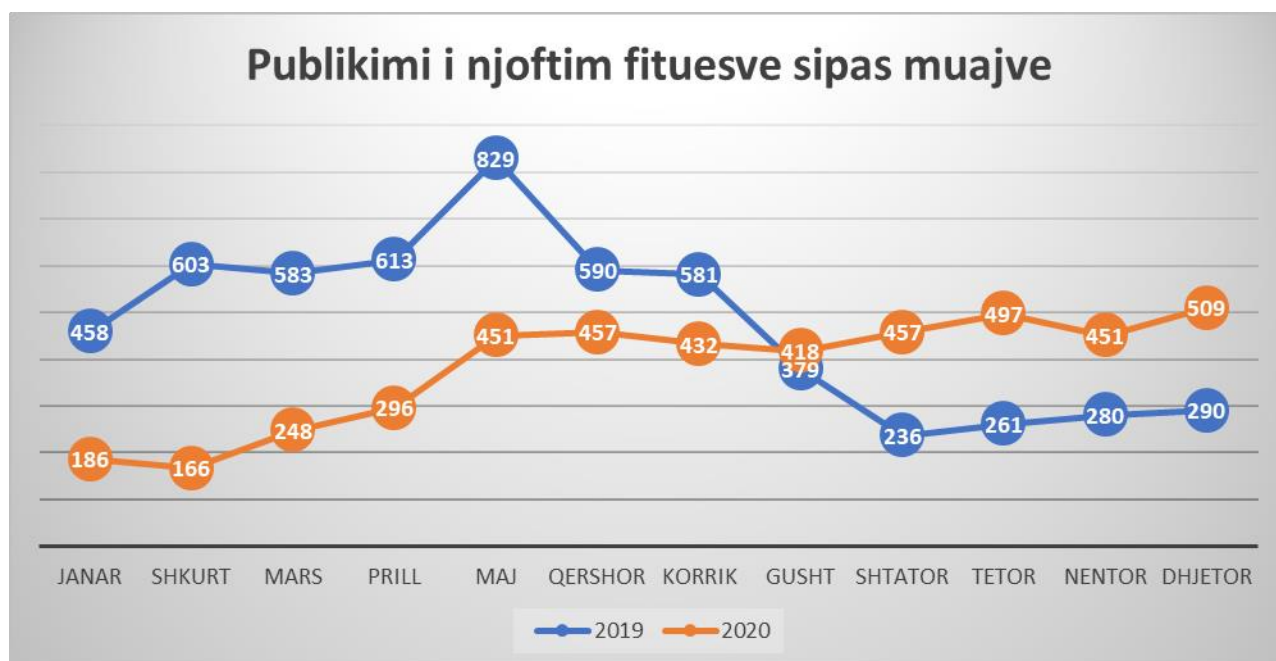
It is also evidenced that the savings of funds in 2020 in the amount of 12,817,396,248 ALL, are higher than the savings of funds in 2019 in the amount of 7,836,002,668 ALL.

The table and chart below show the number of contract award notices published in the Electronic Procurement System, in detail, respectively in the period January - December 2020 and January - December 2019, by month.

**Table 17**

<b>Comparison of the number of contract award notices published in the Electronic Procurement System in 2019 and 2020</b>		
<b>Year</b>	<b>2019</b>	<b>2020</b>
January	458	186
February	603	166
March	583	248
April	613	296
May	829	451
June	590	457
July	581	432
August	379	418
September	236	457
October	261	497
November	280	451
December	290	509
<b>Total</b>	<b>5,703</b>	<b>4,568</b>

**Chart 13**



**Translation of the chart:**

Albanian	English
Publikimi i njoftim fituesve sipas muajve	Publication of contract award notices by months
Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nentor-Dhjetor	January-February-March-April-May-June-July-August-September-October-November-December

As it can be seen from the above data, the impact of slowing down the finalization of procedures due to the situation created in our country by the pandemic caused by COVID-19 and the declaration of the state of natural disaster in the Republic of Albania, especially during January - August 2020 is easily noticed.

#### 2.3.5.4. Statistics about the criteria provided by law on evaluating the successful tender for procedures finalized with a contract award notice during 2020

During 2020 PPA has analyzed which of the two criteria provided by law, CAs have used for the evaluation of the winning bid. The data of this analysis are reflected in the following table:

**Table 18**

Statistics about procedures awarded by way of the most economically advantageous tender in 2020							
No.	Description	No. Procedures / Lots	Limit fund in ALL excluding VAT	Procured fund in ALL excluding VAT	% of number of respective procedures versus	% of respective limit fund versus the total	% of respective contract value versus

					the total		the total
<b>1</b>	Procedures awarded by way of the most economically advantageous tender in 2020	100	9,651,675,070	9,606,241,187	2.18 %	6.01%	6.50%
<b>2</b>	Procedures awarded by way of the lowest price tender in 2020	4468	150,911,671,178	138,139,708,813	97.82 %	93.99%	93.50%
<b>5</b>	<b>TOTAL</b>	<b>4568</b>	<b>160,563,346,248</b>	<b>147,745,950,000</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

This is an indicator that serves us to encourage and guide CAs to use the most economically advantageous tender evaluation method in all cases where necessary, in order to increase the quality of public contracts.

Compared to 2019 where the number of relevant procedures versus the total procedures awarded by way of the most economically advantageous tender was 1.7%, in 2020 there is a slight increase in the use of this evaluation method (2.18%). Meanwhile, with the entry into force of the legal package, the use of the most economically advantageous tender will be encouraged more.

### 2.3.6. Statistics about signed contracts

In this part of the report, the respective data will be reflected regarding the publication of signed contract notices in the Electronic Procurement System, as well as the analysis of these data.

The total number of signed contract notices following the conducted procurement procedures during 2020 in the electronic procurement system is 3,443 (1,103 contracts less than in 2019).



### 2.3.6.1 Statistics about the number of signed contract notices in the course of 2020, by type of contract

Contract notices signed by type of procedure and type of contract are presented as follows:

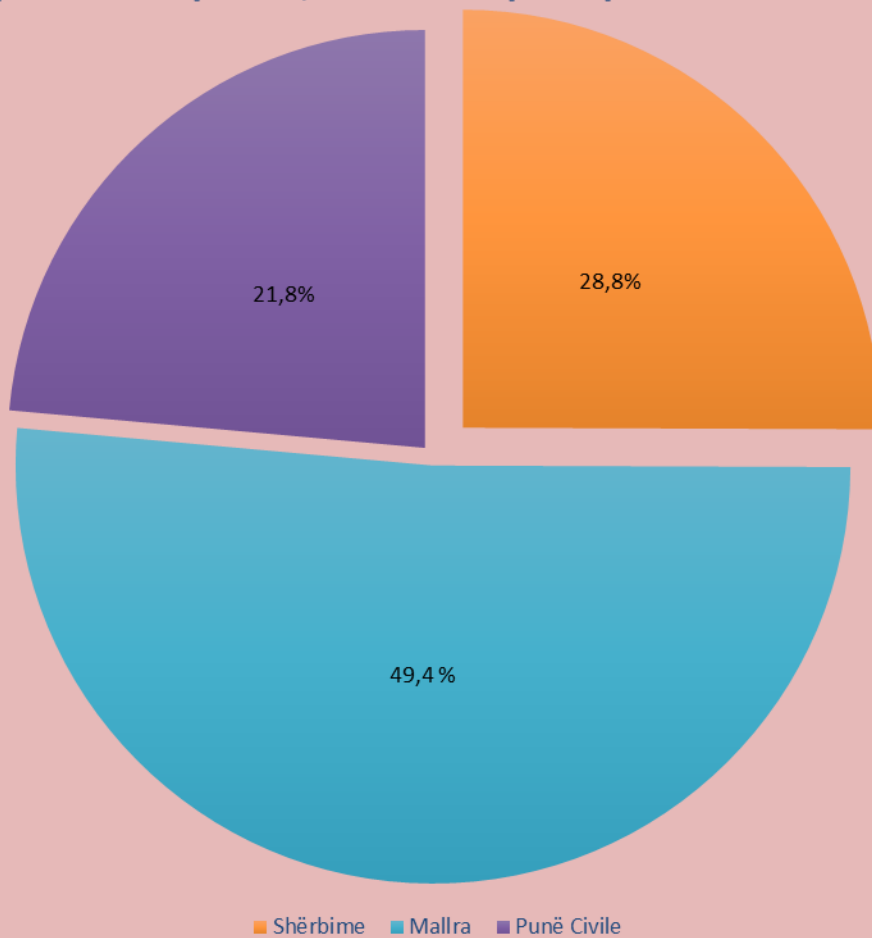
Table 19

Signed contract notices during the period January-December 2020					
Services		Goods		Civil works	
Type of procedure	Number of signed contracts	Type of procedure	Number of signed contracts	Type of procedure	Number of signed contracts
Local, Open procedure	242	Local, Open procedure	483	Local, Open procedure	376
Request for Proposal	650	Request for Proposal	1214	Request for Proposal	357
Consultancy Services and Design Contest	61	Consultancy Services and Design Contest	0	Consultancy Services and Design Contest	0
International, Open	4	International, Open	4	International, Open	0
Local, Restricted (not including Reconstruction)	0	Local, Restricted (not including Reconstruction)	0	Local, Restricted (not including Reconstruction)	0
Local, Restricted (Reconstruction only)	33	Local, Restricted (Reconstruction only)	0	Local, Restricted (Reconstruction only)	15
International, Restricted (not including Reconstruction)	0	International, Restricted (not including Reconstruction)	1	International, Restricted (not including Reconstruction)	0
International, Restricted (Reconstruction only)	0	International, Restricted (Reconstruction only)	0	International, Restricted (Reconstruction only)	3
<b>TOTAL</b>	<b>990</b>	<b>TOTAL</b>	<b>1,702</b>	<b>TOTAL</b>	<b>751</b>

The following diagram shows the number in% of contract notices in public procurement procedures, divided by contract type, published in the Electronic Procurement System in 2020.

Chart 14

### Njoftimet e lidhjes së kontratave në procedurat e prokurimit publik, të ndara sipas tipit të kontratës



#### Translation of the chart:

Albanian	English
Njoftimet e lidhjes së kontratave në procedurat e prokurimit publik, të ndara sipas tipit të kontratës	Signed Contract Notices of the Public Procurement Procedures broken down by type of contract
Shërbime	Services
Mallra	Supplies
Punë Civile	Civil works

From the data reflected above, it turns out that the highest number of signed contracts so far is Supplies contracts with 1,702 contracts or 49.4% of the total contracts, which are mainly supplies for coping with the consequences of the COVID-19 pandemic.

#### 2.3.6.2 Statistics about the number of signed contract notices during 2020, by procurement procedure type

Signed contract notices by total value and type of procedure are presented as follows:

Table 20

Data on procurement procedures finalized with signed contracts in 2020						
Types of procedures	Number of signed contracts	Total procured limit fund (value in ALL excluding VAT)	Total contracted value (value in ALL excluding VAT)	% occupied by the contracted value versus the procured limit fund	Total saved fund (value in ALL excluding VAT)	% occupied by the saved fund versus the total procured fund
Local, Open procedure	1,101	74,798,026,495	64,342,630,408	86,1%	10,455,396,087	13,9%
Request for Proposal	2,221	5,901,298,666	5,347,926,743	90,6%	553,371,924	9,4%
Consultancy Services and Design Contest	61	1,701,012,185	1,650,863,345	97,1%	50,148,840	2,9%
International, Open	8	2,709,535,693	2,524,185,466	93,2%	185,350,227	6,8%
Local, Restricted (not including Reconstruction)	0	0	0	-	-	-
Local, Restricted (Reconstruction only)	48	5,442,782,019	5,427,763,641	99,7%	15,018,378	0,3%
International, Restricted (not including Reconstruction)	1	2,800,347,570	2,800,347,570	-	-	-
International, Restricted (Reconstruction only)	3	17,683,802,805	17,683,802,805	-	-	-
<b>TOTAL</b>	<b>3,443</b>	<b>111,036,805,434</b>	<b>99,777,519,978</b>	<b>89,9%</b>	<b>11,259,285,456</b>	<b>10,1%</b>

As it can be seen from the data analyzed in the above tables, it turns out that the number of signed contracts, 3,443 in total, is less than the number of contract award notices 4,568 in total, with a difference between the number of contract award notices and the number of signed contracts by 1,125 notices.

This low figure is explained by the fact that in the procedures conducted in the process of reconstruction and elimination of damages caused by the earthquake of 26.11.2019, mini-competitions were used, which were not fully finalized for all procedures. In order to finalize the very large number of these mini-competitions that have a large volume of work, the necessary time is required for the finalization with a contract award notice of conducted procedures.

The difference for other procedures not related to the reconstruction is explained by the argument that the time limit from the moment of publishing the contract award notice until the conclusion of the contract is 60 days and from the signing of the contract to reflecting the signed contract in the system is 5 days (contracts may be concluded on the day the winning bid is published, but they may have not have been reflected in EPS by 31 December 2020, the reference date for the data processing).

Also, the finalization of Framework Agreements has had an impact, for which every signed contract based on the framework agreement is sent for publication as a mini-contract.

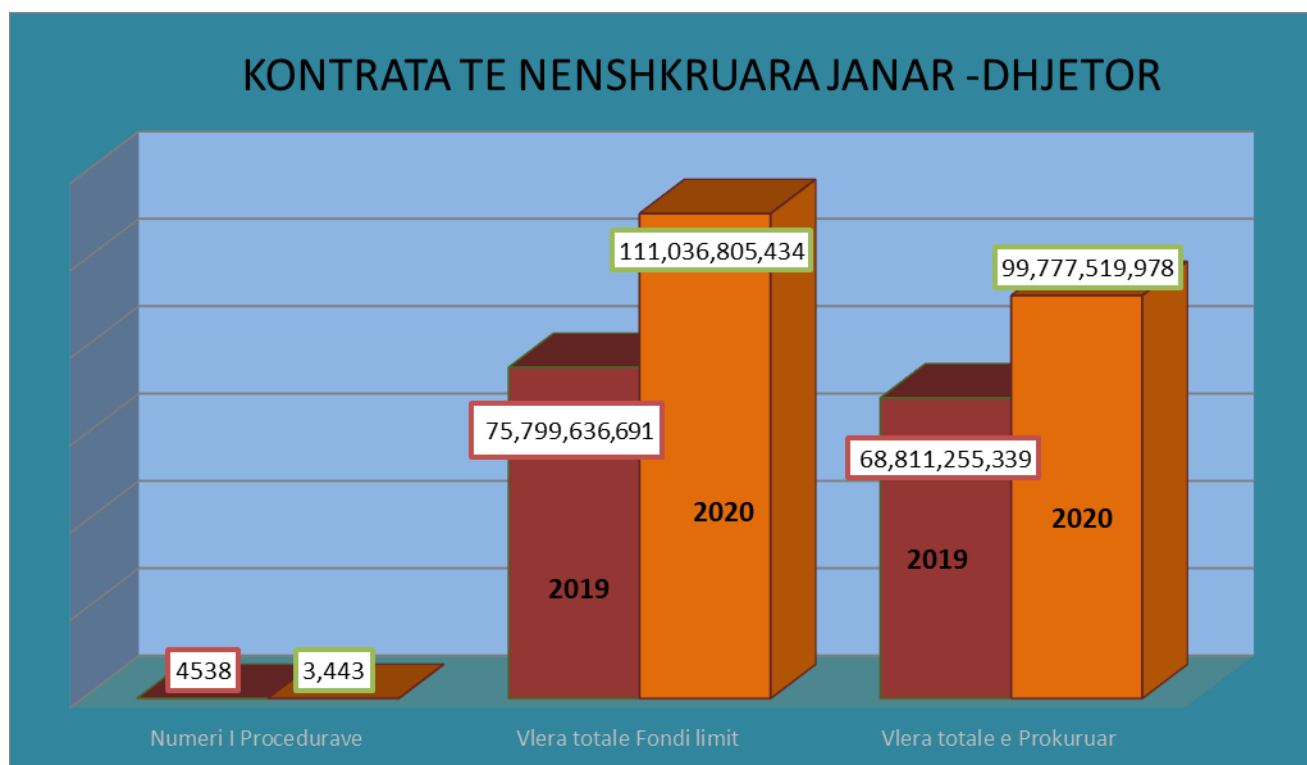
### 2.3.6.3 Statistics about the number of signed contract notices during 2020, compared to 2019

The table and chart below show statistical data on the signed contract notices in 2019 compared to 2020.

**Table 21**

Comparison of signed contract notices in 2019 and 2020		
Year	2019	2020
Number of contracts	4,538	3,443
Total value of limit fund	75,799,636,691	111,036,805,434
Total Procured Value	68,811,255,339	99,777,519,978

**Chart 15**



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Kontrata të nënshkruara Janar-Dhjetor</i>	<i>Signed contracts in January - December</i>
<i>Numri i procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale Fondi limit</i>	<i>Total limit fund value</i>
<i>Vlera totale e Prokuruar</i>	<i>Total procured value</i>

As above, it is worth noting that in 2020 1,095 less contracts were signed than in 2019, but the limit fund and the value of signed contracts in 2020 is much higher than in 2019. Decrease in the number of contracts signed in 2020 is also due to the Covid-19 pandemic and the state of the natural disaster of the earthquake, where many published procedures were slowed down in finalizing the contract.

Meanwhile many contracts of procedures that commenced in 2020 will continue with the conclusion of contracts in the following year 2021, because the time limit from the moment of announcing the winner until the conclusion of the contract is 60 days.

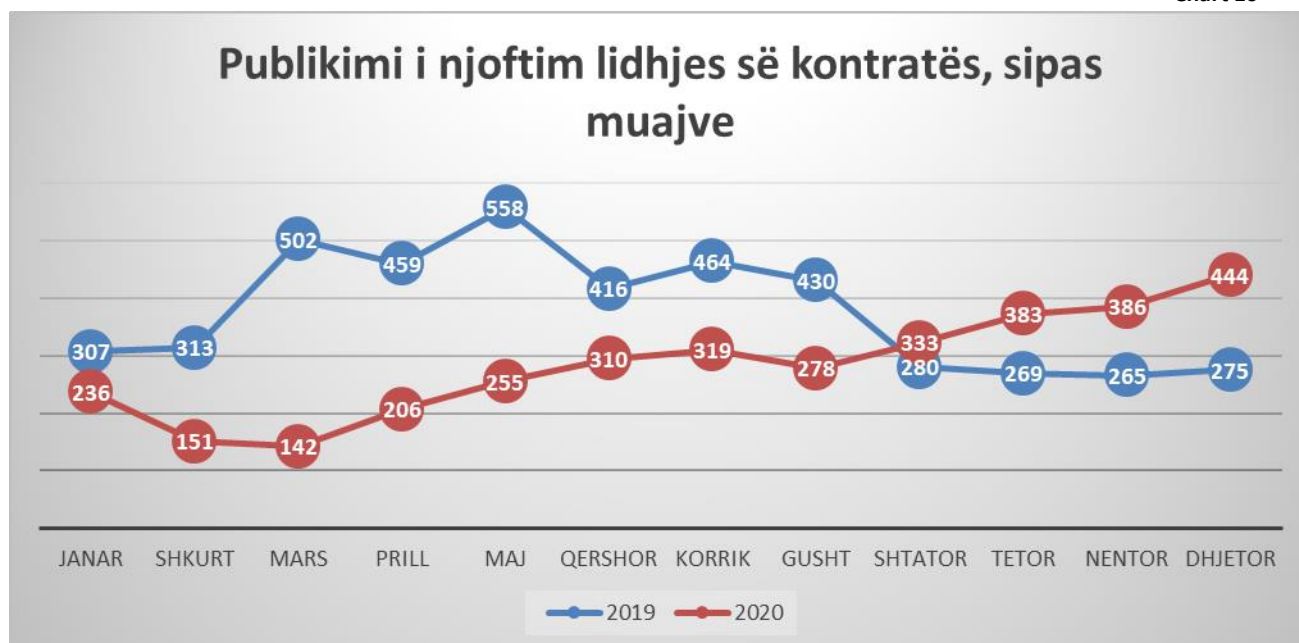
The table and chart below show the comparison of the number of signed contract notices, published in the Electronic Procurement System, in detail, respectively for the period January - December, 2019 with 2020.

**Table 22**

Comparison of number of published concluded contracts in the Electronic Procurement System in 2019 with 2020		
Year	2019	2020

January	307	236
February	313	151
March	502	142
April	459	206
May	558	255
June	416	310
July	464	319
August	430	278
September	280	333
October	269	383
November	265	386
December	275	444
<b>Total</b>	<b>4,538</b>	<b>3,443</b>

Chart 16



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Publikimi i njoftim lidhjes së kontratës, sipas muajve</i>	<i>Publication of signed contract notice by months</i>
<i>Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nentor-Dhjetor</i>	<i>January-February-March-April-May-June-July-August-September-October-November-December</i>

As it can be seen from the above data, the impact on slowing down the finalization of procedures due to the situation created in our country by the pandemic caused by COVID-19 and the declaration of the state of natural disaster in the Republic of Albania, especially during January -August 2020, is easily noticed.

### 2.3.7. Statistics about the saved percentage from conducted procedures in the electronic procurement system

The following table reflects the data on the number of public procurement procedures conducted in the electronic system (excluding negotiated procedures without prior publication of a contract notice) during 2020, the relevant limit fund, the number of canceled procedures, the number of carried on procedures, the number of finalized procedures with the limit fund and the respective contracted value, as well as the savings in percentage.

Table 23

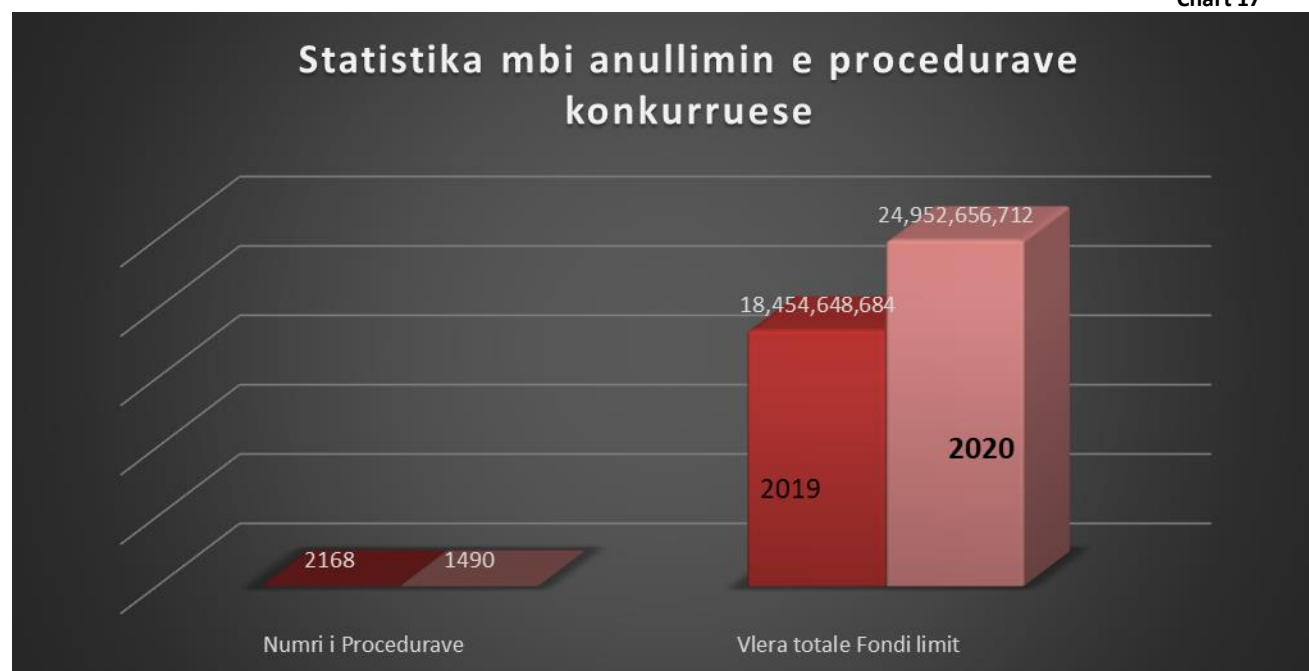
Conducted procurement procedures in the electronic procurement system in 2020	
Total number of published procedures	6,440
Total limit fund of published procedures (value in ALL)	264,072,258,684
Total number of incomplete procedures (canceled, etc.)	1,490
Total limit fund of incomplete procedures (canceled, etc.) (value in ALL)	24,952,656,712
Total number of carried on procedures	4,950
Total limit fund of carried on procedures (value in ALL)	239,119,601,972
Total number of finalized procedures	4,568
Total limit fund of finalized procedures (value in ALL)	160,563,346,248
Total contracted value (value in ALL)	147,745,950,000
% occupied by the total contracted value versus the total limit fund of finalized procedures	92.0%
Saved total fund (value in ALL)	12,817,396,248
% occupied by the saved fund versus total limit fund of finalized procedures	8.0%

### 2.3.8. Statistics about the number of canceled competitive procedures above 800.000 ALL during 2020

From the data reflected in the following tables, it turns out that in 2020, out of 6,440 published procedures to be conducted in the electronic procurement system, 1,490 were canceled with a value of 24,952,656,712 ALL, while in 2019 the total number of procedures canceled was 2,168 procedures worth 18,454,648,684 ALL.

So, as it is noticed, the number of canceled procedures in 2020 is lower than the number of canceled procedures in 2019. Expressed in percentage, it turns out that in 2020 the number of canceled procedures is 31% less than in 2019.

Chart 17



**Translation of the chart:**

Albanian	English
Statistika mbi anulimin e procedurave konkurruese	Statistics on the cancellation of competitive procedures
Numri i procedurave	Number of procedures
Vlera totale Fondi limit	Total limit fund value

From the data analysis it turns out that 950 canceled procedures are lots, which occupy in total 63.7% of the annulments of published procedures.

Table 24

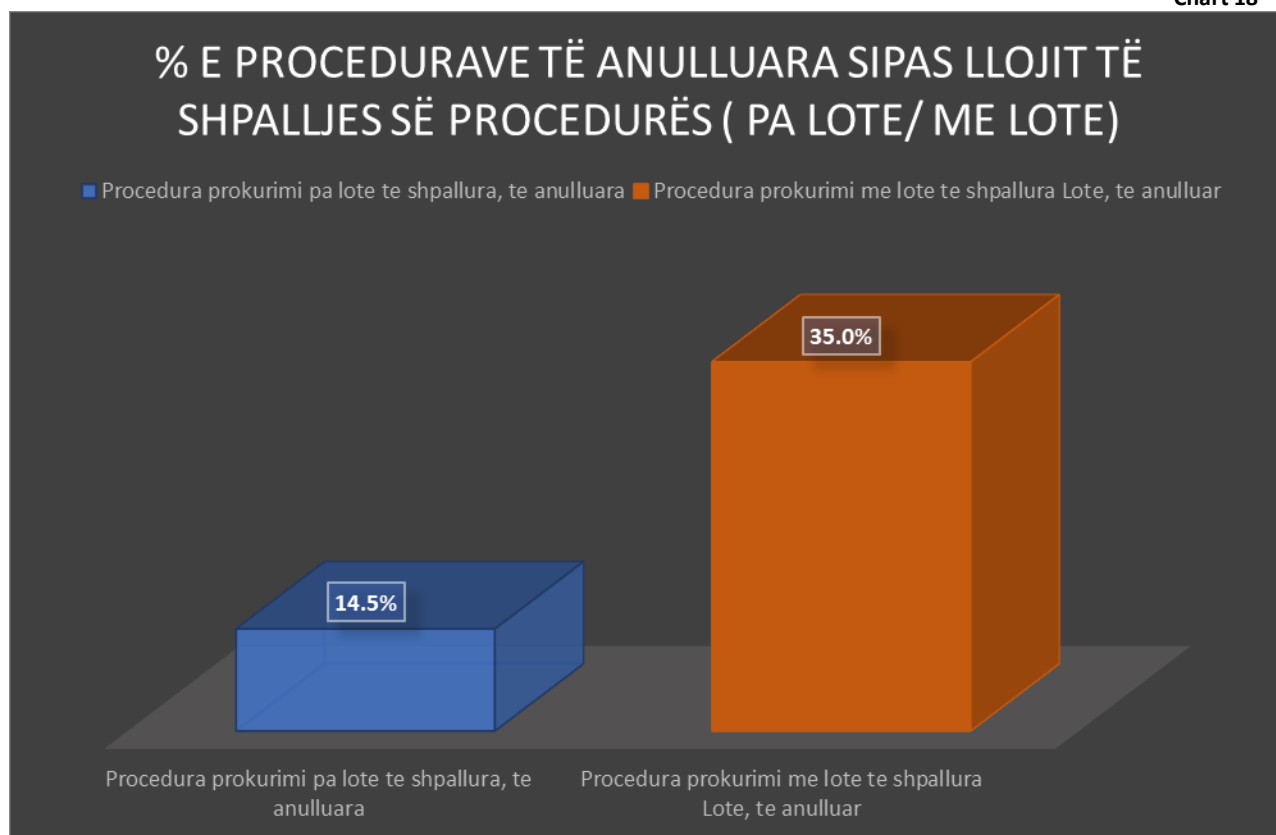
Type of published procedure in the system	Number
Published procurement procedures without lots	3,711
Published canceled procurement procedures without lots	540
% occupied by published canceled procurement procedures without lots versus the number of published procurement procedures without lots	14.5 %
Published procurement procedures with lots	2,729



Published canceled procurement procedures with lots	950
% occupied by published canceled procurement procedures with lots versus the number of published procurement procedures with lots	35 %

The following chart shows in% the annulment of procedures by manner of their publication in the system procedures with lots / without lots:

Chart 18



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
% e procedurave të anuluar sipas llojit të shpalljes së procedurës (pa lote/me lote)	% of the cancelled procedures according to the manner of publication of the procedures with lots/without lots
Procedura prokurimi pa lote te shpallura, te anulluara	Procurement procedure without published lots, canceled
Procedura prokurimi me lote te shpallura, te anulluara	Published procurement procedure with lots, canceled

As above, it is noticed that canceled lots occupy a higher percentage of the number of procedures with lots, published in the system.

From the analysis of the objects of the canceled procedures it turns out that, over 60% of the annulments of the procedures with lots pertain to the procedures for purchase of medicines and health service materials, where mainly those lots that are procured for small quantities of medicines are canceled. A significant part of the canceled procedures also pertains to the transport service for

teachers and students, because these procedures require transport to remote areas, and often economic operators are not interested in providing this service.

Also, about 160 procedures / lots are canceled before the deadline for opening bids, which account for about 10% of the annulments in total. These annulments come mainly from errors in completing / performing the steps of the procedure in the system by the contracting authorities, or from changing the priorities in the work of the contracting authorities.

However, although the number of procedures has decreased in 2020, work should continue with the Contracting Authorities to take measures to avoid as much as possible the problems that lead to the annulment of procurement procedures, in order to increase the efficiency of the process.

From the data analysis it turns out that, according to the given definitions in the electronic procurement system, by the contracting authorities themselves regarding the annulments for the published competitive procedures according to the legal reasons defined in the legislation:

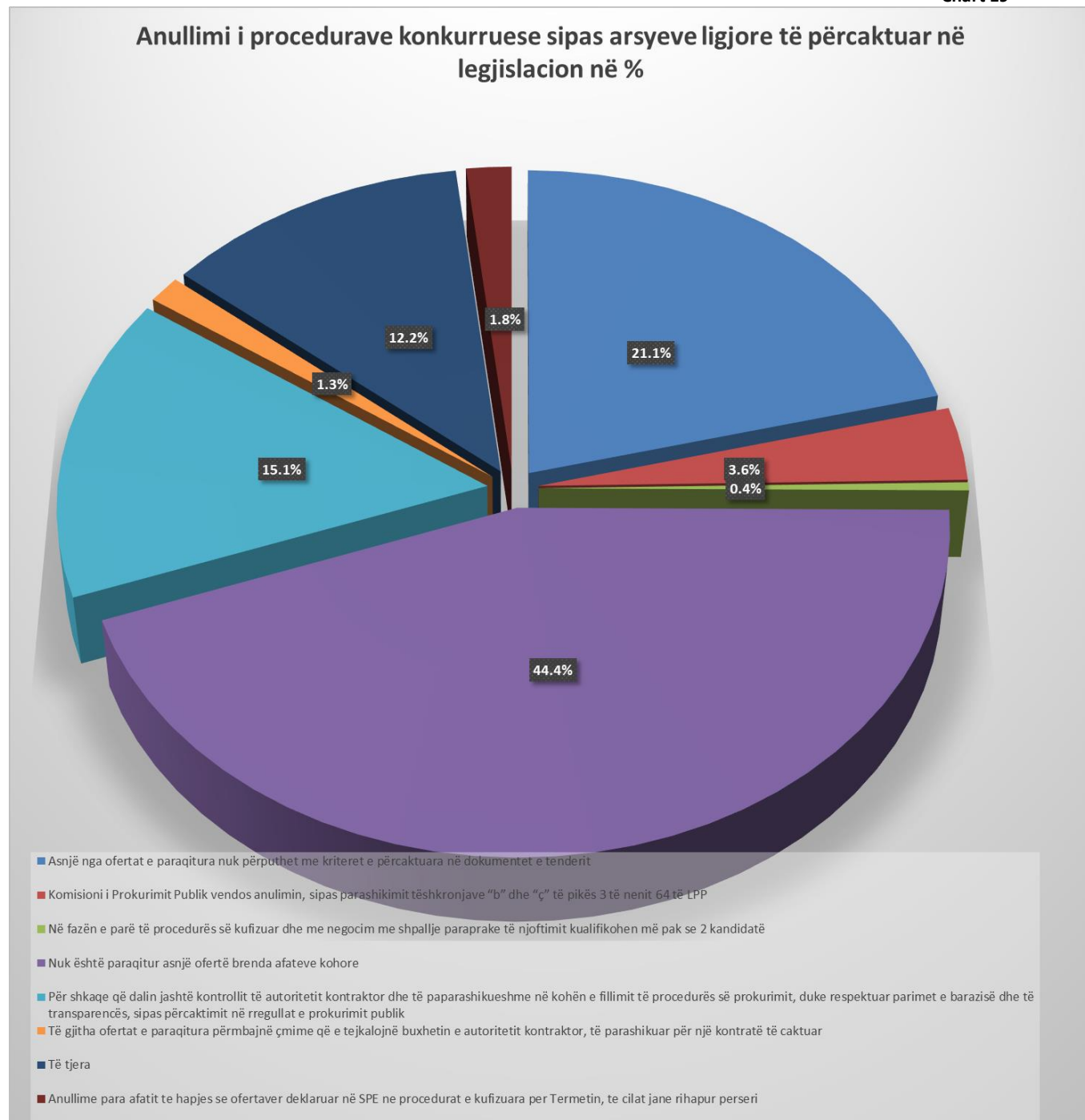
**Table 25**

<b>Reason for annulment published in the system</b>	<b>Number of canceled procedures</b>
<b>None of the submitted bids complies with the criteria set out in the tender documents</b>	314
<b>Public Procurement Commission decides on the annulment, according to the provision of letters “b” and “ç” of paragraph 3 of article 64 of PPL</b>	54
<b>In the first phase of the restricted and negotiated procedure with prior publication of a contract notice, less than 2 candidates qualify</b>	6
<b>No bids were submitted within the deadlines</b>	662
<b>For reasons beyond the control of the contracting authority and unpredictable at the time of the commencement of the procurement procedure, respecting the principles of equality and transparency, as defined in the public procurement rules</b>	225
<b>All submitted bids contain prices that exceed the budget of the contracting authority, provided for a certain contract</b>	20
<b>Other</b>	182
<b>Annulments before the bid opening deadline published in the EPS in Restricted procedures for Reconstruction, which have been reopened</b>	27
<b>TOTAL</b>	<b>1,490</b>

As it can be seen, the largest number of canceled lots, 662 lots, is related to the reason that “No bids were submitted within the deadlines”, which mainly pertain to the procedures for purchasing medicines and health service materials.

Under these circumstances, PPA will ask the Ministry of Health to analyze the reasons for non-participation of bidders, in order to take the necessary measures to minimize cases of non-submission of bids.

Chart 19



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Anullimi i procedurave konkurruese sipas arsyeve ligjore të përcaktuara në legjislacion në %</i>	<i>Cancellation of competitive procedures under to the legal grounds as defined in the legislation in %</i>
<i>Asnjë nga ofertat e paraqitura nuk përputhet me kriteret e përcaktuara në dokumentet e te tenderit</i>	<i>None of the bids submitted complies with the criteria set out in the tender documents</i>
<i>Komisioni i Prokurimit Publik vendos anulimin, sipas parashikimeve të shkronjave "b" dhe "ç" të pikës 3 të nenit 64 të LPP</i>	<i>The Public Procurement Commission decides to make a cancelation, as provided for by Article 64, Paragraph 3, Subparagraphs "b" and "ç" of the Public Procurement Law</i>
<i>Nuk është paraqitur asnjë ofertë Brenda afateve kohore</i>	<i>No bids were submitted within the time limits</i>
<i>Për shkaqe që dalin jashtë kontrollit të autoritetit kontraktor dhe të paparashikueshme në kohën e fillimit të procedurës së prokurimit, duke respektuar parimet e barazisë dhe të transparencës, sipas përcaktimit në rregullat e prokurimit publik</i>	<i>For reasons beyond the control of the contracting authority and unpredictable at the time of the start of the procurement procedure, respecting the principles of equality and transparency, as defined in the public procurement rules</i>
<i>Të gjitha ofertat e paraqitura përmbajnë çmime që e tejkalojnë buxhetin e autoritetit kontraktor, të parashikuar për një kontratë të caktuar</i>	<i>All submitted bids contain prices that exceed the budget of the contracting authority, provided for a certain contract</i>
<i>Të tjera</i>	<i>Others</i>
<i>Anullime para afatit të hapjes së ofertave në SPE në procedurat e kufizuara për Tërmetin, të cilat janë rihapur përsëri</i>	<i>Cancellations before the timelimits for opening bids in EPS in restricted Earthquake procedures, which have been reopened</i>

**2.4. DATA ON NEGOTIATED PROCUREMENT PROCEDURES WITHOUT PRIOR PUBLICATION OF A CONTRACT NOTICE**

In addition to competitive public procurement procedures, published to take place in the electronic procurement system, according to the applicable public procurement legislation, contracting authorities may use the negotiated procurement procedure without prior publication of a contract notice for contracts with value above or below the low threshold only in special circumstances, provided in Article 33 of Law no. 9643, dated 20.11.2006 "On Public Procurement" as amended, in order to meet their needs.

This procurement procedure is conducted by electronic means according to the provisions of the Decision of the Council of Ministers no. 918/2014, "On conducting public procurement procedures electronically".

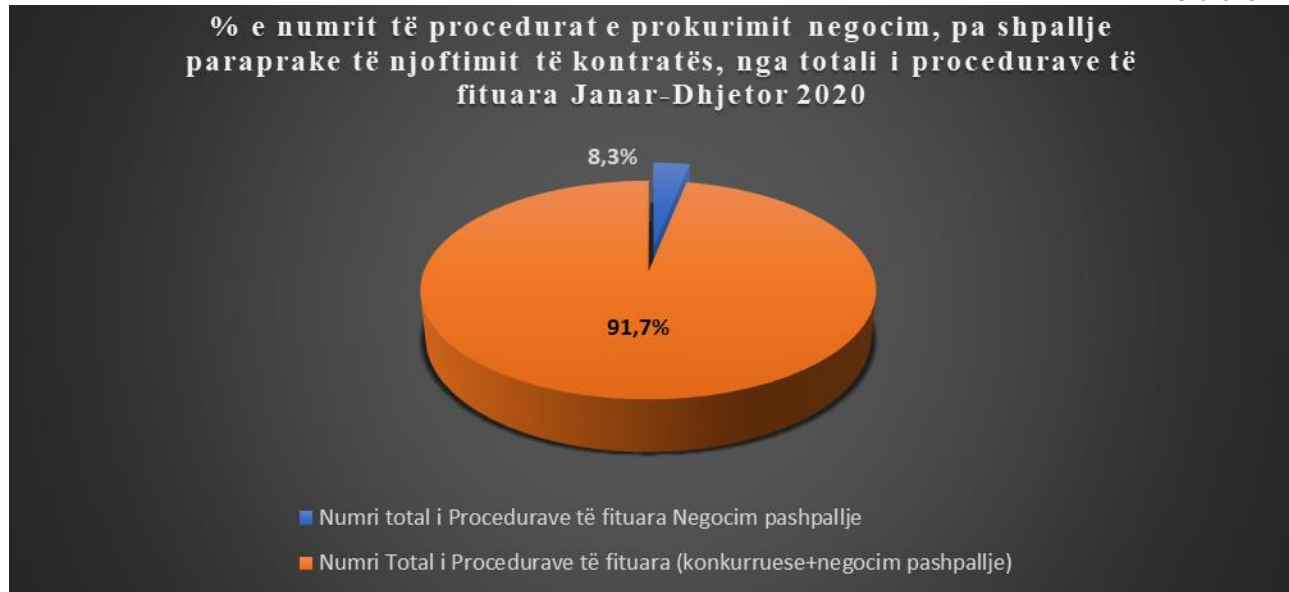
Data on negotiated procurement procedures without prior publication of a contract notice that have been finalized with a contract award notice, compared to the number of competitive procedures finalized with a contract award notice, in 2020 are presented as follows:

During 2020, 224 more procedures were conducted than in 2019 (of which 192 were negotiated procedures without prior publication of a contract notice).

The following chart provides comparative data on the number of negotiated procurement procedures without prior publication of a contract notice (416) versus the total number of procurement procedures

finalized with a contract award notice (4,984) (competitive + negotiated procedures without prior publication).

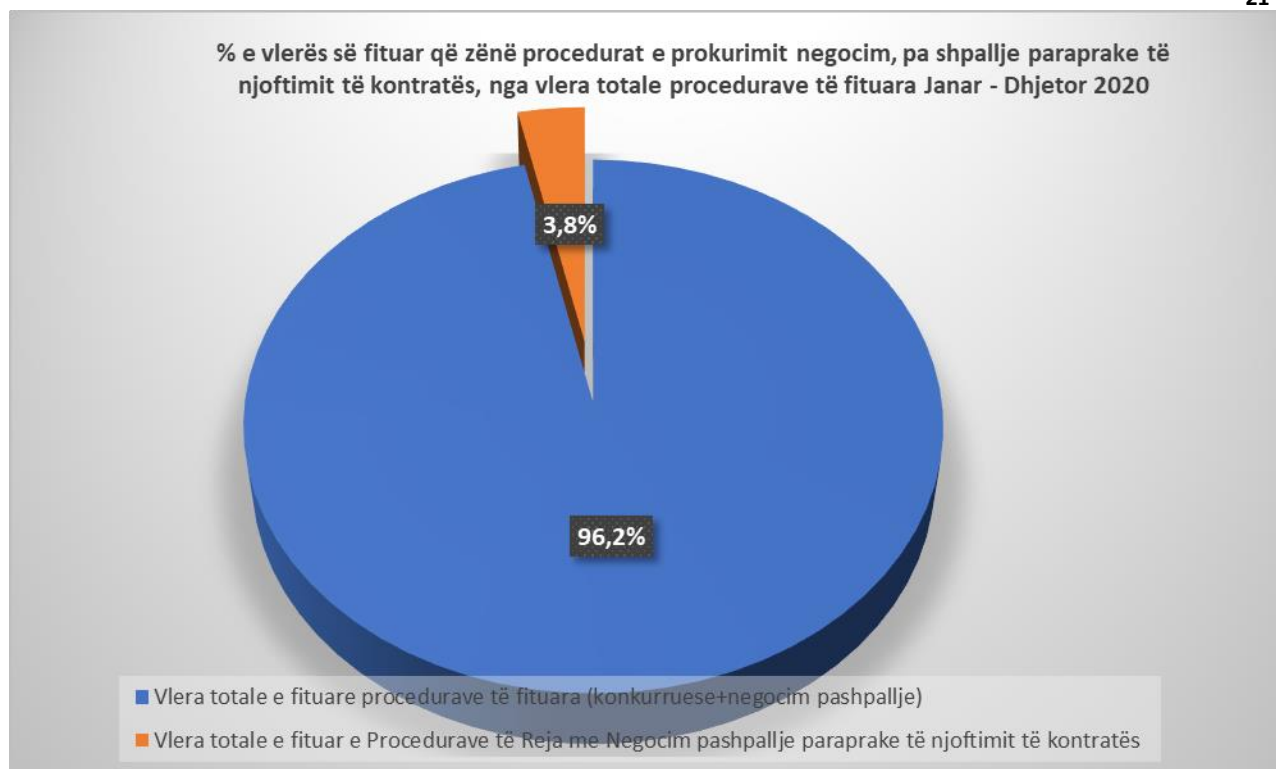
Chart 20



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
% e numrit të procedurave të prokurimit negociim, pa shpallje paraprake të njoftimit të kontratës, nga totali i procedurave të fituara Janar – Dhjetor 2020	% of the number of negotiated procurement procedures without prior publication of contract notice out of the total procedures awarded in January-December 2020
Numri total i Procedurave të fituara Negocim pa shpallje	Total number of the awarded negotiated procedures without prior publication of contract notice
Numri total I Procedurave të fituara (konkurruese + negocim pa shpallje)	Total number of awarded procedures (competitive + negotiated procedures without publication of contract notice)

Meanwhile, the procured value through the negotiated procedure without prior publication is 3.8% versus the total procured value (competitive + negotiated procedure without prior publication).



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
% e vlerës së fituar që zënë procedurat e prokurimit me negociim, pa shpallje paraprake të njoftimit të kontratës, nga vlera totale e procedurave të fituara Janar-Dhjetor 2020	% that the awarded value of negotiated procurement procedures without prior publication of the contract notice occupies against the total value of the awarded procedures in January-December 2020
Vlera totale e procedurave të fituara (konkurruese + negociim pa shpallje)	Total value of awarded procedures (competitive + negotiated procedures without prior publication)
Vlera totale e fituar e Procedurave të reja me Negocim pa shpallje paraprake të njoftimit të kontratës	Total awarded value of new negotiated procedures without prior publication of the contract notice

The table below provides statistical data on negotiated procedures without prior publication of a contract notice in 2020 compared to 2019.

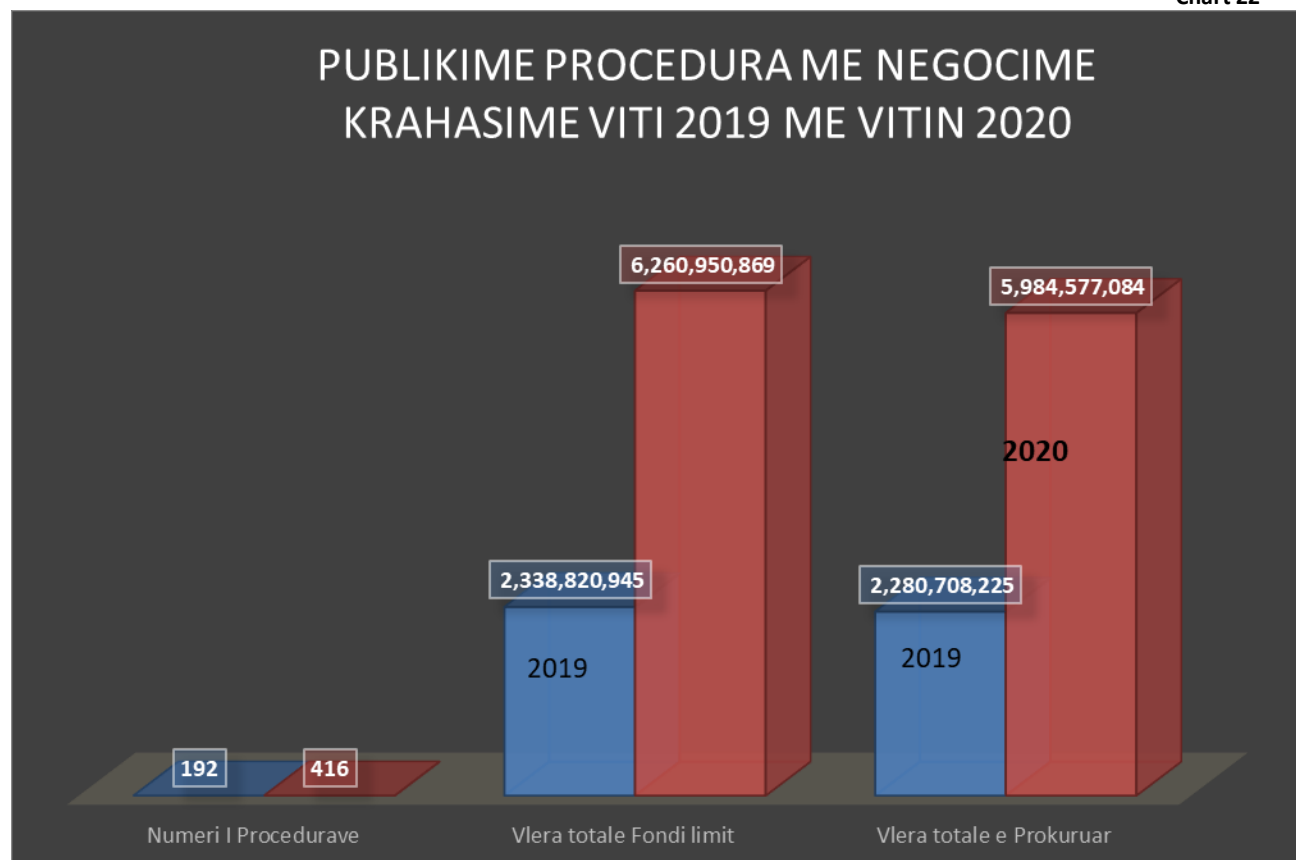
Table 26

Comparison of negotiated procedures without prior publication of a contract notice in 2019 and 2020		
Year	2019	2020
Number of procedures	192	416
Total value of limit fund	2,338,820,945	6,260,950,869

Total procured value	2,280,708,225	5,984,577,084
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The following chart provides statistical data on negotiated procedures without prior publication of a contract notice in 2020 compared to 2019.

Chart 22



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Procedura me negocime, krahasime Viti 2019 me vitin 2020</i>	<i>Negotiated procedures without prior publication of contract notice – comparison between year 2019 and 2020</i>
<i>Numri i procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale e Fondit Limit</i>	<i>Total value of the Limit Fund</i>
<i>Vlera totale e prokuruar</i>	<i>Total procured value</i>

The following table provides statistical data on negotiated procedures without prior publication of a contract notice detailed by contract type, in 2020.

Table 27

<b>Procurement negotiated procedure without prior publication of a contract notice, January – December 2020</b>			
<b>Type of procedure</b>	<b>No.</b>	<b>Limit fund</b>	<b>Procured fund</b>

<b>Services</b>	197	1,425,771,701	1,386,688,850
<b>Supplies</b>	187	2,082,485,814	1,921,194,216
<b>Works</b>	32	2,752,693,354	2,676,694,019
<b>TOTAL</b>	416	6,260,950,869	5,984,577,084

Data on negotiated procurement procedures without prior publication of a contract notice divided into new contracts or contract supplements in 2020 are detailed as follows:

**Table 28**

<b>Procurement negotiated procedure without prior publication of a contract notice – detailed contract supplements and no contract supplements (new contracts) January – December 2020</b>			
Type of procedure	No.	Limit fund	Procured fund
Contract supplements	25	1,019,037,774	1,001,234,770
Number of contract supplements	391	5,241,913,095	4,983,342,314
<b>TOTAL</b>	416	6,260,950,869	5,984,577,084

As shown in the table, the total number of signed contract supplements through negotiated procedures without prior publication during 2020 is 25 or 6% of negotiated procedures without prior publication conducted in total, while 391 negotiated procedures without prior publication of a contract notice are new procedures conducted due to situations created in the context of reconstruction or the COVID-19 pandemic, or procedures conducted based on one of the other cases provided for by public procurement legislation.

The following table shows the negotiated procurement procedures without prior publication detailed by legal basis used by the contracting authorities:

**Table 29**

<b>Detailing negotiated procedures without prior publication of a contract notice by used legal basis</b>				
Description	Number of detailed procedures by legal basis	% of number of detailed procedures by legal basis versus the total	Detailed limit fund by legal basis	% of detailed limit fund by legal basis versus the total
<b>Lack of competition in 2 consecutive procedures (Article</b>	1	0,2%	23,972,383	0,4%



<b>33, paragraph 2 / a)</b>				
<b>Exclusive right or copyright (Article 33, paragraph 2 / b)</b>	11	2,6%	191,877,990	3,1%
<b>Negotiations in writing for Reconstruction in DCM No. 750, dated 27.11.2019 (Natural disaster)</b>	74	17,9%	2,171,328,183	34,7%
<b>Additional deliveries from the previous supplier (Article 33, paragraph 5 / a)</b>	25	6,0%	1,019,037,774	16,3%
<b>Extreme needs caused by unpredictable events (Article 33, paragraph 2 / c)</b>	305	73,3 %	2,854,734,539	45,5%
<b>TOTAL</b>	416	100,0%	6,260,950,869	100,0%

The summary statistics regarding the number of contracts signed according to the negotiated procedures without prior publication conducted by months in 2020 are presented as follows:

**Table 30**

<b>Signed contract notices for negotiated procedures without prior publication of a contract notice 2020</b>			
<b>Month</b>	<b>Number of procedures</b>	<b>Limit fund (value in ALL)</b>	<b>Contract value (in ALL excluding VAT)</b>
January	37	1,954,512,117	1,893,771,793
February	27	121,413,505	117,891,958
March	39	503,823,915	498,082,371
April	83	576,028,111	563,804,535
May	76	496,559,413	481,704,168
June	43	626,463,039	533,929,016
July	9	14,195,968	13,870,079
August	19	400,517,102	344,533,452
September	23	259,137,659	254,846,279
October	18	226,925,081	219,715,868

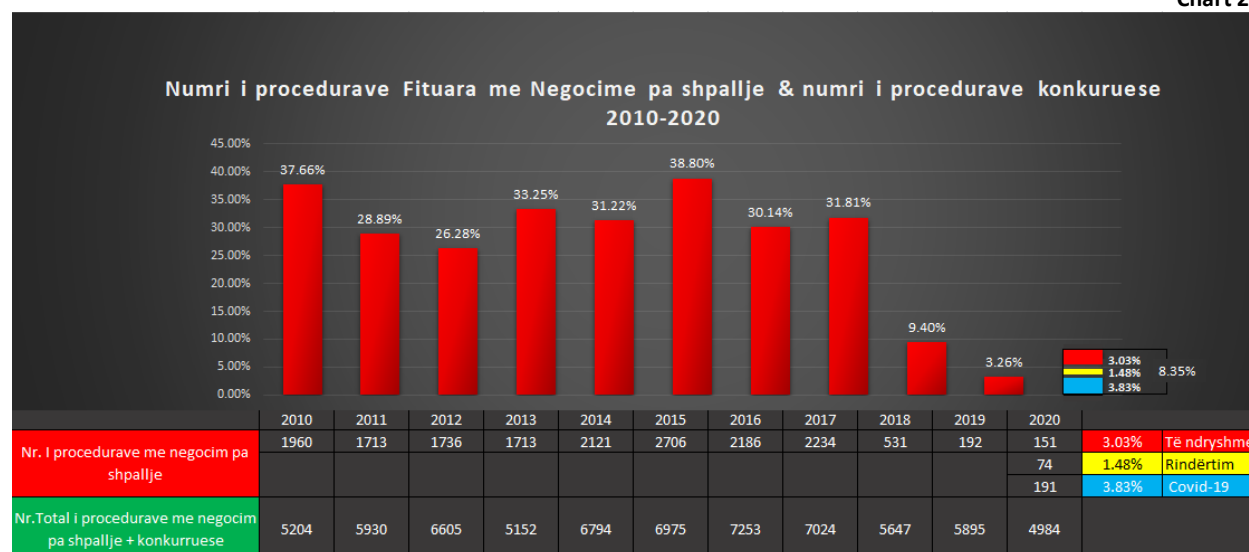
November	16	498,798,326	481,236,904
December	26	582,576,634	581,190,662
<b>TOTAL 2020</b>	<b>416</b>	<b>6,260,950,869</b>	<b>5,984,577,084</b>

As it can be seen from the above data, the highest values of negotiated procedures without prior publication are observed after March 2020.

The highest number is observed in the period April - May 2020 and this increase is explained by the situation created in our country due to the pandemic caused by COVID-19, where as a result negotiated procedures without prior publication were used to meet the emergency needs for coping with the consequences of this world pandemic.

As it turns out from the chart below, the number of negotiated procedures without prior publication of a contract notice including Covid-19 and the Reconstruction negotiations for the last 3 years 2018-2020 has decreased compared to the 12 identified years of the period 2009-2020.

Chart 23



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Numri i procedurave Fituara me negociime pas shpallje &amp; numri i procedurave konkurruese 2010-2020</i>	<i>Number of awarded negotiated procedures without prior publication and the number of competitive procedures 2010-2020</i>
<i>Nr i procedurave me negociim pa shpallje</i>	<i>No. of negotiated procedures without publication</i>
<i>Nr i procedurave të shpallura</i>	<i>No. of negotiated procedures without publication + competitive procedures</i>

Meanwhile, if we analyze the data on the number of negotiated procedures without prior publication of a contract notice (**not including COVID-19 and Reconstruction**) conducted during 2020, it turns out that the number of these procedures (**151**) is the smallest recorded number compared to the 12 identified years of the period 2009-2020.

It is worth mentioning that the minimization of the cases of using the negotiated procedure without prior publication of a contract notice during the last 3 years is a result of the awareness of the contracting authorities.

This positive change has also come as a result of the automation of the process, conducting the procedure in EPS, starting from the establishment of the register, notification of Economic Operators, bidding, evaluation, and sending messages for qualification, publication of the winner and online publication of notice of the conclusion of the contract.

Conducting this procurement procedure in the electronic procurement system, since the reflection in the relevant item of the forecast register, where the contracting authority must describe the reasons that oblige the selection of this procedure according to legal conditions, has enabled the avoidance of using the procurement negotiated procedure without prior publication of a contract notice, only in cases where the contracting authorities are faced with the necessity of meeting their needs.

Also, the recommendations and constant notifications from the Public Procurement Agency to take measures for the publication of competitive procedures in time, possibly a Framework Agreement for continuous services / supplies, have had an impact, precisely so that the contracting authorities will not find themselves lacking services / supplies at beginning of the year.

The data on the number of signed contracts with the negotiated procedure without prior publication conducted to cope with the consequences of the COVID-19 pandemic, as well as the Reconstruction negotiations for the period January - December 2020, are presented as follows:

**Table 31**

<b>Negotiated procedures without prior publication of a contract notice finalized in EPS, 2020 detailing 1.COVID – 19 contracts, 2.Reconstruction contracts and 3.Other contracts</b>						
Type of procedure	No	% versus the total of number of procedures	Limit fund	% versus the total limit fund	Procured fund	% versus total procured fund
Covid-19 contracts	<b>191</b>	<b>45,9%</b>	<b>2,145,832,902</b>	<b>34,3%</b>	<b>1,978,342,014</b>	<b>33,1 %</b>
Reconstruction contracts	74	17,8%	2,171,328,183	34,7%	2,104,940,262	35,1 %
Other contracts	151	36,3%	1,943,789,784	31,0%	1,901,294,808	31,8 %
<b>TOTAL</b>	<b>416</b>	<b>100.0%</b>	<b>6,260,950,869</b>	<b>100.0%</b>	<b>5,984,577,084</b>	<b>100.0%</b>

As it is noticed from the table, Contracting Authorities during 2020, have conducted 191 negotiated procedures without prior publication of a contract notice due to the situation created in our country by the pandemic caused by COVID-19, to meet the emergency needs for medicines, medical supplies, disinfectants, medical equipment, food, etc.

These contracts account for 45.9% of the total number and 34.3% of the total fund spent on negotiated procedures without prior publication of a contract notice for this period.

Also, the contracting authorities in 2020 have conducted 74 negotiated procedures without prior publication within the Reconstruction process to eliminate the consequences of the Earthquake of 26.11.2019. These contracts occupy 17.8% of the total number as well as 34.7% of the total fund spent on negotiated procedures without prior publication for this period.

#### **2.4.1. Data on conducted procurement procedures in 2020 in the context of reconstruction process due to the Earthquake of November 26<sup>th</sup>, 2019**

According to Normative Act no. 9, dated 16.12.2019 "On coping with the consequences of natural disaster", the responsible contracting authorities (implementing units), have conducted procurement procedures for the selection of winners of the framework agreement for the reconstruction process in the electronic procurement system. The procurement procedure used through the Framework Agreement is Restricted and International, Restricted, because these procedures have shorter deadlines for receiving bids than other procedures, but they are necessary in the process of reconstruction of damaged buildings by the earthquake of November 26, 2019.

According to the data analyzed from the electronic procurement system as well as from the Special Bulletins, it turns out that:

Total number of published procurement contract notices during 2020 in the electronic procurement system, in the framework of the reconstruction process due to the Earthquake of November 26, 2019, by the type of contract, services, supplies, works on PPA official website is 127 with a limit fund of 71,332,435,671 ALL excluding VAT.

27 of the above procedures with a limit fund of 7,871,406,956 ALL excluding VAT have been canceled, and 100 procedures with a limit fund of 63,461,028,715 ALL excluding VAT have been carried on.

We clarify that the canceled procedures are repeated from the beginning with the same limit fund, therefore in this analysis we will address the carried on procedures.

Specifically, the number of procedures that have been carried on by the type of contracts is presented as follows:

**Table 32**

Carried on procedure notices 2020		
Services	Supplies	Civil works

Type of procedure	Number of procedure notices	Type of procedure	Number of procedure notices	Type of procedure	Number of procedure notices
Local, Restricted	62	Local, Restricted	-	Local, Restricted	23
International, Restricted	1	International, Restricted	-	International, Restricted	14
<b>TOTAL</b>	<b>63</b>	<b>TOTAL</b>	<b>-</b>	<b>TOTAL</b>	<b>37</b>

The following table presents the total limit fund for procedures that have been carried on according to the type of contracts:

**Table 33**

Type of contract					
Type of procedure	No procedures/lots	Total limit fund	Services	Supplies	Civil Works
Local, Restricted	85	8,084,111,389	1,738,902,153	0	6,345,209,236
International, Restricted	15	55,376,917,326	254,159,368	0	55,122,757,958
<b>TOTAL</b>	<b>100</b>	<b>63,461,028,715</b>	<b>1,993,061,521</b>	<b>-</b>	<b>61,467,967,194</b>

Contract notices for procurement procedures within the reconstruction process have been published in the Electronic Procurement System but have also been published in the Special Bulletins in 2020 on the main website of PPA.

Meanwhile, the publication of the contract award notices and the signed contracts notices has been done in writing and only in the Special Bulletins, specifically in the 79 Special Bulletins published in 2020.

Out of 100 procedures with a limit fund of 63,461,028,715 ALL that have been carried on, until 31.12.2020, 73 procedures with a limit fund of 38,307,471,022 ALL excluding VAT have been finalized with winners, while 27 other procedures are in the phase of submission and evaluation of bids, which will continue in 2021.

It is worth noting that the finalization of procedures with the signing of contracts requires time, given the large number of procurement procedures, which are accompanied by an even higher number of mini-contracts awarded to contractors. Until 31.12.2020, 51 procedures have been finalized with published contracts, while the signing and publication of other contracts will continue in 2021.

As it can be seen from the above data on reconstruction, although the situation was extremely urgent and unprecedented, the Albanian Government and PPA did their utmost to minimize the use of negotiated procedures without prior publication of a contract notice. To this end, the contracting authorities engaged in the reconstruction process were instructed to use competitive procedures in

order to finally resolve the situation created. It is worth noting that due to the considerable size involved in the process of reconstruction and elimination of the consequences caused by the earthquake, this process is still ongoing and is carried out in the electronic procurement system.

## 2.5. FRAMEWORK AGREEMENTS

During 2020, based on PPA instructions, it turns out that the contracting authorities have carried on conducting procurement procedures with Framework Agreements, for various and continuous supplies and services.

PPA has issued ongoing recommendations to contracting authorities to use framework agreements, and has organized occasional trainings with ASPA, in order to guide them in the implementation of this mechanism.

Specifically, the data on the use of this tool are presented as follows:

Table 34

Publication of Framework Agreements carried on during January-December 2020		
Type of procedure	Number	Total procured limit fund (in ALL excluding VAT)
Local, Open	301	15,549,457,557
Request for Proposal	350	1,250,810,815
Consultancy Services	4	487,875,814
Open above the threshold	20	21,649,269,826
Local, Restricted	1	148,823,123
International, Restricted	1	341,605,094
<b>TOTAL</b>	<b>677</b>	<b>39,427,842,228</b>

The table below provides statistical data on the publications of the Framework Agreements that have been carried on in the system in 2020.

Table 35

Framework Agreements carried on during January - December 2020	Number of procedures (not Lots)	Total limit fund
Facility security services	59	1,652,634,647

Various services	232	11,753,300,752
Purchase of various supplies	377	24,398,767,748
Civil works	9	1,623,139,081
<b>TOTAL</b>	<b>677</b>	<b>39,427,842,228</b>

The table below provides statistical data on Framework Agreement publications in 2020, compared to Framework Agreement publications in 2019.

**Table 36**

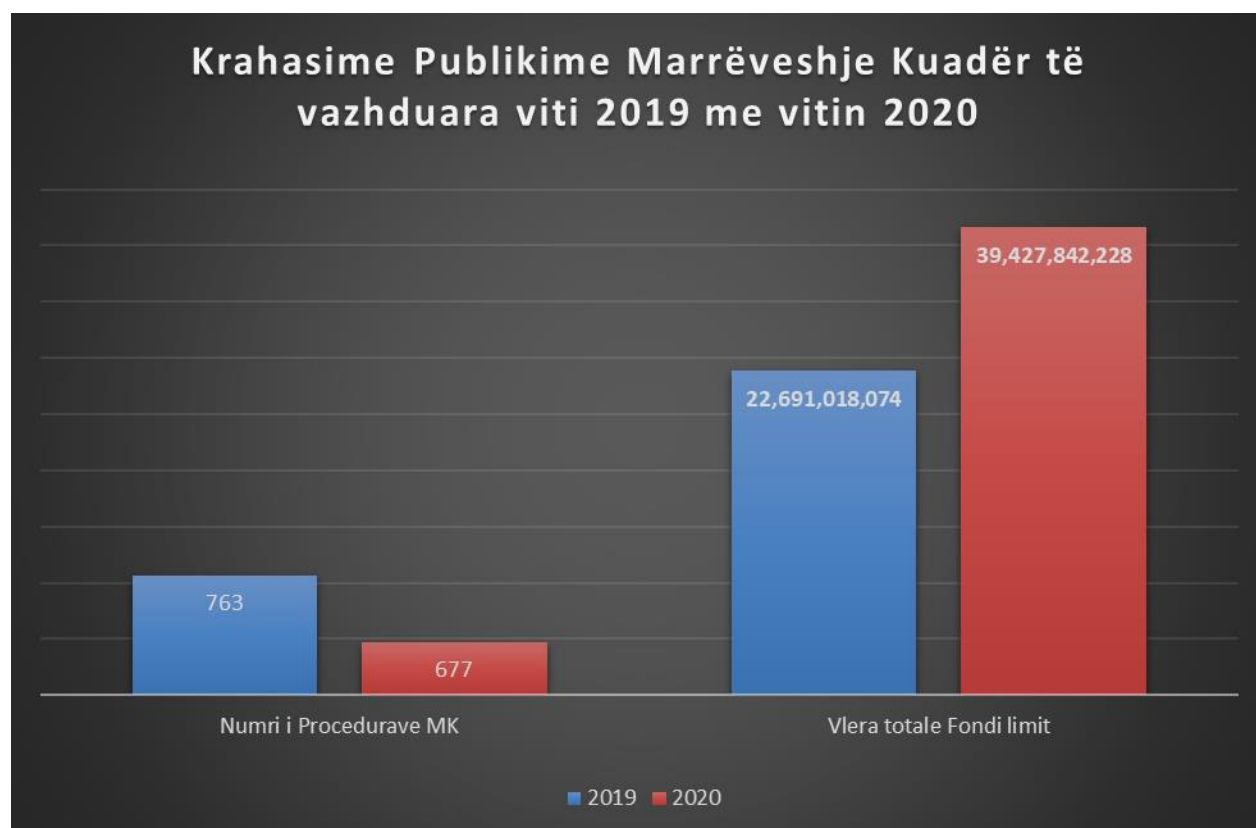
<b>Comparison of publications of Framework Agreements January - December</b>		
<b>Year</b>	<b>2019</b>	<b>2020</b>
<b>Number of procedures</b>	763	677
<b>Total limit fund value</b>	22,691,018,074	39,427,842,228

Another indicator noticed in the table above is the increase in the limit fund of published procedures with Framework Agreement conducted in the period January-December 2020 (limit fund 39,427,842,228 ALL) compared to the limit fund of procedures conducted in the period January-December 2019 ( limit fund 22,691,018,074 ALL).

Meanwhile, there are more procedures published in 2019, and this is an indicator of the use of Framework Agreements longer than 1 year.

The following chart presents the data of 2020, compared to the data of 2019, respectively in number and value.

**Chart 24**



**Translation of the chart:**

Albanian	English
Krahasime Publikime Marrëveshje Kuadër të vazhduara viti 2019 me vitin 2020	Publications of continued Framework Agreements-comparison between 2019 and 2020
Numri i procedurave MK	Number of FA procedures
Vlera totale e Fondit Limit	Total value of the Limit Fund

The table below provides statistical data on Framework Agreements finalized with a contract award notice in the system in 2020.

**Table 37**

Procurement procedures Framework Agreements finalized with a contract award notice 2020						
Type of procedure	Number of procedures	Total limit fund (value in ALL)	Total offered fund (value in ALL)	% occupied by offered fund versus procured limit fund	Saved total fund	% occupied by saved fund versus procured limit fund



				(value in ALL)		
<b>Local, Open</b>	270	13,366,275,930	12,073,480,749	90,3%	1,292,795,181	9,7%
<b>Request for Proposal</b>	345	1,185,355,482	1,089,156,966	91,9%	96,198,516	8,1%
<b>Open above the threshold</b>	18	13,416,472,712	13,371,842,126	99,7%	44,630,586	0,3%
<b>Local, Restricted</b>	1	148,823,123	148,591,621	99,9%	231,502	0,1%
<b>International, Restricted</b>	1	341,605,094	341,605,094	0	0	0
<b>TOTAL</b>	635	28,458,532,341	27,024,676,556	95,0%	1,433,855,785	5,0%

The difference between the number of procedures published and those finalized with a contract award notice in the system, is explained by the argument that many procedures published in 2020, proceed with the publication of a contract award notice or contract conclusion notice in the following year.

Regarding the 'seemingly low' percentage of saved limit fund identified in the open procedure above the threshold, as we explained above in the procurement procedure of Framework Agreement, for statistical effects, the total contracted value is calculated the same as the published total limit fund. This is because the Framework Agreements are accompanied by a large number of mini-contracts according to the needs of the contracting authorities for a period of 1 or 2 years, but we emphasize that the entire value of the Framework Agreement is not necessarily exhausted.

The table below provides statistical data on Framework Agreements finalized with a contract award notice in the system in 2020, compared to Framework Agreements finalized with a contract award notice in the system in 2019.

**Table 38**

<b>Comparison of procurement procedures Framework Agreements finalized with a contract award notice</b>		
<b>January - December</b>		
<b>Year</b>	<b>2019</b>	<b>2020</b>
Number of procedures	812	635
Total limit fund value	21,310,885,379	28,458,532,341
Total procured value	20,520,572,534	27,024,676,556

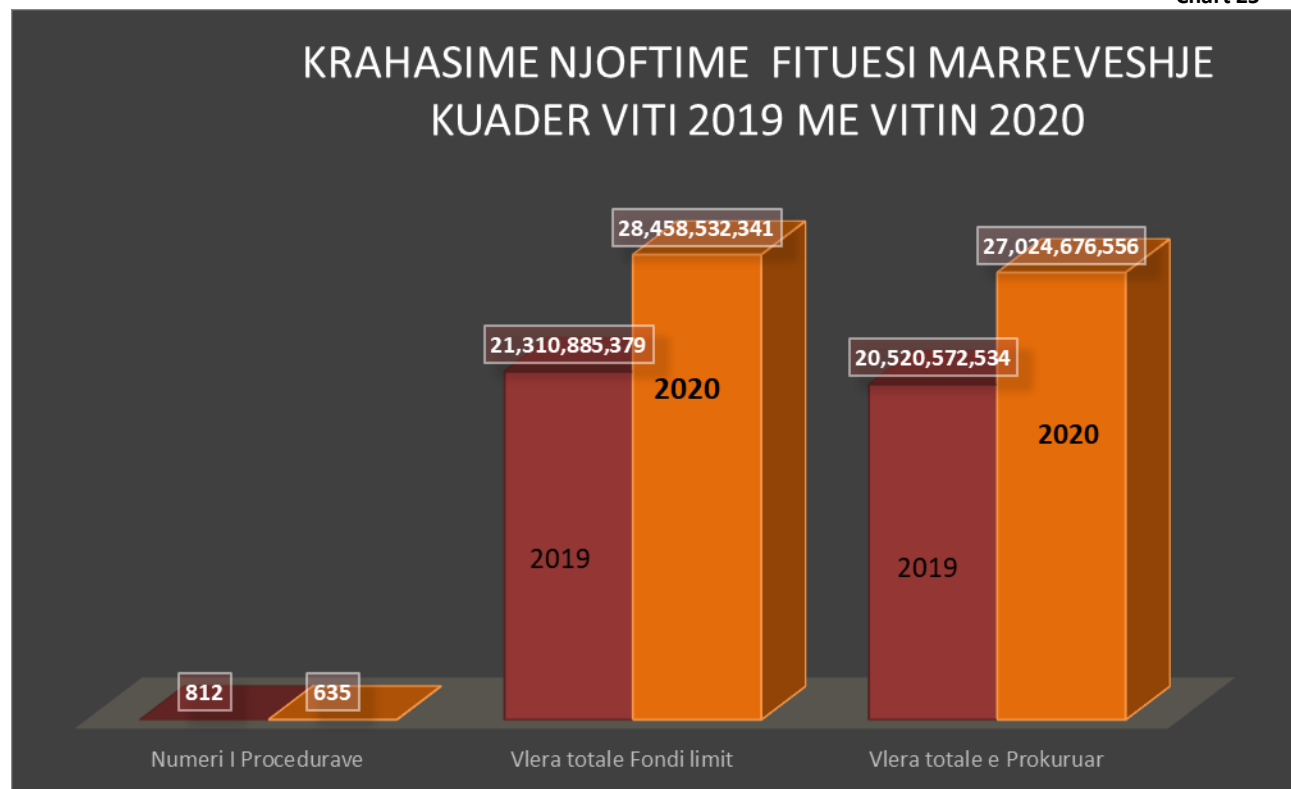
From the data reflected in the Table above, it turns that the total number of Framework Agreements finalized with a contract award notice in the electronic procurement system is 635 (177 Framework Agreement less procedures compared to 2019).

This indicator is a result of the continuous recommendations of PPA for the use of the framework agreement by the contracting authorities, especially for cases of ongoing services and in 2019 a large number of Framework Agreements were published with a term of over 2 years, which have influenced in reducing procedures and winners during 2020.

Also, the situation created in our country due to the pandemic caused by COVID-19 has affected the suspension of procedures causing delays in their finalization with a contract award notice during 2020.

The following chart presents the data of 2020 compared with the data of 2019, respectively in number and value.

Chart 25



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Krahasime Njoftime fituesi Marrëveshje Kuadër viti 2019 me vitin 2020</i>	<i>Winner notice of Framework Agreements-comparison between year 2019 and year 2020</i>
<i>Numri i procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale e Fondit Limit</i>	<i>Total value of the Limit Fund</i>
<i>Vlerat totale e prokuruar</i>	<i>Total procured value</i>

Regarding the signed mini-contracts based on the Framework Agreements, applied in the Electronic Procurement System during 2020, the following data turn out:

**Table 39**

<b>Mini-contracts referred to in EPS publications in 2020</b>			
<b>2019</b>		<b>2020</b>	
<b>Number of mini-contracts</b>	<b>Contract value</b>	<b>Mini-contract value</b>	<b>Contract value</b>
<b>746</b>	746 523,564,377	803	1,586,177,832

The data discussed above are a concrete indicator of PPA work and initiatives to encourage the use of the Framework Agreement, as an important tool for meeting the constant needs of contracting authorities through transparent and competitive procedures, and especially in eliminating the use of negotiated procedures without prior publication of a contract notice.

We emphasize that at the end of 2020 an improvement has been made in EPS, which enables entering mini-contract data throughout the validity period of the Framework Agreement.

## **2.6. SMALL VALUE PROCUREMENT PROCEDURES**

Contracting authorities use the small value procurement procedure for supplies / services and works, the estimated value of which throughout the calendar year varies from 100,000 (one hundred thousand) ALL excluding VAT to the value of 800,000 (eight hundred thousand) ALL.

From the analysis of the data, it turns out that the number of small value procurement procedures developed during 2020 and the respective funds are presented as follows:

**Table 40**

<b>Small value procurement procedures January-December 2020</b>	
Total number of small value procurement procedures published in 2020	15,580
Total limit fund published for small value procurement procedures (value in ALL)	4,924,100,929
Total number of incomplete procedures (canceled, etc.)	3,105
Total number of small value procurement procedures finalized with a contract award notice	12,412
Total limit fund of small value procurement procedures finalized with a contract award notice (value in ALL)	4,057,911,371

Total contracted value in small value procurement procedures finalized with a contract award notice (value in ALL)	3,468,875,376
% occupied by total contracted value versus total limit fund of small value procurement procedures finalized with a contract award notice	85,5%
Total saved fund (value in ALL)	589,035,995
% occupied by total saved fund versus total limit fund of small value procurement procedures finalized with a contract award notice	14,5%

The number and values of small value procurement procedures conducted during 2020 and their comparison with those of 2019, are presented in the table below.

If we compare the number of small value procurement procedures finalized with winners in 2020 (12412), with the respective number in 2019 (13257), it turns out that during 2020 fewer procedures were finalized with winners.

**Table 41**

Comparison of small value procurement procedures in 2019 with 2020		
Year	2019	2020
Number of small value procurement procedures	13,257	12,412
Saved value	573,703,842	589,035,995
Procured value	3,525,664,030	3,468,875,376
Total limit fund value	4,099,367,872	4,057,911,371

Another very important indicator that results from the data in the table is the difference between the published limit fund value of the procedures and the contracted fund value and specifically the savings are 14.5%. Also, the savings of 589,035,995 ALL implemented in 2020, are higher than the savings of 573,703,842 ALL implemented in 2019, although the number of procedures and the limit fund value in 2019 have been higher than in 2020.

These data show that from time to time improvements that are made to this procedure in SPE ensure high competitiveness and fairness, noting that this is the only procedure where the limit fund is not published, in order to obtain a more responsible bid by economic operators.

Also, from the comparison of the data of 2020 and the respective ones of 2019, it turns out that the number of small value procurement procedures canceled in 2020 (3105) is much smaller, compared to those canceled in 2019(3,827).

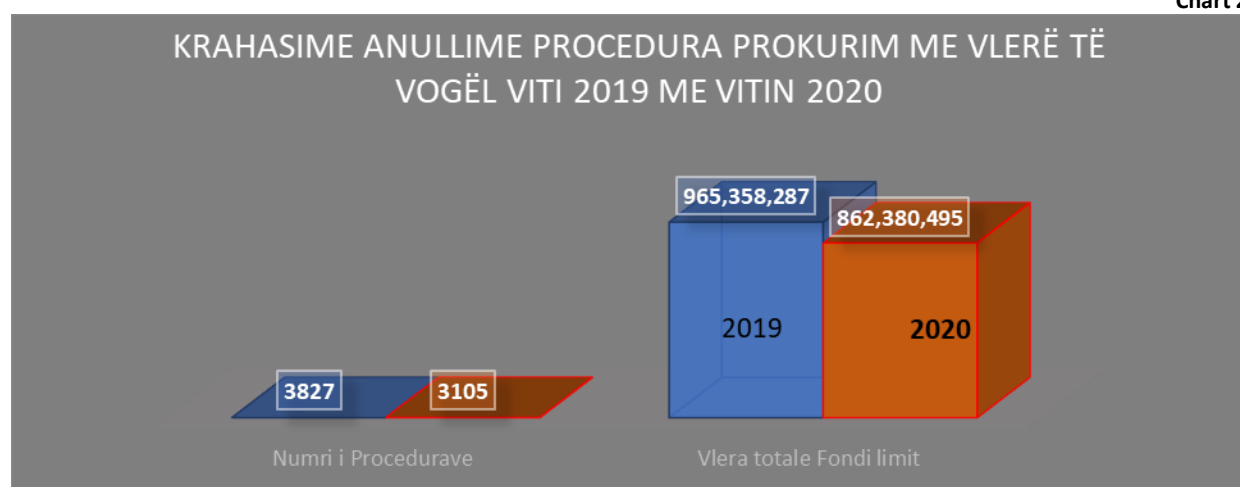
In terms of respective values, it also turns out that the fund of small value procurement procedures canceled in 2020 (862,380,495), is smaller than the fund of small value procurement procedures canceled in 2019 (965,358,287).

Table 42

Comparison of canceled small value procurement procedures in 2019 and 2020		
Year	2019	2020
Number of procedures	3827	3105
Total limit fund value	965,358,287	862,380,495

The following chart presents a comparison of data on small value procurement procedures canceled during 2020 with those of 2019 respectively.

Chart 26



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Krahasime anulime procedura prokurim me vlerë të vogël</i>	<i>Cancellation comparison of Small Value Procurement procedures</i>
<i>Numri i procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale e Fondit Limit</i>	<i>Total value of the Limit Fund</i>

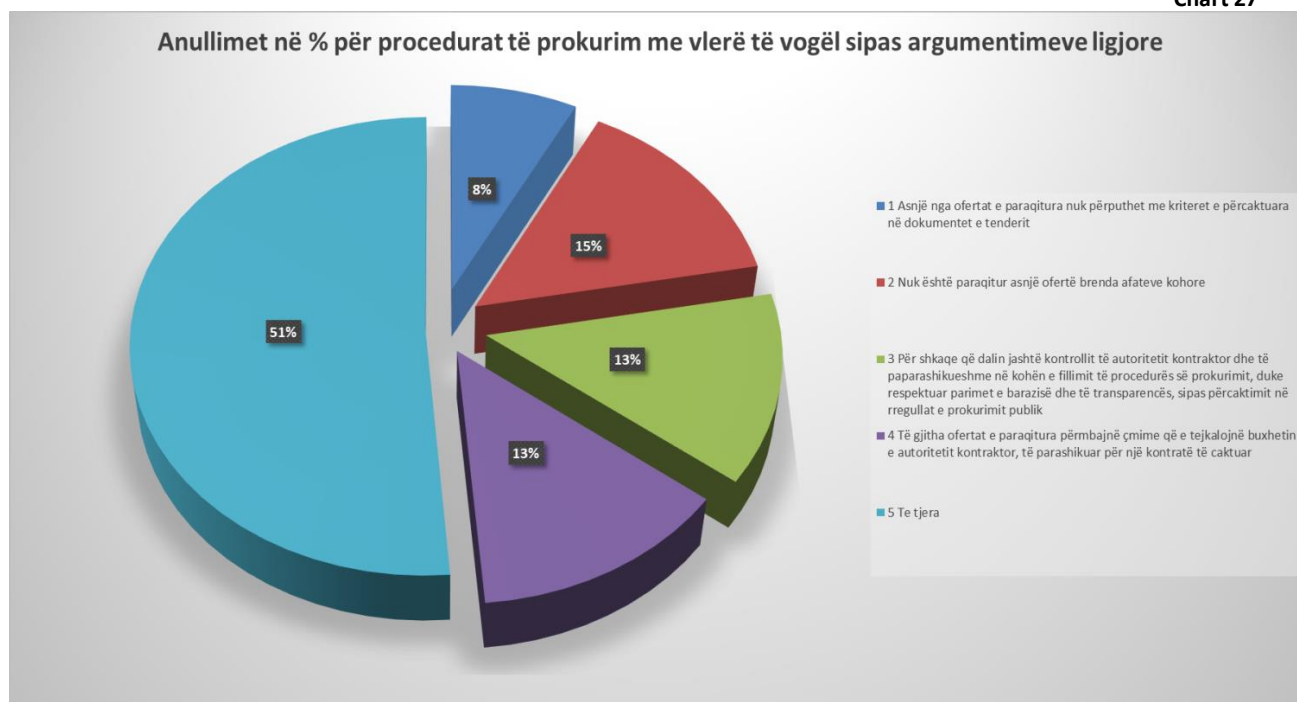
As it is seen from the chart above, there is a significant decrease in the number of canceled small value procurement procedures, compared to 2019, specifically about 19% less canceled procedures in 2020.

The following table and chart show the annulments of small value procurement procedures by the legal reason declared (selected) in the system by the contracting authorities:

Table 43

Nr.	Reason for annulment	Number of canceled procedures
1	None of the submitted bids complies with the criteria set out in the tender documents	237
2	No bids were submitted within the deadlines	448
3	For reasons beyond the control of the contracting authority and unpredictable at the time of the commencement of the procurement procedure, respecting the principles of equality and transparency, as defined in the public procurement rules	414
4	All submitted bids contain prices that exceed the budget of the contracting authority, provided for a certain contract	413
5	Other	1,593
<b>Total</b>		<b>3,105</b>

Chart 27



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Anullimet në % për procedurat me vlerë të vogël sipas argumentimeve ligjore</i>	<i>Cancellation in % of Small Value Procedure according to legal arguments</i>
<i>Asnjë nga ofertat e paraqitura nuk përputhet me kriteret e përcaktuara në dokumentet e tenderit</i>	<i>None of the bids submitted complies with the specified criteria that are set out in tender documents</i>
<i>Nuk është paraqitur asnjë ofertë brenda afateve kohore</i>	<i>No bids were submitted within the time limits</i>

<i>Për shkaqe që dalin jashtë kontrollit të autoritetit kontraktor dhe të paparashikueshme në kohën e fillimit të procedurës së prokurimit, duke respektuar parimet e barazisë dhe të transparencës, sipas përcaktimit në rregullat e prokurimit publik</i>	<i>For reasons that go beyond the control of the Contracting Authority and that are unpredictable at the time of the commencement of the procurement procedure, by respecting the principles of equality and transparency, according to provisions of the public procurement rules</i>
<i>Të gjitha ofertat e paraqitura përmbajnë çmime që e tejkalojnë buxhetin e autoritetit kontraktor, të parashikuar për një kontratë të caktuar</i>	<i>All submitted bids contain prices that exceed the budget of the Contracting Authority provided for in a certain contract</i>
<i>Të tjera</i>	<i>Other</i>

However, based on the analysis of data on the reasons for annulments, PPA will continue to work to assess the need for possible changes in order to further reduce the number of annulments.

## 2.7. STATISTICS ABOUT ESTABLISHED PROCEDURES IN THE ELECTRONIC SYSTEM

The total number of procurement procedures finalized with a contract award notice, including small value procurements in the Electronic Procurement System for 2020, is 16,907 (3,734 less procedures than in 2019), detailed in the following table:

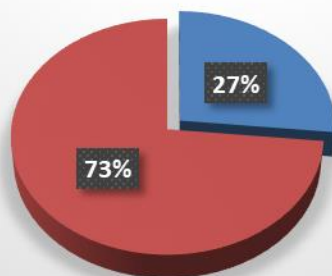
Table 44

Type of procedure	Total number of procedures/lots finalized with a contract award notice	Total contracted value in procurement procedures finalized with a contract award notice (value in ALL)
Competitive procurement procedures above 800.000 ALL	4,495	109,925,518,745
Small value procurement procedures	12,412	3,468,875,376
Total	16,907	113,394,394,121

The following chart shows the ratio of the number of small value procurement procedures to procurement procedures in the amount of ALL 800,000, where, as well as from the indicators analyzed above, the largest number occupied by small value procurement procedures to other procedures is clear.

Chart 28

**Raporti në % i numrit të procedurave të vijuara prokurim me vlerë të vogël, ndaj procedurave të prokurimit të vijuara mbi vlerën 800.000 lekë**



■ Procedura Prokurimi konkurruese mbi 800.000 lekë

■ Prokurimit me Vlerë të Vogël

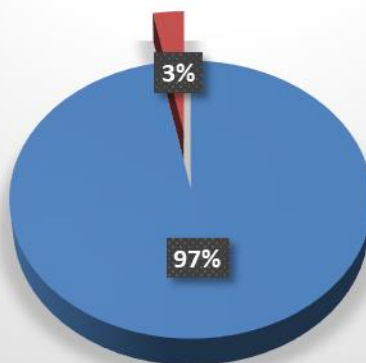
**Translation of the chart:**

Albanian	English
Raporti në % i numrit të procedurave të vijauara prokurim me vlerë të vogël, ndaj procedurave të prokurimit të vijaura mbi vlerën 800, 000 lekë	Ratio in % of the number of Small Value Procurement procedures, which have continued, versus the procurement procedures above 800,000 Albanian Leks, which have continued.
Procedura Prokurimi konkurruese mbi 800,000 lekë	Competitive procurement procedures above 800,000 Albanian Leks
Prokurimi me vlerë të vogël	Small Value Procurement

However, despite the fact that in ratio in number the small value procurement procedures prevail, it should be noted that in terms of value, procurement procedures significantly prevail over the value of 800,000, given that the ratio is reversed; the fund procured by small value procurement procedure occupies about 3%, while the fund procured by other procedures occupies about 97%.

**Chart 29**

**Raporti në % i fondi i prokuruar me procedurë prokurimi me vlerë të vogël me fondin e prokuruar me procedura mbi 800.000 lekë**



■ Procedura Prokurimi konkurruese mbi 800.000 lekë

■ Prokurimit me Vlerë të Vogël



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Raporti në % i fondit të prokuruar me procedurë prokurimi me vlerë të vogël me fondin e prokuruar me procedura mbi 800, 000 lekë</i>	<i>Ratio in % of the fund procured with Small Value Procurement procedures with the fund procured with procedures above 800,000 Albanian Leks</i>
<i>Procedura Prokurimi konkurruese mbi 800,000 lekë</i>	<i>Competitive procurement procedures above 800,000 Albanian Leks</i>
<i>Prokurimi me vlerë të vogël</i>	<i>Small Value Procurement</i>

## **2.8. DYNAMIC PURCHASING SYSTEM OF INTERNATIONAL AIR TRANSPORT FARES**

Contracting authorities use the simplified Dynamic Purchasing System as a way to ensure the purchase of international air transport fares. This system is open to all economic operators, who are registered in the electronic procurement system and who have the international air transport service as object of their activity.

As provided in the relevant instruction of PPA, the contracting authorities have implemented the procedure, taking into account the implementation of the service for all qualified economic operators.

From the data analysis, the number of procedures for the purchase of international air transport fares conducted during 2020 and the relevant funds, compared to 2019 are presented as follows:

**Table 45**

<b>Comparison of dynamic purchasing system of international air transport fares</b>		
<b>Year</b>	<b>2019</b>	<b>2020</b>
<b>Total number of procedures of purchasing international air transport fares</b>	2,990	518
<b>Total number of incomplete procedures (canceled, etc.)</b>	373	57
<b>Total number of procedures of purchasing international air transport fares that have been carried on</b>	2,617	461
<b>Total contracted value of procedures of purchasing international air transport fares finalized with a contract award notice (value in ALL)</b>	376,386,987	59,332,420

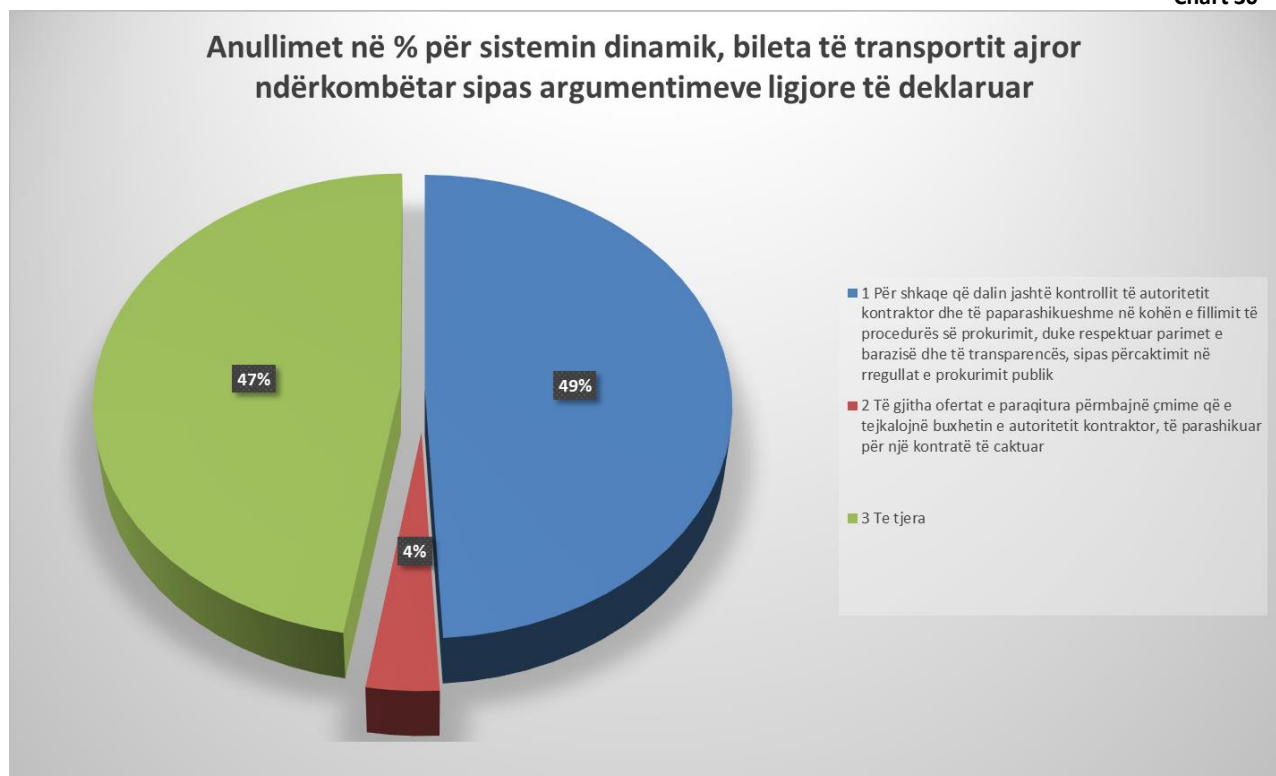
As it is noticed, the number of procedures for purchasing international air transport published in 2020, is many times smaller compared to 2019, specifically there are 2,472 fewer procedures (remember that 2,990 procedures had been published in 2019). This is due to the situation created by the COVID-19 pandemic not only in our country but worldwide which led to the closure of borders and the cancellation of international activities and travel, etc.

The following table and chart show in% the annulments for the dynamic purchasing system, international air transport fares by legal reason declared in the EPS by the contracting authorities:

Table 46

No	Reason for annulment	Number of canceled procedures
1	For reasons beyond the control of the contracting authority and unpredictable at the time of the commencement of the procurement procedure, respecting the principles of equality and transparency, as defined in the public procurement rules	28
2	All submitted bids contain prices that exceed the budget of the contracting authority, envisaged for a certain contract	2
3	Other	27
Total		57

Chart 30



**Translation of the chart:**

Albanian	English
Anullimi në % për sistemin dinamik, bileta të transportit ajror ndërkombëtar sipas argumentimeve ligjore të deklaruar	Cancellation in % for the dynamic system, international air transport tickets according to stated legal arguments

<i>Për shkaqe që dalin jashtë kontrollit të autoritetit kontraktor dhe të paparashikueshme në kohën e fillimit të procedurës së prokurimit, duke respektuar parimet e barazisë dhe të transparencës, sipas përcaktimit në rregullat e prokurimit publik</i>	<i>For reasons that go beyond the control of the Contracting Authority and that are unpredictable at the time of the commencement of the procurement procedure, by respecting the principles of equality and transparency, according to provisions of the public procurement rules</i>
<i>Të gjitha ofertat e paraqitura përmbajnë çmime që e tejkalojnë buxhetin e autoritetit kontraktor, të parashikuar për një kontratë të caktuar</i>	<i>All submitted bids contain prices that exceed the budget of the Contracting Authority provided for in a certain contract</i>
<i>Të tjera</i>	<i>Other</i>

## 2.9. STATISTICS ABOUT CONTRACTING AUTHORITIES ESTABLISHING PROCEDURES IN THE ELECTRONIC SYSTEM AND WINNING ECONOMIC OPERATORS

The total number of active contracting authorities that have established procurement procedures in the Electronic Procurement System for 2020 is 1,290 (47 less than in 2019), of which the number of contracting authorities that have established procurement procedures above 800,000 ALL is 464 (97 less than in 2019).

Based on data analysis, it turns out that, the number of Contracting Authorities that have implemented in the system only small value procurement procedures is 795, compared to the number of contracting authorities that have conducted other procurement procedures which is 495 contracting authorities.

Table 47

Type of procurement procedure published in EPS	Number of Contracting Authorities
Small value procurement procedures only	795
Other	495
Total	1,290

10 contracting authorities that have published more procedures/lots with a fund above 800,000 ALL during 2020 are shown below:

Table 48

No.	Contracting Authority	Number of procedures/ lots with a fund above 800.000 ALL during 2020	Number of canceled procedures/ lots	Number of carried on procedures/ lots
1.	Ministry of Health and Social Protection	298	254	44
2.	Mother Theresa University Hospital Center of Tirana	277	210	67

3.	Hospital Service Directorate of Korce	264	129	135
4.	Centralized Purchasing Agency	253	173	80
5.	Hospital of Sarande	202	56	146
6.	Shkoder Municipality	189	176	13
7.	Regional Hospital Directorate of Durres	151	66	85
8.	Regional Hospital Directorate of Vlore	123	63	60
9.	Hospital Service Directorate of Devoll	119	33	86
10.	Water Company of Tirana	111	100	11

10 contracting authorities that have published more small value procurement procedures during 2020 are shown below:

Table 49

No.	Contracting Authority	Number of published procedures in the system	Number of canceled procedures	Number of carried on procedures
1	Regional Hospital Directorate of Shkoder	176	83	93
2	Puke Municipality	128	34	94
3	Maliq Municipality	122	39	83
4	Diplomatic Corps Service Directorate	116	18	98
5	Local Police Directorate of Diber	109	13	96
6	State Intelligence Service	109	47	62
7	Local Police Directorate of Durres	87	19	68
8	Regional Police Directorate of Lezhe	85	6	79
9	Dropull Municipality	82	10	72
10	Korce Municipality	81	29	52

Also, statistical data on the Economic Operators winning the procedures conducted in EPS in 2020 are shown below:

Table 50

No	Description	Number of Economic Operators	No. of procedures/ lots	Limit fund in ALL excluding VAT	Procured fund in ALL excluding VAT	% of limit fund versus the total	% of contracted value versus the total
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1	Single Economic Operators declared winners in 2020	888	3,784	66,027,857,367	60,014,766,154	54,0%	54,8%
2	Foreign Economic Operators declared winners	9	11	475,075,514	454,751,620	0,4%	0,4%
3	Procedures/lots won as consortium (group) of Economic Operators	365	700	55,752,942,344	48,990,326,208	45,6%	44,8%
	<b>Total</b>	<b>1,262</b>	<b>4495</b>	<b>122,255,875,225</b>	<b>109,459,843,982</b>	<b>100,0 %</b>	<b>100,0 %</b>

Statistical data on the winning Economic Operators of small value procurement procedures conducted in EPS in 2020 are shown below.

Table 51

No.	Description	Number of Economic Operators	No. Procedure / Lots	Limit fund in ALL excluding VAT	Procured fund n ALL excluding VAT
1	Single Economic Operators declared winners in 2020	1,825	12,412	4,057,911,371	3,468,875,376

## 2.10. STATISTICS ABOUT ESTABLISHED BIDS IN THE ELECTRONIC PROCUREMENT SYSTEM IN 2020

The total number of submitted bids by economic operators in the procedures published in the system by the Contracting Authorities in 2020 is presented in the following table:

Table 52

Type of procedure	Number of procedures	Total number of submitted bids	Average number of bids
Small value procurement procedures	15,580	17,3795	11.16
Dynamic purchasing systems, fares	518	2,352	4.54
International, Open	332	512	2
Open	1,954	5,624	2.88
Request for proposal	3,842	8,073	2.10
International, Restricted (Reconstruction)	56	680	12.14
Restricted (+Reconstruction)	114	789	6.92

<b>Consultancy Services and Design Contest</b>	142	850	5.99
<b>Total</b>	<b>22,538</b>	<b>19,2675</b>	<b>8.55</b>

The above table presents data on all types of electronic procedures which include all procedures conducted in the electronic procurement system (number of competitive procedures / lots published electronically, total number of negotiated procedures without prior publication of a contract notice, the total number of procedures within the reconstruction process, the total number of small value procurement procedures published in 2020 and the total number of procedures for the purchase of international air transport fares).

From the above data it is noticed that the highest number of submitted bids results in the International, Restricted / Restricted procurement procedures of which 127 procedures are within the reconstruction process, which shows the interest of economic operators to participate in these procurement procedures.

In detail, the number of bids submitted in the procurement procedures above the amount of 800,000 ALL, in the small value procurement procedures, as well as in the Dynamic Purchasing System procurement procedures, purchase of fares for international transport, is given below.

The following table shows the number of bids submitted in procurement procedures worth above 800,000 ALL, by economic operators by type of procedure:

**Table 53**

Type of procedure	Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
<b>Consultancy Services and Design Contest</b>	Services	142	850	5.99
<b>International, Open</b>	Services	32	44	2
	Supplies	299	468	2
<b>Local, Open</b>	Services	417	1,007	2.41
	Supplies	937	1,927	2.06
	Works	600	2,690	4.48
<b>Request for proposal</b>	Services	852	2,473	2.90
	Supplies	2,545	4,039	1.59
	Works	446	1,561	3.50
<b>International, Restricted</b>	Services	40	306	7.65
	Works	16	374	23.38
<b>Local, Restricted</b>	Services	87	609	7.00
	Works	27	180	6.67
<b>Total</b>		<b>6,440</b>	<b>16,528</b>	<b>2.57</b>

The following table shows the average submission of bids by economic operators in procurement procedures worth above 800,000 ALL by type of contract:

**Table 54**

Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
Supplies	1,571	5,289	3.37
Works	3,780	6,434	2
Services	1,089	4,805	4.41
<b>Total</b>	<b>6,440</b>	<b>16,528</b>	<b>2.57</b>

As it turns out from the data in the table above, the highest average of bids submitted by economic operators is for Works and Services, which occupy 17% of the number of published procedures, including the number of procedures within the reconstruction process.

In particular, a relatively high number of submitted bids is noticed in works contracts for International, Restricted procedures (on average 23.38 submitted bids).

Regarding small value procurement procedures, the following table shows the average bid submission by economic operator, by type of contract:

**Table 55**

Type of procedure	Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
Small value procurement	Supplies	4,049	23,856	5.89
	Services	11,156	146,449	13.13
	Works	375	3,490	9.31
<b>Total</b>		<b>15,580</b>	<b>173,795</b>	<b>11.16</b>

As it turns out from the data in the table above, the highest average of bids submitted by economic operators is for Services that occupy 71% of small value procurement procedures published in the system and Works which occupy 2.4% of small value procurement procedures published in the system.

In terms of the Dynamic Purchasing System, purchase of air transport fares, the following table shows the average bid submission by economic operators:

**Table 56**

Type of procedure	Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
Dynamic Purchasing System, purchase of air transport fares	Services	518	2,352	4.54

From the data obtained from the electronic procurement system, it turns out that the number of procurement procedures above 800 000 ALL, with a bid submitted and finalized with a contract award notice is 1,512, while in terms of the number of small value procurement procedures with a bid submitted and finalized with a contract award notice is 900 procedures.

The following table shows in detail the number of procedures with 1 bid submitted and finalized with a contract award notice, by type of procurement procedure.

**Table 57**

Type of procurement procedure	Number of procedures with 1 submitted bid	Number of procedures with 1 submitted bid and finalized with a contract award notice/ contract conclusion
<b>Consultancy services</b>	10	0
<b>International, Open</b>	165	142
<b>Open</b>	529	381
<b>Request for Proposal</b>	1,203	989
<b>Restricted</b>	4	0
<b>Small value procurement</b>	1,163	900
<b>Dynamic Purchasing System, purchase of transport fares</b>	9	7

Also, from the data obtained from the electronic procurement system, it turns out that the number of procurement procedures above 800,000 ALL, with one qualified bid after the evaluation of bids by BEC and finalized with a contract award notice is 2,803, meanwhile the number of small value procurement procedures with one qualified bid and finalized with a contract award notice is 2,217.

The following table shows in detail the number of procedures with one submitted bid and finalized with a contract award notice, by type of procurement procedure.

**Table 58**

Type of procedure	Number of procedures with 1 qualified bid after evaluation	Number of procedures with 1 qualified bid after evaluation finalized with a contract award notice/ contract conclusion
<b>Consultancy services</b>	12	0
<b>International, Open</b>	202	190
<b>Open</b>	1,069	905
<b>Request for Proposal</b>	1,860	1,708
<b>International, Restricted</b>	3	0
<b>Restricted</b>	8	0
<b>Small value procurement</b>	2,314	2,217
<b>Dynamic Purchasing System, purchase of transport fares</b>	14	12



### 2.11. STATISTICS ABOUT THE NUMBER OF CONCESSION/PPP PROCEDURES IN THE COURSE OF 2020

The number of concession / PPP procedures published to be conducted in the electronic procurement system, contract award notices and the signed contract notices, published during 2020, are presented in the table below.

Table 59

Concession/PPP procedures	Number of procedures
Contract notices	1
Contract award notices (winner notices)	0

In 2020, a concession procedure was opened for the design, construction, operation, maintenance, rehabilitation and transfer of the road segment Milot-Thumanë-Kashar-Luzi i Vogël-Fier, which was canceled in December 2020.

### 2.12. STATISTICS ABOUT PUBLIC AUCTION PROCEDURES CONDUCTED IN THE COURSE OF 2020

During 2020, public auction procedures were also published in the Bulletin of Public Notices, and these procedures are conducted only in writing.

Specifically, the data on this procedure are shown below:

Table 60

Public auction procedures	Number	Offered value in ALL
Auction award notices	129	466,267,302
Signed auction contract notices	72	73,734,360

In analyzing the data presented in the table above, the fact that in many cases an entity that was declared the winner in several lots of auction procedures, has signed one contract only should be taken into account, hence the number of contracts concluded is less than the number of award notices. Distributed by months, the award notices of the auction procedures are presented as follows:

Table 61

Award Notices for Auctions January- December 2020		
Month	Number of Procedures	Offered Value in ALL
January	10	8,061,667
February	15	53,265,987

<b>March</b>	7	1,653,970
<b>April</b>	3	479,155
<b>May</b>	3	995,310
<b>June</b>	3	1,203,555
<b>July</b>	11	92,377,876
<b>August</b>	17	68,674,682
<b>September</b>	12	11,302,438
<b>October</b>	15	83,050,205
<b>November</b>	14	3,680,838
<b>December</b>	19	141,521,619
<b>Total</b>	129	466,267,302

Distributed by months, signed contract notices of auction procedures are shown below:

**Table 62**

<b>Signed contract notices for auctions January-December 2020</b>		
<b>Month</b>	<b>Number of procedures</b>	<b>Contracted value in ALL</b>
<b>January</b>	5	1,751,320
<b>February</b>	8	45,335,953
<b>March</b>	6	1,133,423
<b>April</b>	2	675,758
<b>May</b>	1	264,000
<b>June</b>	1	161,834
<b>July</b>	1	684,000
<b>August</b>	2	3,683,200
<b>September</b>	4	1,343,950
<b>October</b>	6	12,854,406
<b>November</b>	7	3,246,378
<b>December</b>	13	2,600,138
<b>Total</b>	56	73,734,360

In analyzing the data presented in the table above, the fact that after announcing the winners, the contracting authorities have 60 days to sign the contracts should be taken into account, therefore the number of award notices is higher than the number of signed contracts.

### **3. LEGISLATIVE INITIATIVES OF PUBLIC PROCUREMENT AGENCY DURING 2020**

#### **3.1. ADOPTED ACTS**

During 2020, PPA worked on finalizing some very important acts for the public procurement system in the country:

- Law 162/2020 "On Public Procurement", adopted by the Assembly, on 23.12.2020, and the decree is expected to be issued by the President;
- National Strategy for Public Procurement 2020-2023, approved by DCM no. 850, dated 04.11.2020;
- Law 36/2020 "On Procurement in the fields of Defense and Security", which entered into force on 09.07.2020;
- Rules for procurement in the fields of defense and security, approved by the Council of Ministers on 24.12.2020.

Below, we are giving an overview of the process pursued in the finalization of these acts and the novelties brought about by their adoption.

### **3.1.1. Finalization of the draft law and adoption of the new law on public procurement**

The new law aims to improve the regulatory framework of public procurement in Albania, taking into account the various findings and recommendations of international organizations, such as: European Commission, World Bank, OECD / SIGMA, etc., with a view to increasing efficiency in the process of procurement.

In the first four months of the year, the work focused on addressing comments, suggestions and opinions provided by all stakeholders, received as part of the public consultation process.

It is worth noting that, there have been a number of comments and suggestions sent through the email address made available for this purpose as well as in writing. In addition to publishing the draft law on the public consultation platform and on the official website of PPA, the latter continued to communicate in writing with the institutions, with which it has signed a Cooperation Agreement, or cooperates in the exercise of its duties.

Also, in the first four months, several consultative meetings were held, respectively with representatives of the State Audit Institution, Municipalities, representatives of the private sector, as well as representatives of international organizations and civil society.

The comments and suggestions received were addressed in close cooperation with Sigma experts, who assisted all the time in the drafting of the law. Subsequently, the draft law was forwarded for opinion to the Line Ministries, which provided their comments.

After the finalization of the draft law, it was approved on 29.07.2020 by the Council of Ministers. In the period October-December, PPA presented and defended the draft law in the parliamentary committees. The draft law was adopted by the Assembly on 23.12.2020.

The specific objectives intended to be achieved with the new procurement law are:

- Approximate Albanian legislation with EU Acquis, transposing or adapting specific directives, which cover procurement procedures in the classical, sector and administrative review directives;
- Significantly improve the current regulatory framework in the field of public procurement;

- Facilitate the participation of economic operators in procurement procedures;
- Avoid procrastination of the procurement process, due to the length of the administrative appeal process;
- Sustainable procurement, in compliance with the principles of social and environmental protection;
- Facilities in procurement of social services and other specific services;
- Increase performance in the implementation of contracts, by strengthening the monitoring of this process.

Meanwhile, the main novelties brought about by the law, are:

- Forecasting for the first time the concept of reserved contracts;
- Forecasting periodic and preliminary notices of information as tools that increase transparency;
- Clarification of the scope of law, specific and mixed procurement exclusions;
- Provision of procurement procedures according to the relevant Directives;
- Increasing the competencies and role of PPA, in terms of monitoring the implementation of contracts;
- Forecasting the complaints of the economic operators at the same time both with the authority and with the Public Procurement Commission and shortening the appeal deadlines.

### 3.1.2. Finalization of the National Strategy for Public Procurement 2020-2023

During 2020, PPA continued the work on the finalization of the draft National Strategy for Public Procurement, a strategy approved for the first time in this field.

By decision no. 850, dated 04.11.2020, the Council of Ministers approved the National Strategy for Public Procurement 2020-2023, and its action plan.

The purpose of this strategy is to ensure an efficient and effective procurement system in line with the principles of transparency, free and fair competition, non-discrimination and equal treatment, by promoting and encouraging a sustainable system that guarantees value for money.

The strategy is divided into 5 Policy Goals and 14 Specific Objectives, as follows:

- ✓ *Policy Goal I. Efficient and sustainable public procurement*
  - SO1.1. Improve procurement legislation and alignment with EU acquis.
  - SO1.2. Strengthen the role and capacity of the Public Procurement Agency.
  - SO 1.3. Organization and Professionalization of the procurement function.
  - SO 1.4. Increase efficiency in public procurement.
  - SO 1.5. Expand policies and methods for sustainable procurement.
  - SO1.6. Strengthen integrity in Public Procurement.
  - SO1.7. Improve the Electronic Procurement system.
- ✓ *Policy Goal II. Improve the legal and institutional framework for concessions and public-private partnerships.*
  - SO 2.1. Regulatory reform
  - SO 2.2. Institutional framework

- ✓ *Policy Goal III. Reorganize procurement in the fields of defense and security*
  - SO3.1.Improve the procurement regulatory framework in the fields of defense and security
  - SO3.2. Institutional framework
- ✓ *Policy Goal IV. Centralized Purchasing*
  - SO 4.1.Activity of Centralized Purchasing Agency
  - SO4.2. Centralized purchasing in the field of health
- ✓ *Policy Goal V. Improve complaint review process*
  - SO5.1. Establish an efficient complaint review process

In this context, as one of the main objectives of the institution for 2020, the Integration Sector has worked intensively to finalize this document. Thus, during the period January-February, work was carried out on the revision of the initial document and the costing of the planned activities, which were done in constant communication with the members of the working group and with the expertise of SIGMA, for this purpose.

The document was published for public consultation on June 12 to July 10, 2020. During this period, comments were sent by three economic operators, which were more related to specific problems encountered during the procurement process already addressed in the new draft law on public procurement.

The document was also re-forwarded for opinion to SIGMA, who sent their comments and suggestions for improving the document.

For the finalization of the Strategy, PPA has continuously communicated with the main institutions that are part of the strategy such as: ATRAKO, Public Procurement Commission, Ministry of Defense, Ministry of Interior, Centralized Purchasing Agency, Ministry of Health and Social Protection. In addition, they have communicated with other institutions contributing to the implementation of the Strategy such as: HIDAACI, Competition Authority, Ministry of Justice, DoPA, ASPA, etc.

In September, the draft strategy was also consulted with the Line Ministries and central institutions, addressing their comments and suggestions, and reflecting the changes in their subsequent draft.

In the meantime, work has been done on setting up structures and mechanisms to monitor the implementation of the Strategy, as well as on defining performance indicators, a process which has been carried out in cooperation with the experts of the technical assistance project contracted by EU Delegation to support MoFE with the Public Financial Management Strategy.

According to the established structure, PPA is the main institution responsible for coordinating and monitoring the objectives and activities envisaged in the strategy.

PPA chairs the Steering Committee of NSPP, which is composed of representatives from ATRAKO, PPC, Ministry of Defense, Ministry of Interior and CPA. In the meantime, it is foreseen to set up Policy Goal Groups to coordinate activities according to the specific objectives defined for each of them.

The implementation of measures and activities within this Strategy should have an impact on increasing the efficiency of the national public procurement system, but also on the overall market development, as well as the quality of services provided by public institutions.

In this respect, 10 performance indicators have been identified, through which the impact of the measures provided in the Strategy on the procurement system will be measured, as follows:

1. Better quality of supplies, works and services obtained;
2. Promote the participation of SMEs in public procurement procedures;
3. Promote market competition;
4. Improve procurement planning;
5. Increase the environmental and social benefits of services provided by public bodies;
6. Increase efficiency in contract award;
7. Improve long-term public works and services;
8. Increase transparency of concession and PPP contracts;
9. Increase the efficiency of the complaint review system by speeding up the decision-making process.

### 3.1.3. Adoption of Law 36/2020 “On procurement in the fields of defense and security”

The adoption of this law is an important step in establishing a regulatory framework for procurement in this field, with a partial approximation of Directive 2009/81 / EC of the European Parliament and of the European Council of 13 July 2009 “On the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defense and security, and amending Directives 2004/17 / EC and 2004/18 / EC”.

PPA together with the Ministry of Defense presented the draft law in the parliamentary committees.

The Law on Procurement in the fields of defense and security clearly defines the principles, procedures, rules and procedural aspects of the entire procurement process in this field.

- ✓ With the entry into force in July of Law 36/2020 "On procurement in the fields of defense and security", PPA worked closely with the Ministry of Defense, to address and finalize the draft of **Procurement Rules in the fields of defense and security**, prepared by this ministry.

PPA has also consulted the draft with SIGMA, and finalized comments and suggestions on the final draft of Procurement Rules in the fields of defense and security, as an act that further complements the procurement regulatory framework. The Public Procurement Rules in the fields of defense and security were approved by the Council of Ministers on 24 December.

### 3.1.4. Changes in the Standard Tender Documents

Taking into account the problems encountered in practice by the contracting authorities during the procurement process, but also as a result of cooperation that PPA has had with other institutions such as the Financial Supervision Authority, PPA has worked on the necessary changes in improving the Standard Tender Documents, for works / supplies / services.

By **Decision no. 06, dated 5.10.2020** two annexes have been changed in the sets of standard tender documents, respectively the Bid Security Form and the Statement on compliance with the Technical Specifications.

i) The modification of the Bid Security Form came as a result of the cooperation with the Financial Supervision Authority, which addressed a concern of the insurance market, forwarded through the Albanian Insurers Association. Based on the clarifications provided by the FSA, it was decided to make a correction / rewording in the content of the Bid Security Form, in each set of Standard Tender Documents.

ii) The need to review the Declaration on compliance with the Technical Specifications, came as a result of unclear situations that arise during the bid evaluation process, where economic operators are disqualified from the procurement procedure, as they do not present the schedule of works or schedule of services or supplies delivery, while this is an appendix, which is completed by the CA and the economic operator with their participation and submission of the bid in a procurement procedure undertakes the implementation of the procurement object according to the schedule required by the authority.

To this end, the appendix specified that the economic operator undertakes not only the fulfillment of technical specifications, but also the implementation of the procurement object according to the schedule of required works / supplies/ service delivery.

### **3.1.5. PPA Guidelines, Recommendations and Notifications**

During this year, in addition to guidelines and recommendations related to specific issues in view of the smooth running of the public procurement system and the implementation of the regulatory framework in this area, PPA, due to the pandemic situation in the country, caused by Covid -19, has issued a series of guidelines and notifications to assist the contracting authorities, who had to deal with the emergency situation they faced, both on the continuation or not of the initiated procedures, but also on the procurement of items that would serve as a preventive measure against this virus.

During the year, 6 (six) guidelines, 7 (seven) recommendations and 14 (fourteen) notifications were drafted, with the assistance of the contracting authorities.

**Table 63**

<b>Guidelines</b>	<b>Recommendations</b>	<b>Notifications</b>
<b>6</b>	<b>7</b>	<b>14</b>

Through these guidelines, recommendations, and notifications, PPA has aimed to assist and clarify the contracting authorities step by step, taking into account the situation in the country, on the recovery of

damage caused by the earthquake at the end of 2019, as well as the difficult situation of this year, caused the Covid-19 Pandemic.

Also, the above acts issued by PPA during 2020, have aimed at assisting contracting authorities in terms of the procurement process, in the context of any reforms undertaken both in terms of legal regulation and those related to technical aspects of this process.

In this context we mention the following guidelines:

- Guideline no. 1, dated 13.02.2020, on the creation of the element for the public procurement procedure for the reconstruction, where the authorities responsible for conducting the procurement procedures foreseen in the Normative Act no. 9, dated 16.12.2019 "On coping with the consequences of natural disaster". This guideline is accompanied by the Technical Manual, explaining the steps to be followed in the electronic procurement system by the responsible authorities that will conduct procurement procedures.
- **Joint Guideline** with the Ministry of Health and Social Protection no. 294 Prot., dated 06.05.2020 "On defining the list of supplies and services to cope with the situation created by the Covid-19 Epidemic". PPA, in cooperation with the Ministry of Health and Social Protection, taking into account the pandemic situation in the country, in the framework of institutional cooperation, pursuant to Normative Act no. 3, dated 15.3.2020, of the Council of Ministers, "On taking special administrative measures during the duration of period of infection caused by Covid-19", of DCM no. 343, dated 27.04.2020 "On defining the contracting authorities that will procure, by negotiated procedure without prior publication of a contract notice, the necessary supplies or services to cope with the situation caused by COVID -19", in order to guarantee by public institutions, the conditions and the hygienic-sanitary items necessary to limit the spread of COVID-19, drafted this joint guideline to guide contracting authorities on the list of supplies to be procured by the Centralized Purchasing Agency, as the central purchasing body, defining their technical and quality data.
- **Guideline no. 2** dated 11.09.2020 "On some changes in the Guideline no. 6, dated 16.01.2018 "On the use of the framework agreement and its conducting by electronic means", as amended and **Guideline no. 3** dated 11.09.2020 "On a change in the Guideline no. 8, dated 20.02.2018 "On entrusting Centralized Purchasing Agency with conducting public procurement procedures, in the name and on behalf of the Prime Minister, Ministers and subordinate institutions, for some supplies and services", as amended.

These changes were dictated by the problems identified by the State Audit Institution on the implementation in practice by the contracting authorities of PPA Guidelines, when using framework agreements, when the evaluation of bids is done with price per unit total sums. For this purpose, the situation was analyzed, in communication with institutions that play the role of central purchasing bodies, and it was deemed to further instruct the cases when the authorities decide to use the price per unit as a way of evaluating bids.

With these changes, emphasis is also placed on the organization of the procurement procedure, where in case the criterion of evaluation of price per unit will be used, the procedure should be organized in lots, to avoid possible abuses that economic operators may make during bidding.



- **Guideline no. 4 dated 18.09.2020** "On a change in the Guideline no. 3, dated 08.01.2018 "On the use of the small value procurement procedure and its conducting by electronic means" and **Guideline no. 5 dated 18.09.2020** "On a change in the Guideline no. 4, dated 09.01.2018 "On the dynamic purchasing system of air transport fares and its conducting by electronic means", as amended.

The changes made to these guidelines came as a result of improvements made to the electronic procurement system in order to increase transparency during the bid evaluation process in these procurement procedures, and in relation to the public.

Minutes of the transfer from the economic operator ranked in the first place to the economic operator ranked in the second place and so on, are kept by the relevant committees for the purpose of documenting the steps followed during the conducting of this procurement procedure, and these minutes are administered in writing. Meanwhile, with the improvements made to EPS, it became possible to automate these minutes, so that they are no longer kept in writing, but they are uploaded on the system. It is worth mentioning that the completed information will be non-modifiable, and it will be automatically available to the economic operator in the form of notification.

We emphasize that the automation of the minutes in EPS aims at increasing transparency in the evaluation of bids of economic operators, informing them of the reasons for their disqualification, which aims to reduce the number of complaints about small value procurement by economic operators.

Meanwhile, in order to increase the performance of the management of funds and needs by the contracting authorities, as well as the full functioning of the public procurement system, the constant recommendations and notifications of PPA, have mainly consisted of:

- Encouraging the participation of NGOs in public procurement procedures aimed at social services, in order to increase transparency, efficiency and accountability for these services, bringing to the attention of contracting authorities that all interested economic operators, without any prejudice, be they natural person, limited liability company, joint stock company or various organizations, can access the electronic procurement system, by being provided with the relevant account, through which they can submit their bids in public procurement procedures.
- Taking into account the provisions of the public procurement legislation in force, to cover the emergency needs for supplies, works or services, caused by the situation of force majeure, bringing to the attention of the contracting authorities that after covering the emergency needs to cope with Covid 19, at the same time to take measures to plan new needs, as far as possible, for supplies, works or services to cope with the situation in the longer term and that they should use the procurement of framework agreements, as the only mechanism, that assures them that they can meet their needs in the time and quantity they want;
- When using framework agreements, the criterion of evaluation of the winning bid/bids based on the price per unit, is applied only in those cases when the contracting authority is objectively

unable to define the quantity to be procured, while in all other cases, when the quantities are calculated on an annual basis according to previous experiences and the framework agreement, and / or the object of the procurement does not consist of several items, or when the framework agreement is used only for the fact that we are dealing with supplies and ongoing services, the evaluation criterion will be the bid with the lowest total price;

- If they consider using the lowest price per unit as the evaluation criterion, the contracting authorities should be careful in organizing the procurement procedure, taking into account the division of the object to be procured into lots;

- In order to increase the performance management of funds and needs by the contracting authorities and the overall functioning of the public procurement system, PPA has recommended all contracting authorities to start procurement procedures for objects (supplies / works / services) provided for the year 2021, as long as the funds are provided in MTBP, as well as compliance with the provisions of DCM no. 807, dated 16.11.2016 "On the discipline of budget commitments" as amended, as in the meaning of this decision, it will not be allowed to conduct procurement procedures above the threshold of small value procurement foreseen to take place within 2020, for which the contracting authorities had the funds at the beginning of the year and did not enter or create elements / items in the register of forecasts of procurement procedures, until October 15, 2020;

- In the procurement of the object "Implementation and Maintenance of Systems" based on the fact that we are dealing with two different items in the budget, investment and expenditure, which must be procured jointly, in the Contract Notice, contracting authorities should forecast the limit fund value made available for each of these items, i.e. for both investment and maintenance. It is also recommended that the values of the economic investment and maintenance bid offered by economic operators should not exceed the limit fund value provided in the contract notice for these items, as otherwise the bid will be regarded as a bid above the limit fund and as such, may not be eligible;

- As a result of PPA findings during the monitoring of procurement procedures for works, supplies and services, published in the Electronic Procurement System by various contracting authorities, as well as the verification of the implementation of legality for some procurement procedures, conducted by various contracting authorities, during the period 2018 - 2020, the contracting authorities are oriented towards the rigorous implementation of the public procurement law regarding the drafting of tender documents;
- Taking into account the identified problems, PPA and PPC have recommended all contracting authorities that in case of review of complaints submitted to them by economic operators they should immediately suspend the procedure, they should handle the complaint and keep the procedure suspended, until the termination of all procedures by PPC, as well as reflect in the annexes drafted in implementation of the given decision, all the changes contained in the PPC decision, and to inform PPC on the implementation of the given decision.

In addition to the above, PPA has issued a series of notifications to contracting authorities and economic operators throughout the year, which have consisted of:

- The manner of forwarding contract notices concluded for procurement procedures conducted through the framework agreement during the calendar year 2019 for publication in the Bulletin of Public Notices;
- Deadline for the establishment in the electronic procurement system of the register of forecasts of procurement procedures for 2020;

- Suspension of new procurement procedures, for a period of 15 days, providing relevant clarifications about procurement procedures that are in process, **and excluding procurement procedures that are considered urgent or necessary by the contracting authorities, including the implementation of contracts;**
- Clarification that, if they do not have the impossibility created by the situation of infectious disease COVID-19, contracting authorities should continue the work by publishing new notices about procurement procedures in the electronic procurement system, or by opening and reviewing the submitted bids. Also, the continuation of the procurement process is clarified (new publications or procedures that are in process) to cover the needs arising from the situation caused by the Covid 19 pandemic, even for those objects that are necessary for the smooth running of contracting authorities work, including procurement objects related to the provision of services to the community, as well as the procedures that take place within the reconstruction process;
- With the expiration of the deadline published for the state of natural disaster, all contracting authorities have been notified that they can continue the procurement process for supplies, works or services to meet their needs, according to the legal provisions in force for public procurement;
- Changes made to small value procurement and dynamic purchasing system, in terms of process automation;
- Data on the entities that are excluded from obtaining funds in all procurement procedures of public works or contracts, as well as from public concessions and public-private partnerships and related rights, according to the provisions of Normative Act no. 1, dated 31.01.2020 "On preventive measures in the framework of strengthening the fight against terrorism, organized crime, serious crime and consolidation of public order and security";
- Delivery on time, and within the deadline set by the Centralized Purchasing Agency on the notices it publishes of technical and quantitative data, and relevant funds for procurement procedures conducted by the latter, in the role of the central purchasing body in order to not to become an obstacle to the publication and timely conducting of procurement procedures, and the avoidance of situations not covered by supplies and services, which lead to the use of the negotiated procedure without prior publication of a contract notice;
- During the bid evaluation process, especially in small value procurement procedures, they should take into account the provisions of Article 65 of DCM 914/20214, that if at the time of verification of the object of activity according to the Registration Extract in the National Business Center, it is noticed that two bidding companies have the same administrator, they should be disqualified from interfering with the bid;
- Joint notification with the General Taxation Directorate, since January 1, 2021, in the tender documents to be published by the contracting authorities, to inform economic operators about the requirements of law no. 87/2019 "On the invoice and the turnover monitoring system".

## 4. INDICATORS OF PPA ADVISORY AND REPRESENTATIVE ACTIVITY IN THE COURSE OF 2020

### 4.1. REVIEWED PRACTICES FOR PROVIDING OPINIONS, ADVICE OR INSTRUCTIONS

PPA, in implementation of the tasks assigned by the legislation in the field of public procurement, concessions/PPPs and public auction, has addressed a considerable number of practices, which have been related to providing opinions, advice or instructions to assist contracting authorities, giving opinions on various draft decisions, reviewing the proposals of contracting authorities or even economic operators to exclude various entities from participating in procurement procedures, concessions/ppps and public auctions.

PPA has assisted contracting authorities by handling requests submitted by them in writing, electronically, on the telephone number, or even at the official hours set for meetings, from Monday to Thursday at PPA quarters.

Assisted problems were related to various issues and uncertainties during the procurement process, such as:

- covering the needs for supplies and services in the situation created due to the pandemic;
- the manner of proceeding for the provision of the security service with private guards, which has been granted to Illyrian Guard sha, and in some cases, by not taking over this service, this company has disabled the contracting authorities to meet the needs for this service not only at the beginning of the year, but even further on;
- the way of reflecting the new items in the drafting of the Forecast Register for 2020;
- issues related to the Framework Agreement, especially for the part of mini-contracts;
- request for approval of procurement procedures due to the situation created by the Covid-19 pandemic;
- use of negotiated procedure without prior publication;
- the manner of procurement of reconstruction funds;
- ambiguity in the manner of replacement of members who are part of the public procurement working groups;
- regarding the consideration of deadlines of filing complaints with the CA and PPC;
- complaints addressed to PPA, regarding inaccuracies and violations of the PPL, by the CA for the conducted procurement procedures and especially for those of small value.

During 2020, PPA has had communications with various institutions and mainly with:

- i) various contracting authorities and economic operators, who have asked for opinions and clarifications about uncertainties on issues in the field of public procurement and public auction;
- ii) central government institutions (ministries), in the context of giving opinions on draft decisions or draft laws that are passed for approval to the Council of Ministers, in the field of public procurement/concessions/ public private partnerships and public auctions;

- iii) Public Procurement Commission, which, among other things, in its decisions has requested of PPA to initiate administrative investigation about certain procurement procedures, and especially for violating the secrecy of the process, in the sense of Article 25 of the PPL, as well non-compliance with the deadlines of the complaint by the CA, in compliance with article 63 of the PPL.
- iv) Prosecution Institutions, in relation to various information requested by them on procurement procedures carried out by different contracting authorities, various legal studios, which pursuant to the right to information have requested the provision of procurement procedure documents requesting information on certain procurement procedures, visual media bodies or various journalists, etc.;
- v) various economic operators, who have asked to be provided with certificates to reflect their situation, as operators who have not been excluded by a PPA decision from participating in public procurement procedures. It is worth mentioning that, with the introduction of the service through e-Albania, a good part of the requests for withdrawal of certificates come through this platform.
- vi) Classified Information Security Directorate at the Prime Minister's Office, about the verification required for certain economic operators, if there was a PPA decision to exclude them.
- vii) Economic operators, who have complained about small value procurement procedures, but also about competitive procurement procedures in process. It is worth mentioning that there has been a considerable number of complaints, a good part of which are included in the investigation plan.

Specifically, the total number of practices submitted to this sector for opinion, clarification or information from various institutions, on issues related to the public procurement process, concessions/ PPPs, and public auctions during 2020 is **473**.

In addition to handling requests submitted in writing, PPA has been maximally committed to the immediate addressing of any request forwarded to its email address.

Referring to the number of electronic requests **during this year**, it turns out that about **430 requests** have been processed. The operability of PPA, in the rapid responses to any request for uncertainty that the authorities have during the procurement procedures, or difficulties that economic operators encounter during the procurement process, has led to increase in their number in 2020 compared to two recent years, where the number has been respectively: **in 2018- 250 electronic requests were addressed, and in 2019- 380 electronic requests were addressed.**

In tabular form, these data are as follows:

Table 64

Reviewed practices, in the context of legal assistance, in the course of 2020	
Type of request	Number
Request for giving opinion / clarification / communication with other institutions, in writing	240
Request for giving opinion / clarification / communication with	430

other institutions, electronically	
PPC requests for initiation of Administrative Investigation	6
Request for giving opinion on submitted draft decisions / laws	37
Verifications required by CISD	18
Certificates issued to economic operators that are not in the process of exclusion	83
Requests submitted by various Judicial District Prosecutor's Offices / SPAK / various institutions	14
Complaints from economic operators	54
Wrongly addressed letters / forwarded by PPA to relevant institutions	20

#### 4.2. REVIEW OF CASES FOR EXCLUSION OF ECONOMIC OPERATORS

One of the main tasks of PPA is the evaluation of cases of exclusion from the right of economic operators to obtain public funds, these cases identified during the process of verification or review of reports of audit bodies performed by PPA, or as a result of proposals of contracting authorities, economic operators, other auditing bodies in the exercise of their functions, which require the exclusion of economic operators from the right to bid in public procurement procedures, concession/ public private partnership or public auction procedures, for a given period of time.

A good part of requests submitted during this year, as we will analyze them below, has been incomplete, in terms of legal conditions required by Article 13/3 of the PPL, on the exclusion of an economic operator from the right to receive public funds.

The mechanism for excluding economic operators from participating in public procurement aims to increase their accountability, integrity and awareness. This mechanism is very important in the conditions of the bidding process through self-declarations, as it aims to ensure the avoidance and, if appropriate, the penalization in case of false declarations. Specifically, during 2020 there were, among others, two cases of false self-declarations, in two important fields, such as meeting the criteria for the provision of food items and meeting the criteria for implementing the requirements of labor legislation.

In 2020, **62 requests for exclusion of economic operators were reviewed**, one of which for exclusion of economic operator from public auctions, while there were no requests for exclusion of economic operators from participation in concessions / public private partnership.

In tabular form, we present them as follows:

Table 65

Reviewed cases for exclusion of economic operators
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Identified cases during the verification of the implementation of procedures / review of recommendations of audit bodies, by PPA	2
Initiated proposals by State Audit Institution	2
Initiated proposals by Contracting Authorities	41
Initiated proposals by Economic Operators	16
Initiated proposals by Public Procurement Commission	1
<b>TOTAL</b>	<b>62</b>

Of the **62 cases proposed** for exclusion from participation in public procurement:

- **41 cases** are referred for misinformation and submission of documents containing false data according to the provisions of article 13/3 / a of PPL;
- **20 cases** are referred for non-fulfillment of contractual obligations, according to the provisions of article 13/3 / ç of PPL;
- **1 case** is referred according to the provision of article 7 d of the law on Public Auctions.

In tabular form, we present them as follows:

Table 66

Reviewed cases for the exclusion of economic operators, with legal basis article 13/3 of PPL	
Proposals for misinformation and submission of documents containing false data, according to article 13/3 /a of PPL	41
Proposals for non-fulfillment of contractual obligations, according to article 13/3/ç of PPL	20
Proposals for exclusion from public auctions	1
<b>TOTAL</b>	<b>62</b>

Out of 62 administered requests, administrative proceedings have been initiated for exclusion from participation in procurement procedures for **31 economic operators**, **27 proposals** have not been considered because after reviewing them it turned out that the requests were not complete, or even after verifications were performed, it turned out that the conditions provided by the legal provisions for initiating administrative proceedings by the PPA were not met. Also, **4 submitted proposals** are under review.

During this year there have been cases where the review of the submitted request for exclusion has been suspended because the case was in the Prosecutor's Office / Court, until these institutions take a decision.

Table 67

Evaluation of exclusion requests	
Administrative proceedings initiated	31 requests
Non-initiation of administrative proceedings	27 requests

In the review process	4 requests
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### Decisions to exclude economic operators

At the end of the administrative proceeding initiated for **31 economic operators**, the **decision was taken to exclude them** from the right to participate in procurements, for 16 of them, according to the provisions of article 13/3 of PPL, of which:

- **10 economic operators** have been excluded from participating in public procurements due to misinformation and submission of tender documents containing false data, according to the provisions of article 13/3 / a of PLP, respectively:
- 7 economic operators were excluded because they misinformed the contracting authority for qualification purposes;
- 3 economic operators were excluded because they misinformed by submitting documentation with false data for qualification purposes.
- **6 economic operators** have been excluded due to non-fulfillment of contractual obligations, according to the provisions of **article 13/3 / ç** of PPL.

Table 68

Exclusions based on the legal basis of article 13/3 of PPL	
Excluded for misinformation for qualification purposes (Article 13/3 / a)	7 cases
Excluded for submission of documents with false data for qualification purposes (Article 13/3 / a)	3 cases
Excluded for non-fulfillment of contractual obligations (article 13/3 / ç)	6 cases

- It is worth mentioning that, in the cases of exclusion of economic operators **in the conditions of misinformation for qualification purposes**, cases have been ascertained, such as:
  - misinformation through the submission in the tender of judicial status (criminal record) statement, where the company has stated that it has not been convicted for criminal offenses, in accordance with Article 45/1 of PPL, while the verifications have shown that the partner/ administrator have been criminally convicted;
  - misinformation regarding the information given in the self-declaration of the economic operator on the non-engagement of its staff engineers or technical managers in other contracts, while the verifications have resulted in double employment in state institutions or other construction companies;
  - misinformation regarding the self-declaration by the economic operator that it has paid off taxes, while the verification carried out by the tax authorities has shown that the entity has had unpaid duties;



- misinformation regarding the submission of the self-declaration that there is no legal measure in force imposed by the SILSS, while from the verifications performed the economic operator was fined by this institution;
  - misinformation regarding the submission of the self-declaration given in the tender that, from the last control performed by NFA it has resulted that the operator exercises activity in accordance with legal requirements, while the verifications have indicated that the economic operator in question does not conduct the activity in the given address.
- As cases of **ascertainment of documents with false data**, we mention:
    - submission of ISO and CE certificates, which after verifications have resulted that they have not been issued by the certification bodies TUV and Enterocerma;
    - submission of the certificate that the economic operator has a certain number of insured employees, while the verification shows that the reflected number in this certificate is false;
    - submission of tax invoices to prove the fulfillment of the criterion for similar experiences, while the tax authorities have confirmed that they are not accurate. The declarations in the books of account/ledgers do not match the photocopies of the invoices; the value of the invoices made available has one additional zero than any declaration made by the entity in the sales books.
  - Regarding the cases of non-fulfillment of contractual obligations, it turns out that there were 6 decisions on exclusion of economic operators.

The exclusion decisions delivered in these cases were on non-fulfillment of contractual obligations during the signed contracts mainly at the end of the small value procurement procedures, but also on non-fulfillment of the signed contracts after conducting a competitive procurement procedure.

#### **Decisions not to exclude economic operators**

For **4 (four) economic operators** it was decided not to exclude them because the conditions provided in article 13/3 of PPL were not met.

In tabular form, data on non-exclusion decisions are shown below:

**Table 69**

<b>Decisions not to exclude economic operators from participation in public procurement</b>	
Decisions for non-exclusion, based on the provisions of article 13/3 / a of PPL ( <i>for misinformation and submission of documents with false data for qualification purposes</i> ) Decisions for non-exclusion, based on the provisions of article 13/3 / ç of the LPP (non-fulfillment of contractual obligations)	2 cases
Decisions for non-exclusion, based on the provisions of article 13/3 / ç of PPL ( <i>non-fulfillment of contractual obligations</i> )	2 cases

#### **Suspension of administrative proceedings**

During the administrative proceedings initiated for the exclusion of economic operators, pursuant to the Code of Administrative Procedures, it was decided to suspend the proceedings for 5 (five) economic operators, due to the court process.

The decision to suspend the administrative proceeding was taken in the conditions when it turned out that the non-fulfillment of the alleged contractual obligation was the subject of a lawsuit filed with the Court by these economic operators.

Meanwhile, 12 (twelve) other proceedings, continue to remain suspended, due to the continuation of the court process since 2015 for which the delivery of the final court decision on these cases is expected.

In tabular form, data on administrative proceedings, which are suspended due to court proceedings, are presented below:

**Table 70**

Administrative proceedings that remain suspended due to the continuation of the court proceedings in 2020	5
In total, administrative proceedings suspended during the years 2015-2019	12

✓ **Incomplete requests and requests in process**

For **27 economic operators**, PPA has not initiated administrative proceedings, as the request submitted by the proposers (economic operators/contracting authority) is accompanied by insufficient documentation and not is grounded on evidence to initiate administrative proceedings, or after verifications turned out that the conditions for initiating administrative proceedings according to the provisions of Article 13/3 of PPL were not met, or the review of the request was suspended, because it was concluded that the case was in the Prosecutor's Office or the Court.

Also, administrative proceedings are **still in process by PPA for 6 (six)** economic operators.

Meanwhile, 4 requests for initiating investigation are being processed for further evaluation by PPA.

- In summary, below we present in tabular form, the handling of all cases (62) identified for exclusion of economic operators from the right to obtain public funds, during 2020:

**Table 71**

Handling exclusion cases, reviewed by PPA during 2020	
Decision	Number
Exclusion decisions	16
Non-exclusion decisions	4
Suspended administrative proceedings	5
Administrative proceedings in progress, for a decision to be taken	6
Incomplete requests	27
New cases under review	4

<b>TOTAL</b>	<b>62</b>
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## 5. INDICATORS OF PROCEDURE VERIFICATION ACTIVITY

Pursuant to the tasks assigned by the public procurement legislation, the verification activity of PPA focuses on two main directions:

- *Verification of the implementation of the legality of public procurement procedures, after the contract signing phase, through administrative investigation;*
- *Review of reports of audit bodies, which reflect the findings of audited procurement procedures and relevant recommendations.*

### 5.1. VERIFICATION OF IMPLEMENTATION OF LEGALITY

Verification of the implementation of legality in procurement procedures conducted by various contracting authorities, after the contract signing phase, is a continuous process of PPA activity.

Through this process, the aim is to raise the awareness of contracting authorities about the rigorous implementation of public procurement legislation, in the procurement procedures conducted by them.

In its role, as a regulator of the public procurement system in the country, PPA focuses the investigative process on identifying issues related to compliance with legal requirements.

Through the verification process, PPA does not only aim to identify irregularities and problems, penalize responsible persons, who turn out to have committed actions contrary to legal provisions of procurement, but also to analyze the situation and provide relevant recommendations to avoid these actions, in the future.

Also, the analysis of the conclusions reached at the end of the verification process can serve as a basis for issuing general recommendations, which serve all contracting authorities and as a basis for possible improvements to public procurement legislation.

On this basis, from the findings of ex-post verification, as well as those identified in the phase of procurement procedures publication, a recommendation was issued in 2020 to guide contracting authorities in avoiding identified problems in the future.

Also, the problems and findings from the verification process were analyzed and, as the case may be, for changes in the procurement laws and bylaws have been contemplated.

Regarding the verification of the implementation of legality during 2020, PPA has proceeded as follows:

- *Verification of procedures where the administrative investigation is initiated ex-officio.*
- At the beginning of the year, the implementation of the Verification Plan launched in October 2019 was completed, with a focus on 12 Contracting Authorities and including open and small value procurement procedure. Specifically, within this plan, 12 procurement procedures were

verified, conducted respectively by 12 different Contracting Authorities. At the end of each investigation, PPA came up with the relevant decisions.

At the end of the verification of all procurement procedures included in the Plan, Notification no. 8297/3 Prot., Dated 23.01.2020, was prepared and published on the official website of PPA, which reflects the violations and shortcomings identified during the process of verification of these procedures.

Also, through this notification, recommendations were given regarding the good implementation of legal procurement provisions, which have resulted in non-compliance by the authorities subject to verification. At the same time, it has been brought to the attention of all contracting authorities to take into account the recommendations in question, in order to avoid these violations when conducting procurement procedures.

- In March 2020, a verification plan was prepared and approved, which, due to the pandemic situation created by COVID-19 and the quarantine period, began to be implemented in May, with reference to the provisions of Law no.44/2015 "Code of Administrative Procedures of the Republic of Albania", for extraordinary cases.

Audit subjects in this case by PPA, were those Contracting Authorities, which, during the phase of publishing various procurement procedures, have not reflected / reacted to the recommendations given by PPA for drafting and explaining the admission criteria in accordance with the legal requirements in public procurement law and public procurement rules.

Thus, the plan in question includes procurement procedures, conducted during 2019, without reaction /reflection from the relevant authorities, following PPA recommendations on the qualification criteria. The selection of these procedures was made mainly based on the frequency of lack of reflections or reactions of the relevant authorities to the recommendations on the qualification criteria given by PPA.

Also, the procurement procedures denounced by economic operators are included for verification in this plan. Specifically, the procedures included in this plan are divided as follows:

- **8 open procurement procedures.**
- **7 request for proposal procurement procedures.**
- **2 negotiated procedures without prior publication of a contract notice.**
- **14 small value procurement procedures / dynamic purchasing system.**

**27 Contracting Authorities** were subject to this verification plan with a total of **31 procurement procedures**.

At the end of the verification plan, PPA has issued the relevant decisions.

Also, in order to publish the violations found during the verification of the implementation of the legality of the procedures subject to the plan in question, Recommendation no. 6732 Prot., Dated 21.10.2020 "On the problems identified during the monitoring of tender documents and verification of procurement

procedures for supplies, works, services" was drafted. This document aimed to guide the authorities to rigorously implement the public procurement law and to take into account PPA findings during its two assisting and monitoring processes that of monitoring tender documents at the time of their publication and verification of procurement procedures after the contract signing phase.

- In November 2020, another verification plan was drafted and approved, which is under implementation. Based on the numerous denunciations that have been sent to PPA since the drafting of the previous verification plan, mainly by economic operators, in writing or by e-mail, the reported procurement procedures for which PPA has requested an administrative investigation are included in this plan. The denunciations were sent in writing, to the e-mail address of PPA, and there were cases forwarded to the co-government platform.

**27 Contracting Authorities** are subject to this verification plan with a total of **28 procurement procedures**.

The procedures included in this plan are divided as follows:

- **4 open procurement procedures.**
- **6 request for proposal procurement procedures.**
- **18 small value procurement procedures.**

Currently, the PPA has issued a decision on one of the procedures of this plan and is continuing the verification process for other procedures.

During this year, due to the situation created by the Covid-19 pandemic, PPA focused on the verification of procurement procedures, taking into account the recommendation of SAI for verification of procedures without reaction / reflection by the contracting authorities, on the acceptance criteria, and denunciations submitted by third parties, as the presence in the office of employees has been very limited and as a result, there have been difficulties and delays in the distribution of practices, their photocopying / scanning, given the volume of verification practices. Consequently, it was not possible to include for verification procedures in the field of concessions / PPPs or other selective procurement procedures.

- *Direct verification of cases reported by economic operators or forwarded for competence to PPA, by other institutions.*
- During 2020, a considerable number of denunciations were submitted to PPA by economic operators, challenging the actions of the contracting authorities in procurement procedures. Some of the denounced procedures, submitted until the time of the approval of the plan and which have ended with the signing of the contract, are included in the above verification plan.

Further on other denunciations were submitted, and specifically PPA has begun in December the administrative investigation for **three small value procurement procedures**, finalized with a contract, respectively by **two contracting authorities**.

It is worth mentioning that, during this year, PPA has handled a large number of denunciations from various economic operators, that have informed about actions taken by contracting authorities that are

contrary to legal provisions, and have requested from PPA starting an administrative investigation, for procurement procedures where they were participants.

- In addition to the above, during 2020, the Public Procurement Commission has proposed in some cases to PPA to commence an administrative investigation, in decisions taken during the handling of complaints of economic operators in various procurement procedures.

The reported cases had to do with findings mainly related to non-compliance with the appeal deadlines by the contracting authorities and violation of allegations of breach of confidentiality of the process, as provided in the public procurement law. For these findings, the contracting authorities that have conducted the procurement procedures have been requested to send information on the performed actions and the documentary evidence related to these actions.

At the end of the review of the relevant information and documentation, PPA came up with the legal handling and justification, as it turned out from this review.

**Four contracting authorities for five procurement procedures** were subject to verification, of which two of request for proposal and three open procedures.

Meanwhile, PPA is in the process of verification regarding the findings of the Public Procurement Commission for **two contracting authorities**, for **two procurement procedures**, for which, after the proposal of this institution, an administrative investigation has been initiated.

- *Verification of cases identified by publication in the Electronic Procurement System or the Bulletin of Public Notices.*

During this year, **three Contracting Authorities** have been subject to verification, for shortcomings identified by PPA during the publication of procurement notices in the Electronic Procurement System, respectively for **three requests for proposal procedures** and one **restricted procedure**.

The shortcomings identified in these cases are related to the non-publication of the contract award notice and the notice of the signed contract, according to the rules and deadlines set out in the public procurement legislation.

At the end of the verification, PPA has issued the relevant decisions and reasons.

In tabular form, data on verifications performed during 2020 are shown below:

Table 72	
<b>Contracting Authorities, subjects to verification</b>	<b>36</b> <i>(it should be taken into account that some contracting authorities have been subject to verification for several procedures)</i>
<b>Decisions issued by PPA, with penalizing measures</b>	<b>31</b>

Attention drawing and general orientation / closure of the investigation	7		
Total verified procurement procedures 43	Public works procedures 7	Supplies procedures 20	Services procedures 16

Table 73

Type of procurement procedure	Number of procedures
Open procedure	12
Restricted procedure	1
Request for proposal procedure	11
Negotiated procedure without prior publication of a contract notice	2
Small value procurement procedure	16
Dynamic Purchasing System of Fares	1
<b>TOTAL</b>	<b>43</b>

## 5.2. REVIEWING AUDIT BODY REPORTS

Review of the audit body reports is the other main direction where the activity of PPA is focused, as a competence foreseen in the Law no. 9643/2006 “On public procurement”, as amended.

On this basis, during 2020, PPA has cooperated with audit institutions in the country, such as: State Audit Institution, Compulsory Health Care Insurance Fund, Financial Inspection Directorate in the Ministry of Finance and Economy, and Internal Audits of institutions, taking into consideration the relevant audit reports (*overlapping parts, where findings for audited procurements are addressed*), sent for competence to PPA, by these institutions.

In the context of this cooperation, PPA has communicated with these institutions, in any case when there was a need to complete the material sent for review to PPA.

During the review of each audit report, the right of the audited entity/persons identified as responsible by the audit bodies to submit to PPA their objections to the findings reflected in the relevant reports, has been respected.

PPA has concluded in the final decision-making process of handling audit reports, after careful review, analysis and evaluation, of any findings reflected in the report, by the audit institution, as well as objections and clarifications sent by the audited authorities/auditees.



During 2020, **16 audit reports on 16 Contracting Authorities were reviewed**. For 15 contracting authorities, PPA has issued a decision, while the attention of one contracting authority has been drawn to the following procedures, not being in the conditions for taking administrative measures.

In tabular form, data on the number of reviewed reports by audit bodies are shown below:

**Table 73**

<b>Audit institution</b>	<b>Number of reports</b>
State Audit Institution	9
Internal Audits of Institutions	2
Compulsory Health Care Insurance Fund	4
Financial Inspection Directorate	1
<b>TOTAL</b>	<b>16</b>

From the audit reports in total, PPA has reviewed the findings for **181 procurement procedures**, as well as for **four contract amendments**.

In tabular form, data on the types of procurement procedures addressed in audit body reports, whose findings are addressed by PPA, are shown below:

**Table 74**

<b>Type of procurement procedure</b>	<b>Number of procedures</b>
Negotiated procedure without prior publication of a contract notice	8
Open procedure	38
Request for proposal	72
Small value procurement procedure	60
Consultancy services	2
Dynamic purchasing system of fares	1
<b>TOTAL</b>	<b>181</b>

### **5.3. FINDINGS AND PROBLEMS IDENTIFIED IN THE COURSE OF VERIFICATION PROCESS**

During the process of administrative investigation and review of audit reports, various shortcomings and violations of public procurement legislation were found by the contracting authorities that have conducted procurement procedures subject to verification.

I) Ascertainments and findings identified **during administrative investigations** consist mainly of:

1- Lack of justification and documentation of **technical specifications** defined for the procurement procedure, referring at the same time to certain brands, contrary to Law no. 9643, dated 20.11.2006 "On public procurement", amended (hereinafter "PPL").

Also, in almost all small value verified procedures for Purchase of toners, the contracting authorities have specified that the toners should be genuine, without including the words 'or equivalent', contrary to the PPL. In some cases it is even specified that the toners should be the original brand of the printer or photocopier manufacturer for which these toners were requested.

2- In terms of the **limit fund calculation**, the most common identified shortcomings mainly have to do with:

- lack of technical price analysis for items of bill of quantities that are not provided in the official manuals, or non-documentation of price references of their constituent sub-items;
- discrepancy of the prices of the items of bill of quantities with those of the respective manuals.
- lack of justification and documentation of the limit fund calculation, contrary to PPL and public procurement rules. Pursuant to public procurement legislation, the authorities must document the method of calculating the limit fund and the price indicators that have been taken into account in this calculation.

At the same time, even in some small value procurement procedures, although the contracting authority had conducted a market survey, the limit fund used for the procurement procedure was different from the calculated value in the market survey. Despite the fact that the limit fund value has turned out to be less than the calculated value in the market survey, PPA has recommended that the authority should be careful in the way of calculating the limit fund.

3- In terms of the **special qualification requirements** in the verified procedures, it was mainly ascertained that they had not been drafted in accordance with article 46 of PPL and the legislation of the respective field, although recommendations were given by PPA even during the phase of waiting for bids, which have not been considered by the relevant contracting authorities.

Specifically, the authorities require in an unjustified manner:

- categories of licenses, which are not related to the works subject to contract;
- number of employees without drafting technical analyzes forecasting the workforce and tools / machinery needed for the implementation of each item of works, according to the deadlines provided in the schedule of works and, based on relevant analysis to define the minimum number of necessary employees, for the performance of works subject to contract;
- requirements for tools and equipment, which are not justified by their number and type and in accordance with the works subject to contract;
- requirement for the bidding operator to have part of the staff a doctor is not drafted according to the provisions of the legislation in force, and specifically DCM no. 108, dated 9.2.2011 "*On the skills and abilities employees, persons and specialized services, dealing with issues of safety and health at work must possess*", as amended, which envisages ways to provide medical services, based on the number of employees that employers have employed in their entities, and by industry sector, defined in this decision;

- requirement for skilled workers divided by groups, but without justifying their division by qualification groups;
- requirement for technical staff (engineers) without justifying their necessity and the required number according to the concrete needs of the procurement object. Also, a requirement of the contracting authority for the presence in the payroll of the staff of economic operators for a relatively long period of time prior to the conducting of the procedure, without justifying this need;
- requirement for ISO certificates, which are not justified in accordance with the nature of the procurement object. Also, it turned out that the authorities require certificates, without specifying their updated versions at the time of the procedure;
- requirement for certificates or authorizations by manufacturers, who may not be competitors in the procurement procedure. PPA has brought to attention its recommendation no. 8197 Prot., dated 03.09.2018 "On drafting qualification criteria for procurement procedures for supplies, works, services", where among others, PPA recommends to the contracting authorities that, when drafting the acceptance criteria related to certificates that the manufacturer must possess, they must take into account the fact that the economic operators participating in a procurement procedure may not necessarily be manufacturers of the supplies and they obtain the supplies/services from the latter or the distributors authorized by them.
- 10 year experience for the technical director not justified with the stipulations of DCM no. 42, dated 16.1.2008 *"On the approval of the regulation on the criteria and procedures for issuing professional licenses for the implementation, classification and discipline of legal entities that perform construction activities"*, as amended;
- requirement that the bidding operators must have successful experience implemented during the last three years of the operator's activity, does not comply with the public procurement legislation, which envisages the submission of similar experiences by the bidding economic operators, during the three last years from the date of tender procedure;
- requirement for submission of balance sheets accompanied by an expertise act performed by the chartered accountant, but without specifying that the balance sheets can be submitted in this way, if the bidding companies are in the conditions provided in Article 41, paragraph "c" of Law no. 10091, dated 5.3.2009 *"On legal audit, organization of the profession of chartered accountant"*, as amended.

Also, the **lack of justification of the criteria set by the contracting authority**, according to the obligation in article 61 of the Decision of the Council of Ministers no. 914, dated 29.12.2014 "On the approval of public procurement rules", as amended (hereinafter "DCM"), including small value procurement procedures has been identified in some cases.

PPA has clarified that, in addition to an obligation provided in this article, the contracting authority must provide concrete reasons in justifying the evaluated criteria for the procurement object, in relation to the nature and size of this object.

4- Identified shortcomings in the small value procurement procedure in **setting the tender date on a holiday** (Saturday).

Also, for this type of procedure, actions of the contracting authority in contradiction with the public procurement rules have been ascertained, **regarding the deadline for the economic operator ranked in the first place to appear before the contracting authority**, setting a fixed date.

Meanwhile, in paragraph 11 of PPA Guideline no. 3 dated 08.01.2018 "On the use of the small value procurement procedure and its conducting by electronic means", as amended, it is envisaged that: *"The minimum deadline set in the invitation to tender for the opening and acceptance of bids will be at least 24 hours from the publication of the Invitation for Bids in the public procurement system, providing the economic operators with at least 1 working day time for the preparation of the bids"*.

PPA has brought to the attention of the authorities that the non-definition of the requirement in the invitation to tender, according to the above provisions, creates uncertainty for economic operators participating in the procurement procedure, as well as during the bid evaluation process.

5- **Failure to fill in the forms on the state of conflict of interest** by the persons involved in the procurement processes, according to the respective roles, remains a shortcoming.

PPA has clarified that, at the moment of appointment in one of the roles of the procurement procedure, as well as at the moment of opening the bids, through the signing of a declaration, the relevant persons have the obligation to declare the state of conflict of interest in accordance with Articles 56 and 64 of DCM, as well as PPA Guideline no. 3, dated 24.10.2016 *"On the Declaration of Conflict of Interest by Procurement Officers"*

6- In terms of the **bidding and the evaluation process**, as a consequence of the non-reaction of the authorities to the recommendations of PPA in the phase of publishing the tender documents, some procurement procedures have resulted in only one bidder, not fulfilling the purpose of PPL to promote participation of economic operators and competition between them.

Even in some of the cases with one bidder, shortcomings were found in the documentation required by the authority, for meeting the qualification criteria, resulting in qualification contrary to Article 53 of PPL and these criteria. Based on PPL, contracting authorities should evaluate a valid bid only if the documentation submitted by the economic operators complies with all eligibility criteria.

Also, problems and shortcomings in the qualification of operators have been identified in procedures with more than one bidder. Although their documentation contains shortcomings, contracting authorities have qualified the operators. Meanwhile, there have been cases in which the authorities have identified non-compliance with the eligibility criteria, but some of the reasons for disqualification are not valid, although the operators in question remain disqualified for other reasons.

It was also ascertained that the authorities do not use the provision of DCM in Article 66, on the possibility that members of the bid evaluation committee have to seek clarification from bidders, or to carry out verifications in relevant institutions, in necessary cases before the qualification or disqualification of operators.

Other shortcomings identified regarding this process, mainly in terms of small value procurement, also relate to the lack of evidence of the reasons for disqualification of participating operators.

7- In some cases, the **lack of documentation by minutes** has been identified for the administration and verification of the documentation submitted in written form, by the winning economic operator, before

concluding the contract. Also, in some other cases, the authorities do not specify the manner of submission of documentation, i.e. whether the latter is original or a photocopy identical to the original.

Referring to PPA Manual no. 2, dated 06.02.2018 "On the role of the System Administrator of the Contracting Authority, on the role of the Authorized Officer of the Procurement Unit and on the role of the Members of the Bid Evaluation Committee, in the Electronic Procurement System", this verification aims not only the control of the documentation submitted by the winning operator before the conclusion of the contract, but also the control over the form (original or notarized) of the submission of this documentation.

Identified violations and shortcomings during the verification process are published on the official website of the PPA ([www.app.gov.al](http://www.app.gov.al)), at the end of each verification plan, in order to acquaint all contracting authorities with these shortcomings and guide them on compliance with relevant legal requirements, in future proceedings.

II) Ascertainments and findings identified in the **audit reports**, which refer to the control of procurement procedures conducted during the period 2015-2020, consist mainly of:

- Lack of justification of the limit fund calculation, not identifying in some cases the references of the respective prices used in this calculation, according to the requirements in the legal provisions of the procurement.
  - Unjustified selection of the negotiated procurement procedure without prior publication of a contract notice without justifying the conditions that must be met for the use of this type of procedure, according to legal provisions; signing of contract amendments contrary to the requirements of legislation of procurement for signing an additional contract, for meeting the needs with continuous supplies and services at the beginning of the year.
  - Non-division of contract into lots.
  - Lack of justification of technical specifications and special qualification criteria, as well as their documentation by relevant minutes.
  - Setting qualification criteria that do not comply with the nature and size of the procurement object, such as:
    - Requirements for license categories which do not correspond with the nature and value of the works subject to the contract;
    - Requirement for engineers with long work experience (10 or 20 years), without justifying the necessity of this experience for the required period;
    - Defining the number of employees and the type and number of machines / tools without drafting technical analysis in advance;
    - Requirement for unjustified ISO certificates in accordance with the nature of the procurement object or that these certificates should be held by any member of the consortium of economic operators.
- Meanwhile, these certificates should be according to the nature of the works that each of the operators undertakes to carry out.
- Submission of complaints by economic operators, mainly related to the qualification criteria, but the head of the CA has not suspended the procurement procedure until their full review, has not set up a working group to review complaints and make a final decision, as well as no reply has been forwarded to the complainants. Furthermore, several cases of complaints on qualification criteria were found, where, according to the auditors, the complainants' allegations are valid

and the criteria were considered aggravated and not in accordance with the object of the procurement.

- Qualification of economic operators contrary to the qualification requirements in the tender documents; maintaining different attitudes when evaluating the bids of economic operators; failure to apply the corresponding formula for abnormally low bids.
- Non-signing of the summary report of the procedure by the members of the bid evaluation committee or lack of its approval by the head of the CA. Also, in some cases it turned out that the report does not contain the necessary information according to Article 68 of the DCM.

During the verification of procurement procedures, by conducting administrative investigation or review of reports of audit institutions, PPA has analyzed the violations committed by various contracting authorities and has instructed these authorities for actions in accordance with public procurement legislation, they must perform in future procurement procedures.

#### 5.4. ADMINISTRATIVE MEASURES AND REPORTING

##### 5.4.1. Administrative Measures

- **During 2020, based on the administrative investigations conducted**, PPA has concluded with decisions on penalizing measures **in 31 cases**, in accordance with legal provisions.

In **1 case**, the attention was drawn to the contracting authority to avoid the same situations in the future, as it turned out that it had taken the necessary actions to correct the ascertained violation.

Whereas, in **3 cases** the administrative investigation was closed, as in two of them there were no violations of legal procurement provisions, which are penalized by administrative measures according to PPL, while in one of them the investigation was closed, as it turned out that the contracting authority had already taken into account the recommendations given by the State Audit institution about the imposition of administrative measures on the responsible persons, the execution of which has already begun.

Also, in **3 other cases** no administrative violation was found committed by the relevant contracting authorities.

**Statistical data** on the administrative measures imposed by PPA, at the end of the administrative investigation, are presented below:

Table 75

Fine	Proposal for administrative measure
for <b>66 employees</b> in the Contracting Authorities, subject to verification	for <b>70 employees</b> in the Contracting Authorities, subject to verification

Based on the role of the person in the verified procurement procedure, **data by number of contracting authorities** are shown below:

Table 76

Fine sanctions
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Officer's role	Number
Member of the Group for the preparation of technical specifications	1 Contracting Authority
Member of the Procurement Unit / Field Specialist / Responsible Person for Procurement	11 Contracting Authorities
Member of the Bid Evaluation Committee	10 Contracting Authorities
Member of the Group for the limit fund calculation	2 Contracting Authorities

Table 77

Proposals for disciplinary measures	
Officer's role	Number
Head of the Contracting Authority Member of the Bid Evaluation Commission	1 Contracting Authority
Member of the Procurement Unit / Responsible Person for Procurement	8 Contracting Authorities
Member of the Group for the limit fund calculation	2 Contracting Authorities
Member of Technical Specification Preparation Committee	1 Contracting Authorities
Member of the Bid Evaluation Committee	2 Contracting Authorities
Member of the Small Value Procurement Committee	13 Contracting Authorities

- Based on the **reports of the audit bodies** reviewed by PPA, for **16 Contracting Authorities**, it was concluded to impose administrative measures, in accordance with legal provisions, in **15 of them**. Meanwhile, the attention of **1 contracting authority** was drawn to the future procedures.

**Statistical data** on administrative measures imposed by PPA, **at the end of the review of reports of audit bodies**, are presented below:

Table 78

Fine	Proposals for disciplinary measures
96 employees in the Contracting Authorities, subject to verification	40 employees in the Contracting Authorities, subject to verification

Given the role of the person in the audited procurement procedures, **data by number of contracting authorities** are shown below:

Table 79

Fine sanctions	
Officer's role	Number
Head of the Contracting Authority	3 Contracting Authorities
Member of the Procurement Unit / Field Specialist	10 Contracting Authorities
Member of the Group for the limit fund calculation	1 Contracting Authority
Member of the Small Value Procurement Committee	1 Contracting Authority
Member of the Bid Evaluation Committee	7 Contracting Authorities
Member of the Complaint Review Committee	1 Contracting Authority

Table 80

Proposals for disciplinary measures	
Officer's role	Number
Member of the special unit for defining technical specifications, technical qualification requirements and terms of reference	1 Contracting Authority
Member of the Procurement Unit / responsible person for procurement	7 Contracting Authorities
Member of the Group for the limit fund calculation	3 Contracting Authorities
Member of the Bid Evaluation Committee	4 Contracting Authorities
Member of the Small Value Procurement Committee	3 Contracting Authority

#### 5.4.2. REPORTING MEASURES

According to the public procurement regulatory framework, contracting authorities have the obligation to report to PPA, on the actions taken in implementation of the measures imposed by the latter, in the decisions of the administrative investigation of the procedures and the decisions of the review of the audit reports.

It is worth noting that, in many cases, PPA had to repeat the request for relevant information, addressed to the contracting authorities, in particular with regard to decisions proposing disciplinary action, as decisions on fines were mainly challenged in court.

#### Reporting fines



a) Regarding PPA decisions, on imposing fines on the responsible persons, **at the end of the administrative investigations carried out by it**, from the administered information it has turned out:

- PPA was informed about the execution of the fines imposed in **9 decisions**;
- **4 decisions** were challenged in court.

b) Regarding PPA decisions, on imposing fines on the responsible persons, at the **end of the review of the audit reports**, from the administered information it has turned out that:

- **4 decisions** were challenged in court;
- PPA was informed about the execution of fines imposed in **3 decisions**;
- PPA was informed about the challenge in court and at the same time about the execution of the fine by the responsible persons, in **1 decision**;
- PPA is waiting for information from the contracting authorities for **3 decisions**.

#### **Reporting proposals for disciplinary measures**

a) Regarding PPA decisions, on proposing disciplinary measures against the responsible persons, at the end of the **administrative investigations carried out by it**, from the information administered so far it has turned out that:

- disciplinary measure / advice / attention drawing / remark / written remark were imposed on **14 contracting authorities**;
- **3 contracting authorities** have concluded on non-initiation of disciplinary proceedings, but nevertheless in two of them the attention of persons against whom PPA has proposed imposing the disciplinary measure has been drawn;
- **3 contracting authorities** have informed about termination of disciplinary proceedings;
- **1 contracting authority** has informed that it has not imposed any measures, as the responsible person is no longer employed by it;
- **1 decision** was challenged in court;
- PPA is waiting for information **from 2 contracting authorities**.

b) Regarding PPA decisions, on proposing disciplinary measures against the responsible persons, **at the end of the review of the audit reports**, from the information administered so far it has turned out that:

- disciplinary measure of attention drawing / advice / written remark was imposed on **6 contracting authorities**;
- PPA was informed that the disciplinary measure is not applicable due to retirement and the existence of the measure based on SAI recommendations in **2 contracting authorities**;
- PPA is waiting for information **from 1 contracting authority**.

Table 81

PPA decisions on fine sanctions	24 decisions in total
Challenged in court	8 decisions

Information about execution	12 decisions
Information about execution and challenge in the court	1 decision
Waiting for the information from contracting authorities	3 decisions

Table 82

<b>PPA decisions on disciplinary measures</b>	<b>33 decisions(taking into account that there are decisions simultaneously administrative measures of fines and proposals for disciplinary measures)</b>
Disciplinary measure of advice / attention drawing/ remark / remark with dismissal warning / suspension from the right of promotion / dismissal has been imposed	20 contracting authorities
Inapplicable measure	3 contracting authorities
Non-initiation of disciplinary proceeding has been notified	3 contracting authorities
Termination of the review of the disciplinary proceedings has been notified	3 contracting authorities
Challenged in the court	1 contracting authority
PPA is waiting for information from contracting authorities	3 contracting authorities

## 6. PUBLICATION OF DECISION-MAKING

During this year, in the transparency program, on the official website of PPA, the template with the relevant data of each decision was published for all interested parties. The template reflected the relevant information, such as: number and date of the decision, contracting authority subject to verification, number and type of verified procedures, summary of key findings and measures provided by PPA, in accordance with the law on public procurement.

In the case of decisions to review the request for exclusion from participation in public procurement / concessions and public private partnership / public auctions, of economic operators, number and date of the decision, economic operator, reasons and relevant legal reference for administrative proceedings, PPA conclusion and decision are published on the website.

## 7. PPA REPRESENTATION IN COURT PROCEEDINGS

During this year, PPA was represented in court proceedings as the defendant party, indicted by officers of contracting authorities sentenced to a fine at the end of the verification process carried out by PPA or

by the review of audit reports, as well as by economic operators, against whom the decision to be excluded from participation in public procurement was taken.

Specifically, during 2020, **55 cases** were handled in the First Instance Administrative Court of Tirana, **6 court cases** in the District Administrative Courts, **46 cases** in the Administrative Appellate Court and **27 cases** in the Supreme Court.

Table 83

Court cases pursued by PPA by judiciary instance	
Judiciary instance	Number
First Instance Administrative Court of Tirana	55
Administrative Appellate Court of Tirana	46
Supreme Court	27
Court cases in districts	6
<b>TOTAL</b>	<b>134</b>

Table 84

Court cases pursued by PPA in the First Instance Court of Tirana, by type of lawsuit	
Type of lawsuit	Number
Against PPA decisions to exclude economic operators	13
Against PPA fine decisions	40
PPA in the capacity of the plaintiff, for challenging of bailiff's actions	2
<b>TOTAL</b>	<b>55</b>

- **Court cases against PPA decisions to exclude an economic operator**

If we analyze PPA decisions on the exclusion of an economic operator during 2020, (**16 decisions**) it turns out that, **13 decisions** have been challenged to the First Instance Administrative Court.

Table 85

Exclusion decisions	Lodging an appeal with First Instance Administrative Court
<b>16</b>	<b>13</b>

Out of these 13 appeals, the First Instance Administrative Court has ruled:

- in **7 (seven)** cases dismissal of the claim;
- in **3 (three)** cases acceptance of the claim;
- **3 (three)** cases are still in process.

Table 86

Court cases against PPA decisions to exclude economic operators by Court ruling	
Court ruling	Number
Claim dismissed	7
Claim accepted	3
In process	3

- Out of 13 appeals in the First Instance Administrative Court, in 7 of them a lawsuit security was requested. It should be noted that, **out of these 7 appeals** in the First Instance Administrative Court, the latter have considered the claim for taking the security measure of the lawsuit or the issuance of the decision with temporary execution in **3 cases**, leading to PPA decision on the exclusion of economic operators not to be implemented until the final decision. Meanwhile, in **4 other cases**, the Court dismissed the request for taking the security measure of the lawsuit.

Table 87

Acceptance of Claim for taking the security measure of lawsuit / decision with temporary execution	Dismissal of Claim for taking the security measure of lawsuit / decision with temporary execution
3	4

Compared to previous years, we find that there is an increase in the number of claims administered for the exclusion of economic operators, but a decrease in the number of excluded economic operators.

Table 88

Requests for exclusion during 2018	Requests for exclusion during 2019	Requests for exclusion during 2020
55	50	62

Table 89

Decisions on exclusion during 2018	Decisions on exclusion during 2019	Decisions on exclusion during 2020
17	20	16

- Court cases against PPA decisions, on imposing fines on Contracting Authorities employees

From the court cases against PPA decisions on imposing fines, at the end of the process of monitoring or reviewing the audit reports, the Court has ruled:

Table 90

Court cases against decision on imposing fines, by court ruling	
Court ruling	Number
Claim dismissed	15
Claim accepted	8
Claim partly accepted	3
Case dismissal	1
In process	13
<b>TOTAL</b>	<b>40</b>

- Meanwhile, during this year, PPA has been part of the litigation in the capacity of plaintiff, for challenging of bailiff's actions.
- In conclusion, we emphasize that out of **40 court cases**, which concluded in a ruling, **32 judgments** are final, for **8** of them the right to appeal to the Administrative Appellate Court of Tirana has been exercised.

In tabular form they are shown as follows:

Table 91

Final judgment	Appeals lodged
<b>32</b>	<b>8</b>

- During 2020, **46 cases** continued to be filed with the **Administrative Appellate Court of Tirana**, where PPA is in the capacity of the plaintiff. Meanwhile, 41 cases were carried over from previous years.

During this year, **2 (two)** judgments have been filed by this Court, by which the latter has decided in both cases to dismiss the claim.

- In addition to court cases before the administrative courts, as analyzed above, PPA is a party to **27 cases in the Supreme Court**, of which 26 were carried over from previous years and 1 case is the recourse exercised by PPA against a judgment ruled by the Administrative Appellate Court on the exclusion decision taken against an entity.
- In the case of summons to appear as litigants in the Administrative Courts in the Districts, PPA addressed the latter with a request for declaring incompetence, according to Law 49/2012 "On

the organization and functioning of administrative courts and adjudication of administrative disputes”.

Specifically, summons have been received **for 6 court cases in the districts**, to which a request has been sent for declaring territorial incompetence and sending the cases for review to the First Instance Administrative Court of Tirana.

Table 92

Court cases in districts, by court ruling	
Court ruling	Number
Acceptance of request for declaring incompetence	6
Dismissal of request for declaring incompetence	-
<b>TOTAL</b>	<b>6</b>

## 8. INDICATORS OF COORDINATION AND ASSISTANCE ACTIVITY OF PPA AND CONTRACT MONITORING

### 8.1. COORDINATION AND ASSISTANCE ACTIVITY

PPA, in the context of the implementation of functional tasks, such as the process of assisting the Contracting Authorities in relation to the tender documents, has carried on the work for their assistance following the published procedures, and has responded in a timely manner to the needs of the contracting authorities for preliminary assistance, by sending the relevant recommendations to the responsible contracting authorities, to provide them with the necessary assistance, in order to guarantee the proper implementation of the legislation in force, eliminate cases that violate fair competition and limit the participation of economic operators in the procurement procedures.

In the context of this process, for the period **January-December 2020**, out of 6,440 procedures published in the Electronic Procurement System, a total of **3,415<sup>7</sup> procedures (2,291 + 1,124 lots)** were assisted, which constitute 53% of the published procedures.

Of the assisted procedures, 76 of them were canceled and 2,215 procedures followed the procurement process. Also, **121 procedures were assisted at the request** of the contracting authorities, in the phase before the publication of the procedure in the system, so a total of 3,536 procedures were assisted.

Of the total number of assisted procedures after their publication, 41% of them are procedures published by central institutions, 36% are procedures published by local government institutions, while for joint stock companies and independent institutions, the percentage of assisted procedures was, respectively 7% and 16% of the number of procedures that were assisted in total.

The number of procedures assisted by PPA (excluding lots), during the years 2018, 2019 and 2020, is presented in the following table:

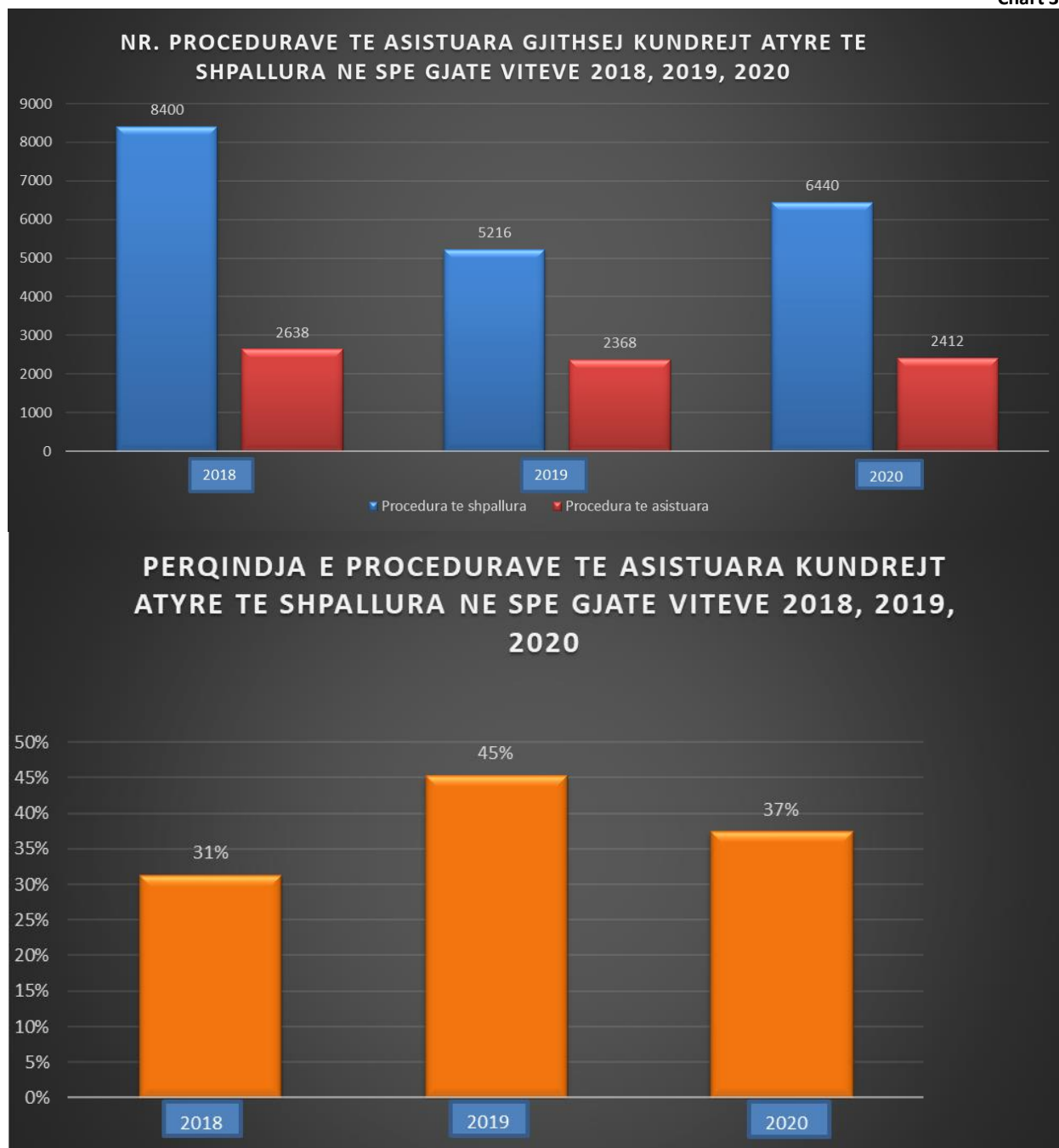
Table 93

Procedures	2018	2019	2020
<b>Published procedures in EPS</b>	8,400	5,216	6,440
<b>Total Assistance</b>	2,638	2,368	2,412
<b>% of assisted procedures versus published procedures in EPS</b>	31%	45%	37%

The graphical presentation of the above data is as follows:

<sup>7</sup>Selection of assisted procedures is done based on their limit fund, giving priority to procedures with the highest limit fund.

Chart 31



**Translation of the chart:**

Albanian	English
Nr. Procedurave të asistuar gjithsej kundrejt atyre të shpallura në SPE gjatë viteve 2018, 2019, 2020	No. of total assisted procedures against those announced in EPS over the years 2018, 2019, 2020
Procedura të shpallura	Published Procedure
Procedura të asistuar	Assisted Procedure
Perqindja e procedurave të asistuar kundrejt atyre të shpallura në SPE gjatë	Percentage of assisted procedure against those announced in EPS



Some of the indicators, which are regarded as important indicators to evaluate the result of this constant assistance, are shown below:

### 1. Analysis of data regarding problematic, versus assisted procedures

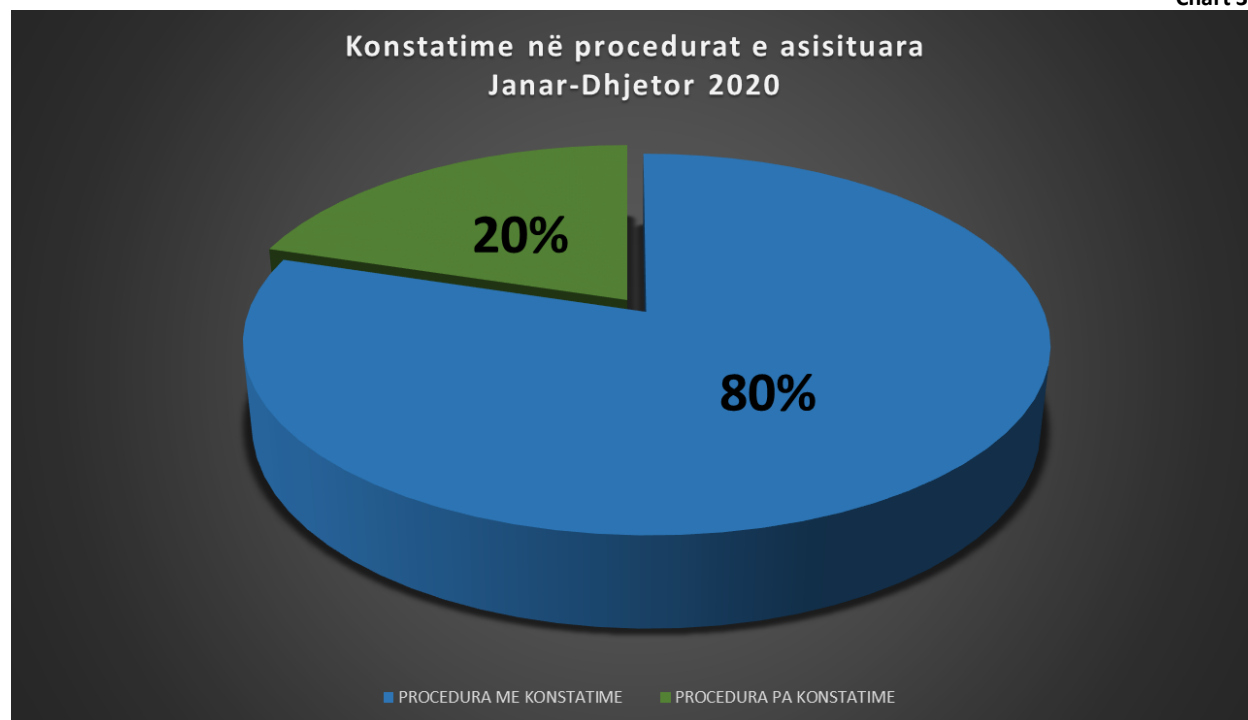
#### a) Analysis of data compared to 2019

Of the 2,215 procedures that were assisted after their publication in the EPS<sup>8</sup>, during the period January-December 2020:

- 20% of the assisted procedures, have generally turned out in compliance with the applicable public procurement legislation or with specific areas where the execution of the object of the contract being procured conducts its activity;
- 80% of the assisted procedures have resulted in findings regarding the fulfillment of the requirements of the applicable legislation and for which the relevant recommendations have been sent to the contracting authorities.

The graphical representation of these data is as follows:

Chart 32



**Translation of the chart:**

<sup>8</sup>Number of cancelled procedures is not included in the analysis, and lots are treated as a single procedure.

<b>Albanian</b>	<b>English</b>
<i>Konstatime në procedurat asistuar Janar-Dhjetor 2020</i>	<i>Findings in the assisted procedures January-December 2020</i>
<i>Procedura me konstatime</i>	<i>Procedure with findings</i>
<i>Procedura pa konstatime</i>	<i>Procedure without findings</i>

Given the analyzed data, it turns out that there is an increase in the percentage of the number of problematic procedures, for 2020, where their percentage in relation to the assisted procedures is at the level of 80% and those without problems, at the level of 20 %, while in 2019 these percentages were respectively at the levels of 73% and 27%.

#### **b) Analysis of data by the typology of contracting authorities.**

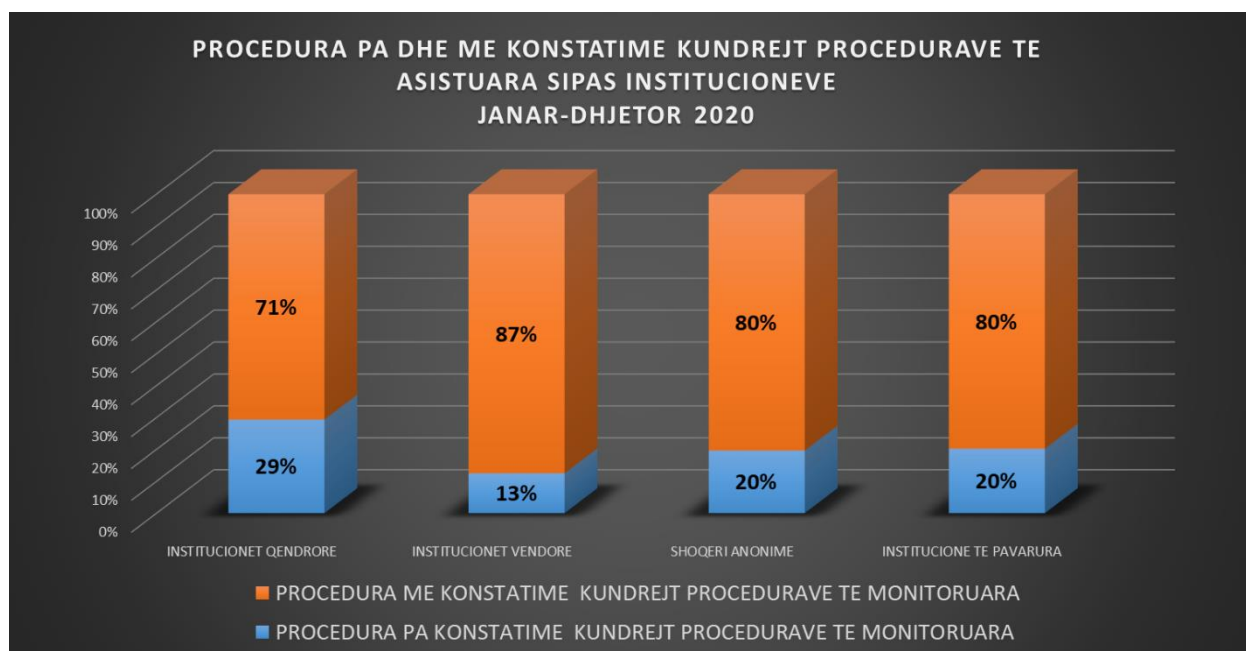
From the analysis of the report on the procedures that were conducted in accordance with the legislation in force and those that have turned out to be problematic, versus the assisted procedures, divided by the typology of the contracting authorities, it results that:

- In terms of central institutions and their subordinate institutions, 29% of assisted procedures are not problematic and 71% of them are problematic;
- In terms of local institutions and their subordinate institutions, 13% of the assisted procedures are not problematic and 87% of them are problematic;
- In terms of joint stock companies with state capital, 20% of the assisted procedures are not problematic, and 80% of them are problematic;
- In terms of subordinate institutions, 20 % of assisted procedures are not problematic and 80 % of them are problematic.

The above data indicate that the percentage of procedures that are not problematic is at a higher level in central institutions and their subordinate institutions, specifically 29% of assisted procedures, while in local institutions and their subordinate institutions, procedures that are not problematic make up 13% of assisted procedures.

The graphical representation of these data is as follows:

**Chart 33**



**Translation of the chart:**

Albanian	English
<i>Procedura pa dhe me konstatime kundrejt procedurave te asistuar sipas institucioneve Janar-Dhjetor 2020</i>	<i>Finding and non-finding procedure against assisted procedures according to institutions January-December 2020</i>
<i>Institucionet qendrore</i>	<i>Central institutions</i>
<i>Institucionet vendore</i>	<i>Local institutions</i>
<i>Shoqëri anonime</i>	<i>Joint Stock Companies</i>
<i>Institucionet e pavarura</i>	<i>Independent institutions</i>
<i>Procedura me konstatime kundrejt procedurave të monitoruara</i>	<i>Findings procedures against monitored procedures</i>
<i>Procedura pa konstatime kundrejt procedurave të monitoruara</i>	<i>Procedures without findings against monitored procedures</i>

## 2. Analysis of data related to the reaction/ reflection of the contracting authorities to/on PPA recommendations

### a) Analysis of data compared to 2019

From the analysis of the level of reaction of the contracting authorities to PPA recommendations about the problems identified in the drafting of standard tender documents, especially the special qualification criteria, which directly affect the participation/ competition in procurement, it turns out that for the period to be analyzed January-December 2020, in terms of the assisted procedures about which PPA has sent recommendations:

- in 66% of cases, contracting authorities have reflected on PPA recommendations;
- in 34% of cases, the authorities did not react or reflect to/on PPA recommendations.

In a comparative view regarding 2019, where the percentage of reflections has been at the level of 72% and the percentage of non-reflections at the level of 28%, it turns out that there is an increase of 6%, of cases in which the contracting authority does not reflect on PPA recommendations regarding the drafting of tender documents. Meanwhile, the percentage of reflections remains at higher levels compared to 2018, where reflections were at the level of 55% of the procedures about which recommendations were sent by PPA.

Comparative data are shown below for 2018, 2019 and 2020, regarding the number of procedures about which recommendations were sent by PPA and the number of procedures about which CAs have reflected the recommendations, as well as the graphical presentation of the level of reflection on PPA recommendations.

Table 94

Procedures	2018	2019	2020
Procedures about which recommendations have been sent by PPA	1,835	1,722	1,767
Procedures about which CAs have reflected on PPA recommendations	1,001	1,239	1,165
% of procedures that have reflected on PPA recommendations	55%	72%	66%

Chart 34

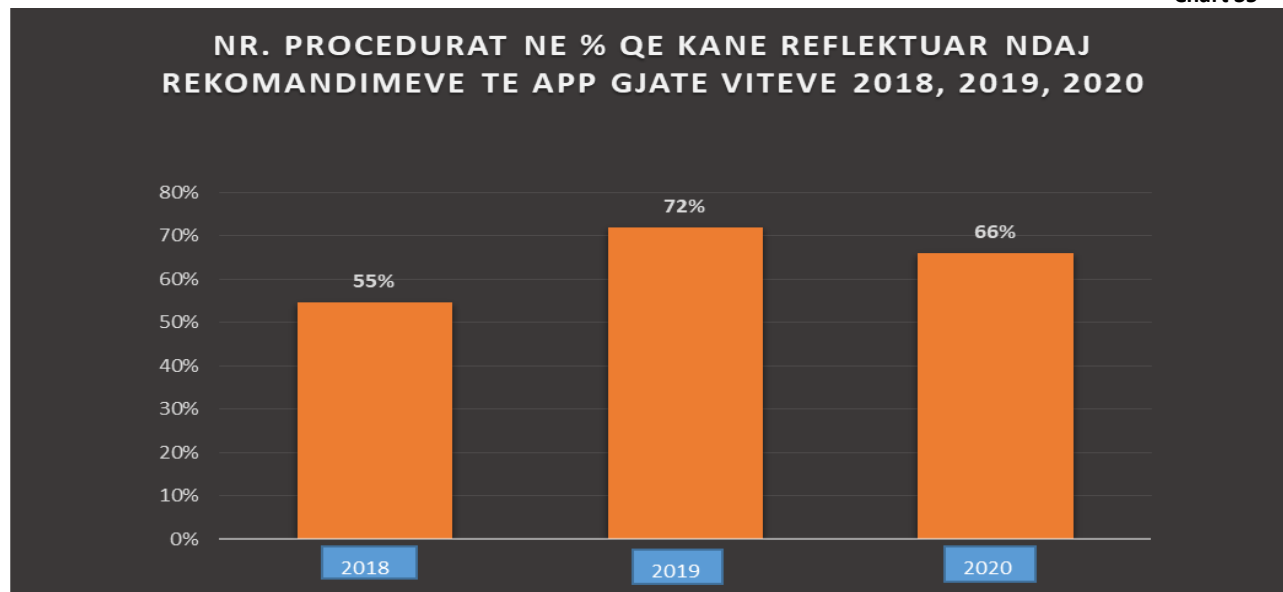


**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
Nr. I procedurave me reflektim kundrejt rekomandimeve te APP gjatë viteve 2018, 2019, 2020	No. of procedures with reflection against Public Procurement Agency recommendation over the years 2018, 2019, 2020
Procedura për të cilat janë dërguar rekomandime nga	Procedures for which recommendations has been sent from

<i>APP</i>	<i>Public Procurement Agency</i>
<i>Procedura për të cilat AK kanë reflektuar rekomandimet</i>	<i>Procedures for which CA have reflected the recommendations</i>

Chart 35



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Nr. I procedurave në % që kanë reflektuar, ndaj rekomandimeve të APP gjatë viteve 2018, 2019, 2020</i>	<i>No. of procedures in % that have reflected on the recommendation of the Public procurement Agency over the years 2018, 2019, 2020</i>

#### a) **Data analysis by typology of contracting authorities**

The ratio of reflections and non-reflections, versus PPA recommendations, is different among institutions, by their typology.

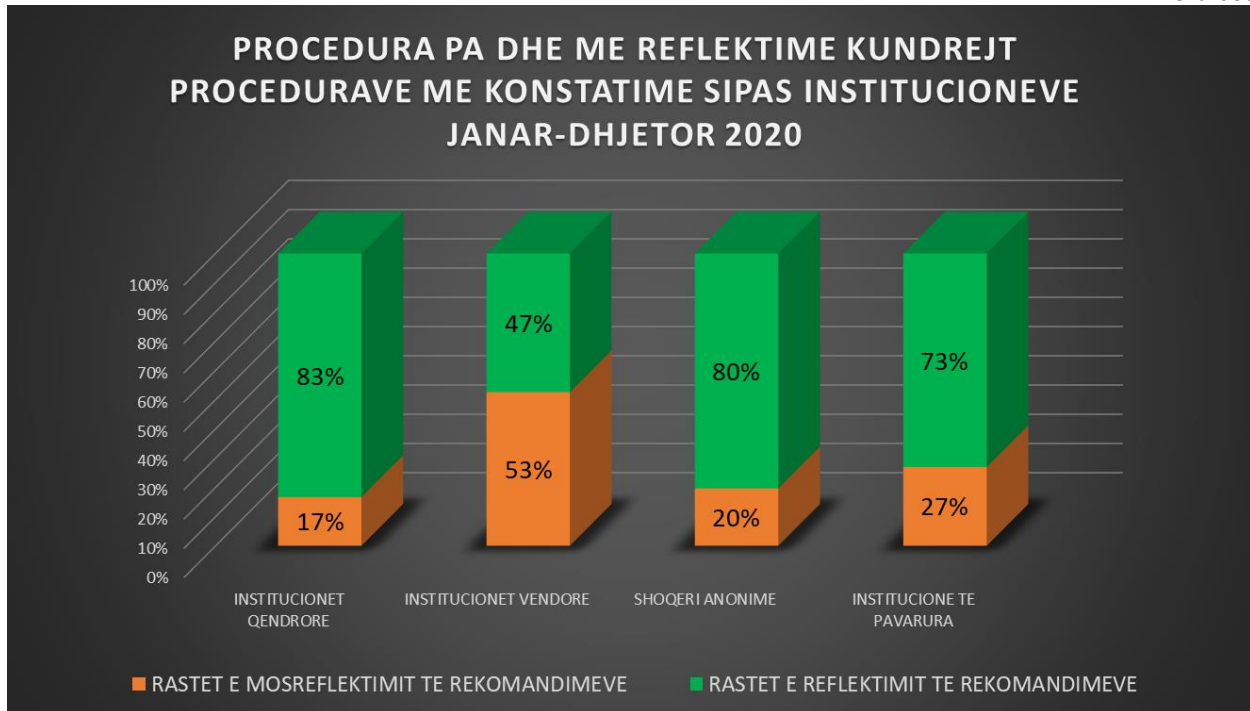
Specifically:

- In terms of central institutions and their subordinate institutions, the average annual level of reflections on PPA recommendations is 83%, while the average level of non-reflection on PPA recommendations is 17%.
- In terms of local institutions and their subordinate institutions, the average annual level of reflections on PPA recommendations is 47%, while the average level of non-reflection on PPA recommendations is 53%.
- In terms of joint stock companies with state capital, the annual average level of reflections on PPA recommendations is 80%, while the average level of non-reflection on PPA recommendations is 20%.

- In terms of subordinate institutions, the average annual level of reflections on PPA recommendations is 73%, while the average level of non-reflection on PPA recommendations is 27%.

The graphical representation of these data is as follows:

Chart 36



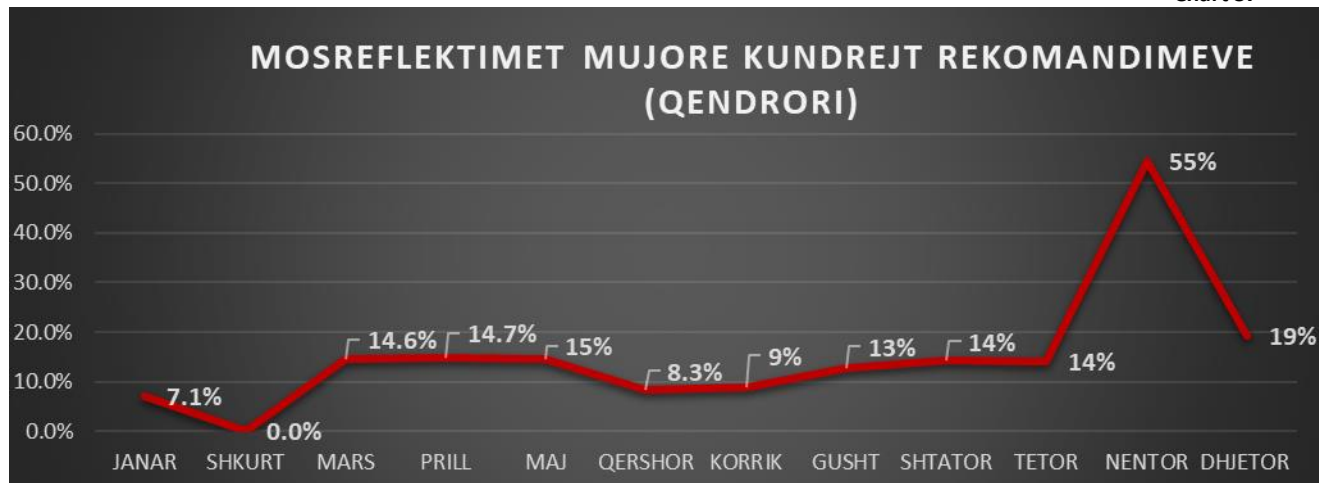
**Translation of the chart:**

Albanian	English
<i>Procedura pa dhe me reflektime kundrejt procedurave me konstatime sipas institucioneve Janar-Dhjetor 2020</i>	<i>Compliant and non-compliant procedures versus the procedures with findings according to institutions January-December 2020</i>
<i>Institucionet qendrore</i>	<i>Central institutions</i>
<i>Institucionet vendore</i>	<i>Local institutions</i>
<i>Shoqëri anonime</i>	<i>Joints Stock Companies</i>
<i>Institucionet e pavarura</i>	<i>Independent institutions</i>
<i>Rastet e mosreflektimit të rekomandimeve</i>	<i>Cases of failure to comply with the recommendations</i>
<i>Rastet e reflektimit të rekomandimeve</i>	<i>Cases of compliance with the recommendations</i>

As above, it turns out that central institutions (and their subordinate institutions) have the lowest percentage of non-reflections on PPA recommendations, specifically 17% of problematic procedures, while local government institutions have the highest percentage of non-reflections on PPA recommendations, specifically 53% of problematic procedures.

Graphical and monthly presentation of central institutions which did not reflect on PPA recommendations in 2020 is shown below.

Chart 37



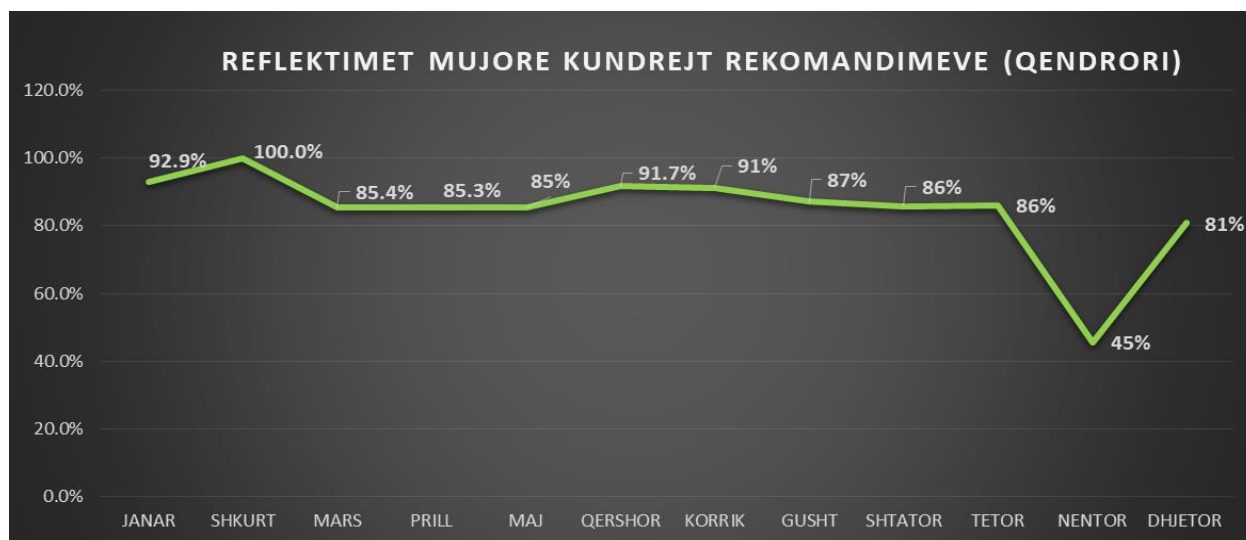
**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Mosreflektimet mujore kundrejt rekomandimeve (Qendror)</i>	<i>Monthly failures to comply with the recommendations (Central)</i>
<i>Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nentor-Dhjetor</i>	<i>January-February-March-April-May-June-July-August0September-October-November-December</i>

From the above chart it is noticed that the central institutions generally have a low level of non-reflections, where the lowest level of non-reflections is recorded in February (0%) and the highest point of non-reflections is recorded in November (55%).

**Graphical representation of central institutions which have reflected on PPA recommendations in 2020 is given below.**

Chart 38



**Translation of the chart:**

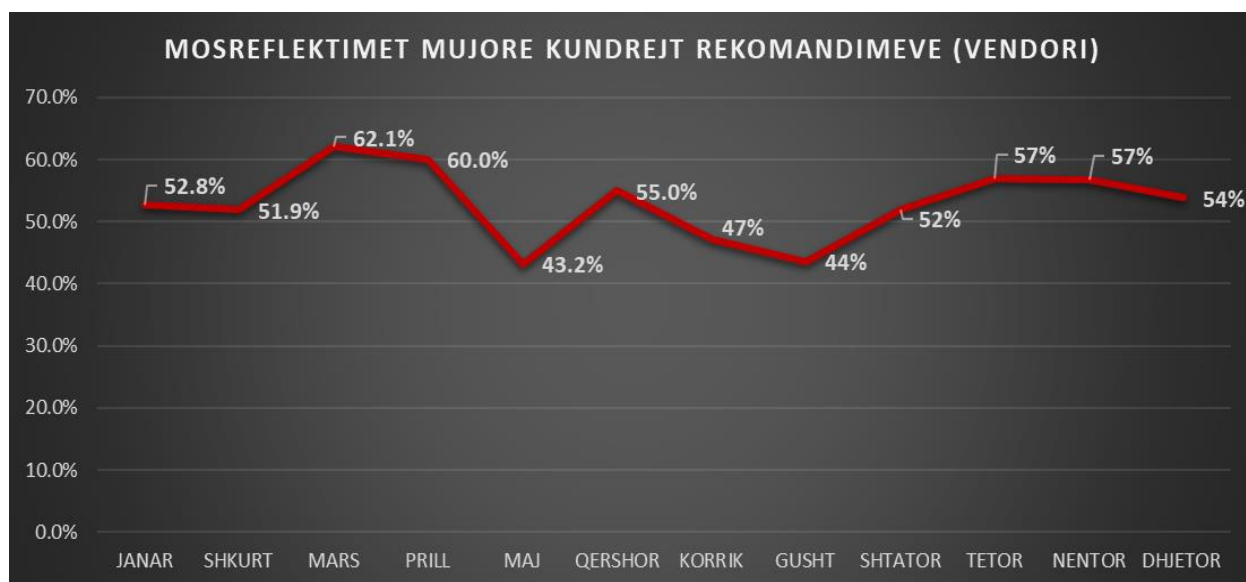
<b>Albanian</b>	<b>English</b>
<i>Reflektimet mujore kundrejt rekomandimeve (Qendror)</i>	<i>Monthly compliances with the recommendations (Central)</i>
<i>Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nentor-Dhjetor</i>	<i>January-February-March-April-May-June-July-August0September-October-November-December</i>

In the above chart it is noticed that the central institutions have significantly higher levels of reflections on PPA recommendations and highest point of reflections is recorded in February, specifically 100%, while lowest point of reflections is recorded in November, at the level 45%.

Graphical representation of local institutions which did not reflect on PPA recommendations in 2020 is given below.

**Chart 39**



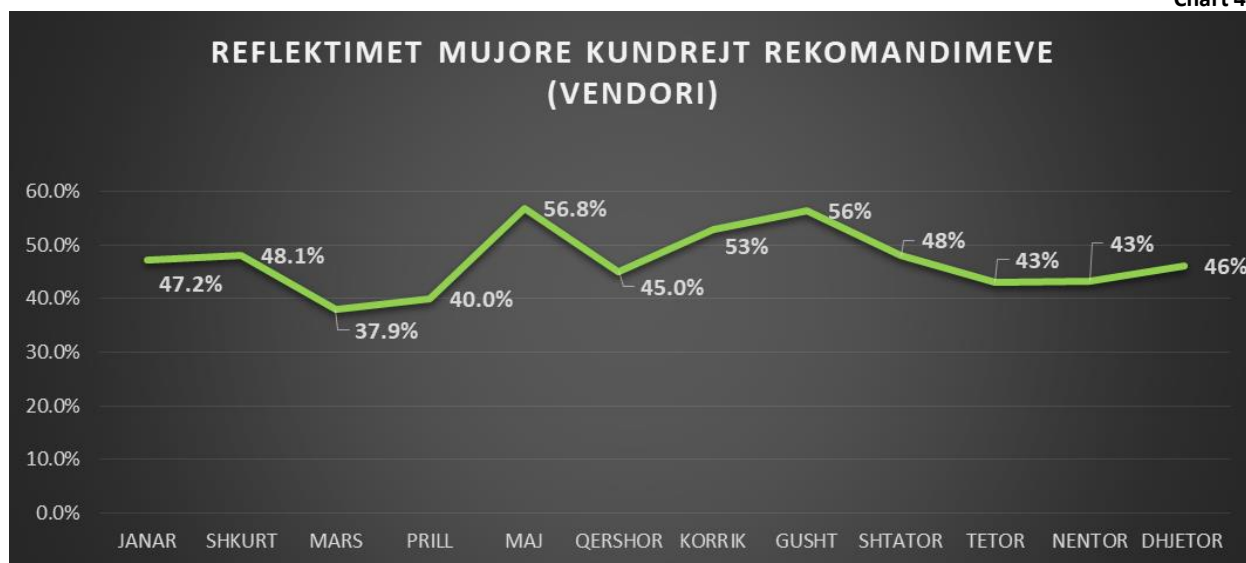


**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Mosreflektimet mujore kundrejt rekomandimeve (Vendori)</i>	<i>Monthly failures to comply with the recommendations (Local)</i>
<i>Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nentor-Dhjetor</i>	<i>January-February-March-April-May-June-July-August0September-October-November-December</i>

Graphical representation of local institutions which have reflected on PPA recommendations in 2020 is given below:

Chart 40



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Reflektimet mujore kundrejt rekomandimeve (Vendori)</i>	<i>Monthly compliances with the recommendations (Local)</i>
<i>Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nentor-Dhjetor</i>	<i>January-February-March-April-May-June-July-August0September-October-November-December</i>

From the analysis of the above charts, it turns out that the central institutions generally result in high levels of reflections on PPA recommendations. Meanwhile, local institutions present a trend of decreasing and increasing levels of reflection and appearing at lower levels of reflection compared to central ones.

**In conclusion**, we estimate that for the period January-December 2020, despite the encountered difficulties, due to the pandemic situation, the process of assistance provided to contracting authorities in drafting standard tender documents, especially in drafting special qualification criteria, has proceeded normally, assisting more than half of the procedures published in EPS, as well as assisting any prior requests submitted by the contracting authorities.

The level of reflections and cooperation of the central contracting authorities is high, while the fact remains that, in the case of recommendations given by PPA, the evaluation and reflection of local government units versus the total number of recommendations is in a much lower ratio, compared to central institutions.

## 8.2. DATA ON CONTRACT EXECUTION

In the context of the administration of the documentation on the process of reporting the progress of the implementation of contracts, PPA has reviewed the standard forms sent by the contracting authorities electronically (at the address [monitorimi.kontratat@app.gov.al](mailto:monitorimi.kontratat@app.gov.al)) and in writing. Also, the final quality reports of the contract implementation, sent by the Centralized Purchasing Agency, as well as any other practice, were administered and verified.

In any case when shortcomings or inaccuracies were identified in the documentation sent by the CAs, PPA communicated with the latter, asking them to make the necessary additions and corrections.

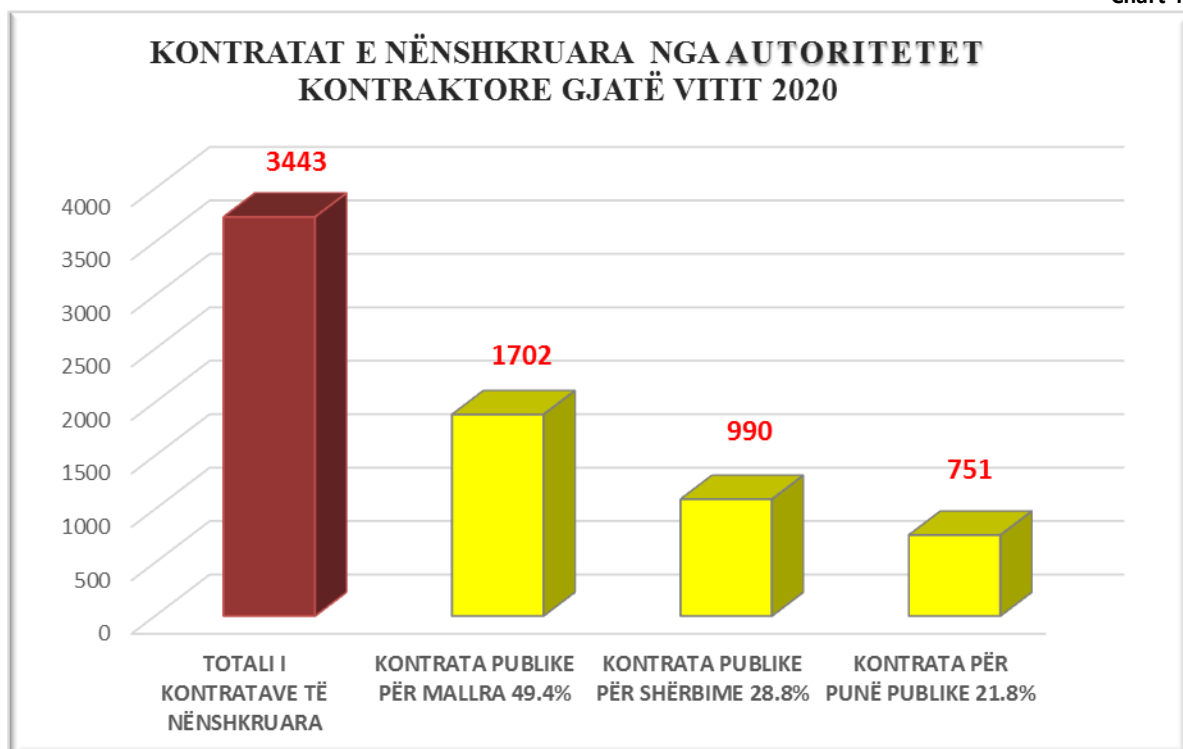
The number of signed contracts, divided by type of contract, conducted in the electronic procurement system in 2020 is represented as follows, in tabular and graphic form.

Table 95

Signed contracts by Contracting Authorities in the course of 2020		
Type of contract	Number of signed contracts in 2020	Signed contracts in 2020 in (%)
Services	990	28.8%

Supplies	1,702	49.4%
Works	751	21.8%
<b>TOTAL</b>	<b>3,443</b>	<b>100%</b>

Chart 41



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Kontratat e nënshkruara nga Autoritetet Kontraktore gjatë vitit 2020</i>	<i>Contracts signed by the Contracting Authorities during 2020</i>
<i>Totali i kontratave të nënshkruara</i>	<i>Total signed contracts</i>
<i>Kontrata publike për mallra 49.4%</i>	<i>Public contracts for supplies 49.4%</i>
<i>Kontrata publike për shërbime 28.8%</i>	<i>Public contracts for services 28.8%</i>
<i>Kontrata për punë publike 21.8%</i>	<i>Contracts for public works 21.8%</i>

Procurement procedures finalized with signed contracts in 2020, by type of procedure, are presented in the following chart and table:

**Contracts reported by CAs by type of contract, during 2020.**

Out of the total of **3,443** (three thousand four hundred and forty three) contracts signed during 2020, 246 (two hundred and forty six) CAs have reported **2,888** (two thousand eight hundred and eighty eight) or approximately 83.9% of the total contracts, which expired during **2020**.

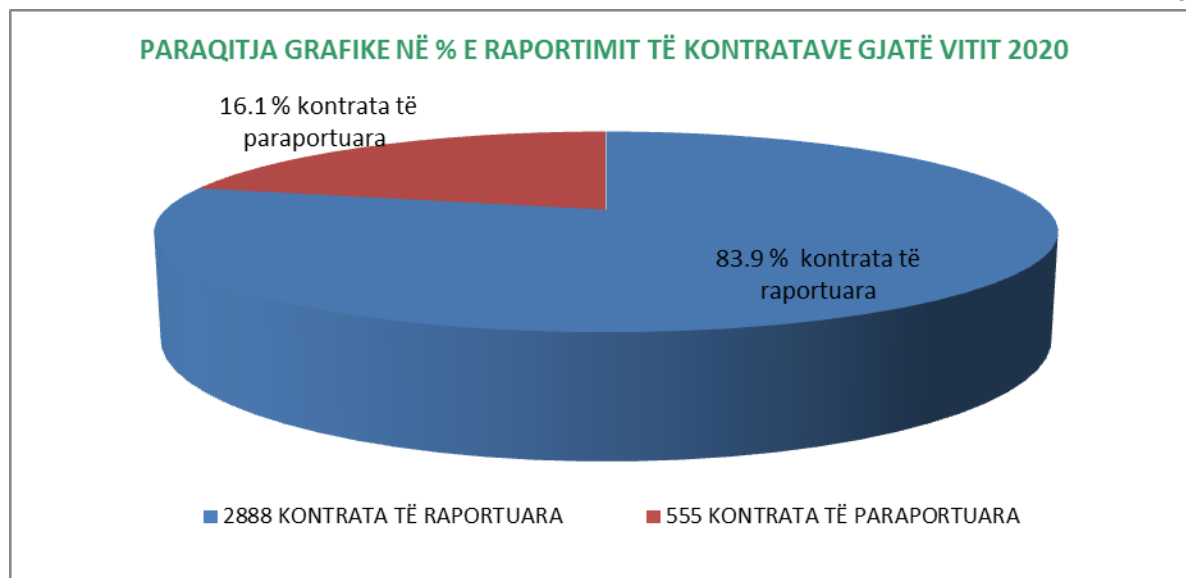
**555** contracts were not reported by CAs or approximately **16.1%** of the number of contracts that expired during 2020. The total number of contracts reported and unreported by CAs for 2020, is shown in the table and chart below.

Table 99

<b>Reported and unreported contracts by contracted authorities in the course of 2020</b>		
<b>Contracts</b>	<b>Number of contracts</b>	<b>Contracts (%)</b>
<b>Signed contracts</b>	<b>3,443</b>	<b>100 %</b>
<b>Reported contracts</b>	<b>2,888</b>	<b>83.9 %</b>
<b>Unreported contracts</b>	<b>555</b>	<b>16.1 %</b>

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Chart 43



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Paraqitja grafike në % e raportimit të kontratave gjatë vitit 2020</i>	<i>Chart display in % of the contract reporting during 2020</i>
<i>2888 Kontrata të raportuara</i>	<i>2888 Reported contracts</i>
<i>555 Kontratat të paraportuara</i>	<i>555 Non-reported contracts</i>

The table below provides comparative data on the total of reported and unreported contracts for 2019 and 2020.

Table 100

<b>Reported and unreported contracts by contracted authorities in 2019 and 2020</b>				
<b>Contracts</b>	<b>Number of contracts in 2019</b>	<b>Contracts in (%) in 2019</b>	<b>Number of contracts in 2020</b>	<b>Contracts in (%) in 2020</b>
<b>Reported contracts</b>	<b>2,565</b>	<b>56.5%</b>	<b>2,888</b>	<b>83.9%</b>

<b>Unreported contracts</b>	<b>1,973</b>	<b>43.5 %</b>	<b>555</b>	<b>16.1 %</b>
<b>Signed contracts</b>	<b>4,538</b>	<b>100%</b>	<b>3443</b>	<b>100%</b>

So, as it can be seen from the data presented above, there is an increase in the percentage of contracts reported to PPA, from **56.5%** in 2019 to **83.9%** in 2020.

From the total of **2,888** (two thousand eight hundred and eighty eight), contracts reported by **246** (two hundred and forty six) CAs, it turns out that:

- **2,112** (two thousand sixty five), are *Supplies* contracts, reported by **154** (one hundred and fifty four) CAs.
- **550** (five hundred and fifty), are *Services* contracts, reported by **52** (fifty two) CAs.
- **226** (one hundred and ninety six), are *Public Works* contracts, reported by **40** (forty) CAs.

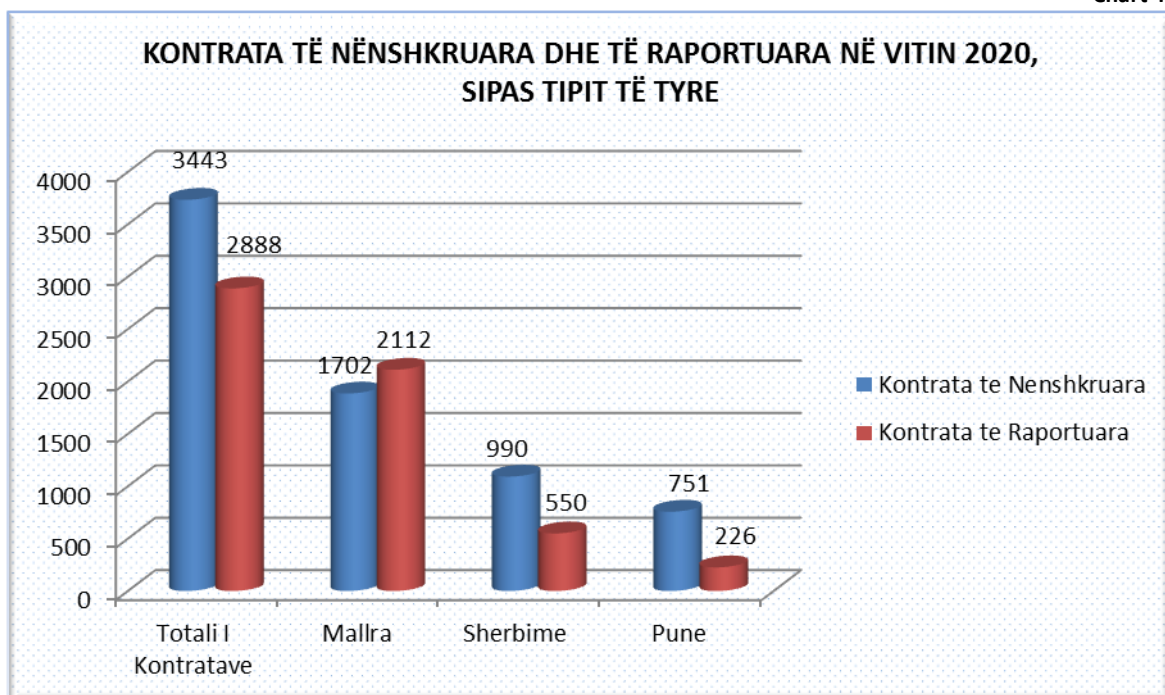
Below in tabular and graphical form, data are given regarding the number of reported contracts and the number of contracting authorities that have reported in 2020, divided by contract type (services/supplies/works).

Table101

Reported contracts by contracting authorities by type of contract in 2020			
Type of contract	Signed contracts	Number of reported contracts (including signed contracts in 2019)	Number of contracting authorities that have reported
Supplies	1,702	2,112: 1,302 signed in 2019 and 810 signed in 2020	154

Services	990	550	52
Public Works	751	226	40
TOTAL	3,443	2,888	246

Chart 44

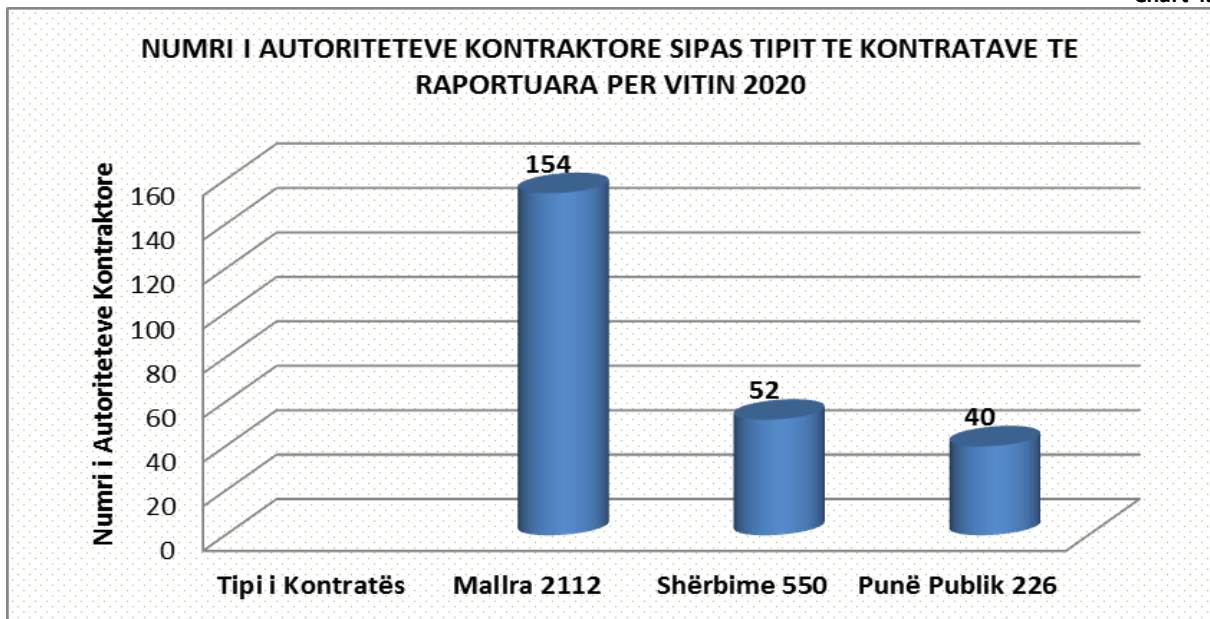


**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Kontrata të nënshkruara dhe të raportuara në vitin 2020, sipas tipit të kontratës</i>	<i>Contracts signed and reported in 2020, by type of contract</i>
<i>Totali i kontratave</i>	<i>Total contracts</i>
<i>Mall</i>	<i>Goods</i>
<i>Shërbim</i>	<i>Service</i>
<i>Punë</i>	<i>Works</i>

As it can be seen from the above data, during 2020, contracts signed in 2019 were also reported, the implementation of which was completed in 2020, and therefore in the case of supplies contracts, in the table and charts above, the number of reports is greater than the number of contracts signed during this year.

Chart 45



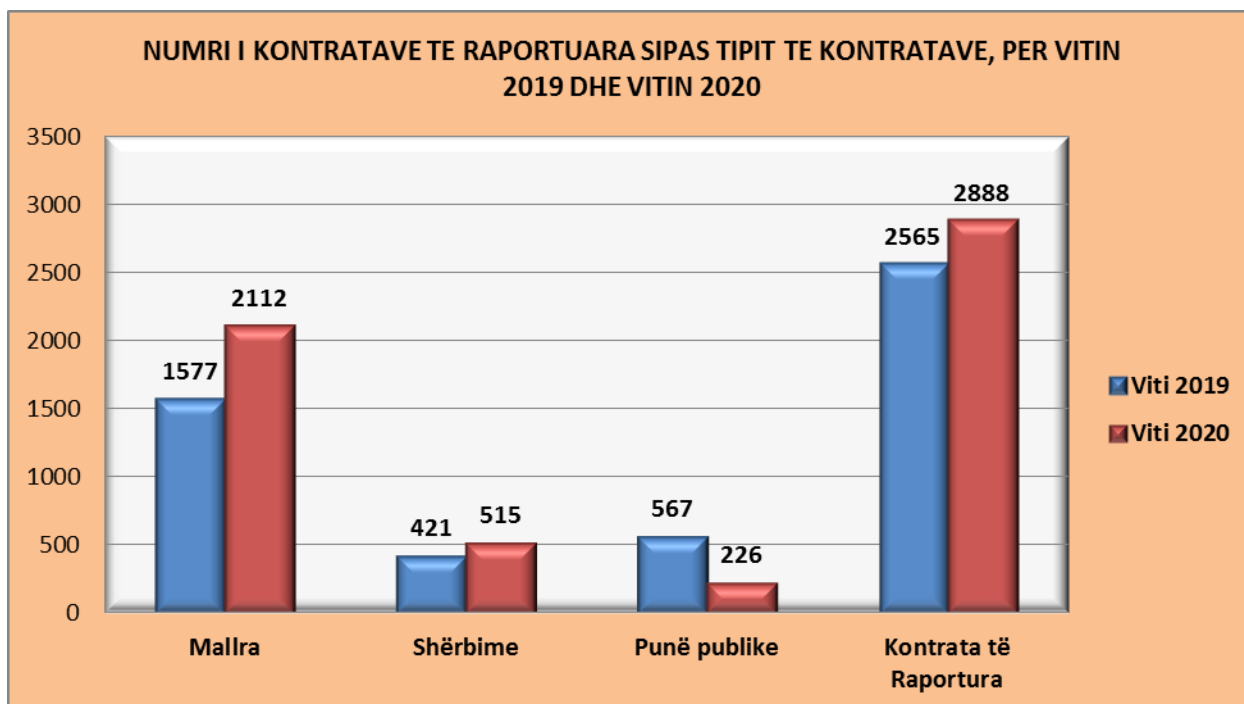
**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Numri i autoriteteve kontraktore sipas tipit të kontratave të raportuara për vitin 2020</i>	<i>Number of contracting authorities by type of contract reported in 2020</i>
<i>Totali i kontratës</i>	<i>Type of contract</i>
<i>Mall</i>	<i>Goods</i>
<i>Shërbim</i>	<i>Service</i>
<i>Punë</i>	<i>Works</i>

Below, comparative data are provided regarding the number of contracts reported by the contracting authorities by type of contract (services/supplies/works), in 2019 and 2020.

Chart 46





**Translation of the chart:**

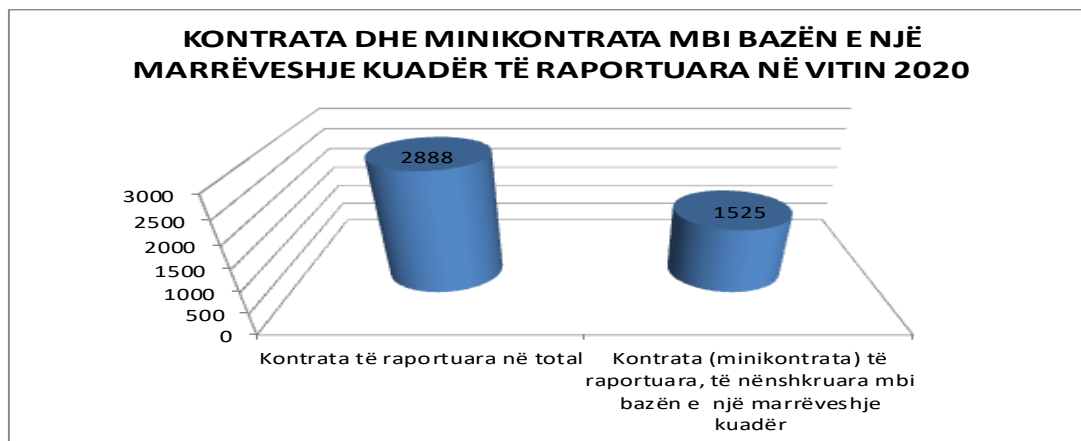
<b>Albanian</b>	<b>English</b>
<i>Numri i kontratave të raportuara sipas tipit të kontratave, për vitin 2019 dhe vitin 2020</i>	<i>Number of contracts reported by type of contract, in the year 2019 and 2020</i>
<i>Mall</i>	<i>Goods</i>
<i>Shërbim</i>	<i>Service</i>
<i>Punë publike</i>	<i>Public works</i>
<i>Kontrata të raportuara</i>	<i>Contracts reported</i>

From the total of **2,888** (two thousand seven hundred and thirteen) contracts reported during 2020, it turns out that:

**160** (one hundred and sixty) are *Framework Agreements*, reported by 37 (thirty seven) CAs.

**1,525** (one thousand five hundred and twenty-five) are *Mini-Contracts*, reported by 27 (twenty seven) CAs.

Chart 47



**Translation of the chart:**

Albanian	English
Kontrata dhe minikontrata mbi bazën e një marrëveshje kuadër të raportuara në vitin 2020	Contracts and minicontracts on the basis of a framework agreement reported for the year 2020
Kontratat të raportuara në total	Total contracts reported
Kontrata (minikontrata) të raportuara, të nënshkruara mbi bazën e një marrëveshje kuadër	Contracts (minicontracts) reported, signed on the basis of a framework agreement

**Identified problems by CAs during the implementation of contracts**

From the analysis of standard reporting forms, administered in PPA, it turns out that 5 (five) CAs have reported 19 (nineteen) problematic contracts during their implementation.

Specifically, in 12 (twelve) contracts, CAs have imposed penalties against the respective contractors, due to non-compliance with the contract implementation deadline. All cases in question relate to late delivery of supplies or delays in the provision of contracted services.

- For 5 (five) public works contracts, it was reported by the respective CAs, that there were various suspensions, due to problems that have arisen during their implementation.

Out of these 5 (five) contracts, for 2 (two) contracts, CAs have informed that, due to problems and / or discrepancies created or identified during the implementation of works, changes have been made to items of bill of quantities, meanwhile, for 3 (three) other contracts have not been reported changes in the contract, and the suspensions have come as a result of problems related to expropriation, as well as the emptying of the construction site.

## 9. EUROPEAN INTEGRATION AND COOPERATION OF PUBLIC PROCUREMENT AGENCY WITH OTHER INSTITUTIONS

### 9.1. EUROPEAN INTEGRATION

Fulfilling the obligations deriving from the European integration process, as well as the harmonization of the procurement system in Albania with the best European and international practices is one of the main directions of the activity of the Public Procurement Agency.

As above, PPA, in the capacity of chair for the work for Chapter 5 of the acquis- Public Procurement- has taken all necessary measures to coordinate the necessary activities towards the fulfillment of the obligations arising from this chapter.

Specifically, PPA has maintained constant communication with the Ministry for Europe and Foreign Affairs and the Chief Negotiator of Albania for the EU membership process, reporting periodically on developments in this chapter.

According to the European Commission's annual report for 2020 on Public Procurement, Albania has marked a two-point increase in the evaluation of this chapter, moving from "some level preparation" to "moderately prepared" in public procurement.

In particular, the European Commission has appreciated the progress made in terms of reviewing the legislation and its approximation with the relevant European directives.

In this context, the latest changes in legislation refer to the measures for approximation with Directive 2014/23 / EU in 2019 through the revision of law 125/2013 "On concessions and public private partnership", especially removing the bonus for unsolicited proposals and restricting the use of unsolicited proposals in specific sectors as well as strengthening control over the financial implications of concession / PPP contracts.

Also an important development is the adoption of Law 36/2020 "On procurement in the fields of defense and security" in April 2020, which complements the legal framework in this area through the partial approximation of Directive 2009/81 / EC.

Taking into account the recommendations of the Commission and other European institutions for the approximation of legislation with the relevant directives in this field, PPA has been actively engaged in the preparation of legal acts for this purpose as follows:

1. In the context of the improvement of the Albanian public procurement legislation and its approximation with the EU directives in this field, the draft law "On public procurement", which transposes Directive 2014/24 / EU and Directive 2014/25 / EU, as and Directives 89/665 / EC and 92/13 / EC, was adopted by the Assembly on 23 December 2020.

In order to complete the legal framework on Public Procurement, the approval of bylaws in implementation of the new law on public procurement is envisaged, specifically DCM on the approval of public procurement rules, DCM on the joint procurement glossary (CPV codes) and DCM on conducting procurement procedures for social services and other specific services.

In terms of procurement in the fields of defense and security, PPA has been the leading institution in the working group for drafting law 26/2020, as well as has cooperated closely with the Ministry of Defense for drafting DCM "On the approval of procurement rules in the fields of defense and security" which was approved by the Council of Ministers in December 2020.

In connection with the process of approximation of Directive 2014/23 / EU, PPA as the leading institution of the IIWGEI for Chapter 5 has encouraged ATRAKO and MoFE to prepare an analysis of the

legal gaps in this area in order to approximate the legislation on concessions and PPPs with this directive.

2. In terms of the approval of a National Strategy in the field of public procurement, the Council of Ministers by Decision no. 850, dated 04.11.2020 has approved the National Strategy for Public Procurement 2020-2023 and its action plan. The purpose of this strategy is to ensure an efficient and effective procurement system in line with the principles of transparency, free and fair competition, non-discrimination and equal treatment, by promoting and encouraging a sustainable system that guarantees value for money.

On April 22, 2020, the 11th meeting of the Subcommittee on Internal Market and Competition, including consumer protection and health, was held online. The meeting focused on the progress made in completing and approximating legislation, implementing the existing legal framework, strengthening administrative capacity, as well as measures taken to overcome difficulties, since the previous Subcommittee meeting, held on 21 February, 2019.

By Decision of the Council of Ministers no. 422, dated 06.05.2020, the Negotiating Group responsible for the conduct of accession negotiations in the European Union has been set up. Ms. Reida Kashta, General Director of PPA was appointed the negotiator for Chapter 5.

On July 16, 2020, a workshop was held online by the TAIEX mission on the topic: Public Procurement during Covid-19. This meeting aimed to serve as a platform for discussion and exchange of experiences of different EU countries, in terms of conducting public procurement procedures to cope with the situation created by the COVID-19 pandemic.

On July 30 and 3 December, 2020, the Inter-Institutional Working Group for European Integration (IIWGEI) meetings for Chapter 5 were held online. The issues raised during the meetings with the Chief Negotiator and other issues related to the fulfillment of tasks of this Working Group arising from the membership negotiation process were discussed in these meetings.

On 25 November and 2 December, SIGMA conducted webinars on the topic: Central public procurement bodies in the Western Balkans. This webinar aimed to illustrate with examples how well-established central public procurement bodies can promote the development of a good and efficient public procurement system.

On 7, 10 and 17 December, the World Trade Organization (WTO) conducted on-line seminars on WTO Multilateral Public Procurement Agreements (GPA). These seminars aimed at acquainting the participants with the main features and elements of GPA as well as its implementation and administration. These seminars also served as a discussion platform between WTO experts and its member countries regarding public procurement.

On 9 December, 2020, the 11th meeting of the Stabilization and Association Committee of the European Union - Albania was held online. The meeting focused on the progress made in supplementing and approximating legislation, implementing the existing legal framework, following the recommendations of the tenth meeting of the Stabilization and Association Committee held on 14 November 2019, as well as the recommendations of the Stabilization and Association subcommittees.

## 9.2. PPA COOPERATION WITH INTERNATIONAL INSTITUTIONS

The main body, with which PPA has continuously cooperated during 2020, is SIGMA, whose experts have actively contributed to the finalization of some documents adopted in 2020, specifically:

- (i) National Strategy for Public Procurement;
- (ii) Law on Public Procurement;
- (iii) Law 36/2020 "On procurement in the fields of defense and security".

Specifically, SIGMA has continued to be a great help during the process of drawing up the draft law on public procurement by providing comments and suggestions by its experts through continuous electronic communications and organizing online meetings to discuss the draft law until its finalization to ensure the greatest possible degree of compliance with EU Directives.

Also, as mentioned above, SIGMA has provided a great help in drafting the National Strategy for Public Procurement and its Action Plan, especially in terms of costing its activities. SIGMA has also provided its comments and suggestions on the content of the Strategy and the activities envisaged through meetings with its experts.

PPA has also had a very good cooperation with OSCE Office in Tirana, which is supporting PPA with technical assistance in drafting a plan for the professionalization of public procurement in Albania and a detailed training plan for this purpose. Currently, the expert contracted by OSCE is working on finalizing the work plan and defining the steps to be followed for the professionalization of public procurement in Albania.

Also, in cooperation with OSCE, one of the main public consultation roundtables was organized on the new draft law on public procurement with foreign organizations, civil society and donors, which took place in January 2020.

Also, PPA has had a very good cooperation with the Delegation of the European Union in Tirana, which has provided its assistance in defining the impact indicators of the Strategy and its monitoring mechanisms.

During 2020, PPA has had constant communication with the World Bank. Thus, following the earthquake of November 26, 2019, a proposal was prepared for a project related to the improvement of the legal procurement framework, especially in terms of preparing procurement procedures and drafting technical specifications aimed at protecting the environment as well as acts related to response to natural disasters.

Currently, the World Bank has contracted 2 experts for the implementation and finalization of the project, a national expert for proposing and drafting legal provisions related to the prevention and coping with the consequences of natural disasters and an international expert for proposing measures related to the implementation of Green procurement clauses included in the Procurement Strategy and the new public procurement law.

Another important cooperation with WB is related to the promotion of SMEs to participate in procurement procedures. To this end, PPA has collaborated with WB experts to prepare the methodology for calculating the participation of SMEs in procurement procedures, given that this is also one of the main indicators of the impact of the NSPP.

PPA has also had continuous communication with the EBRD, which has expressed interest in supporting some of the activities under the Strategy as well as the drafting of several bylaws following the adoption of the new law on public procurement.

Thus, following the adoption of the new public procurement law, EBRD will assist PPA in preparing the Standard Tender Documents, necessary for the proper implementation of the law.

Also, during 2020, PPA has continuously reported to MoFE on issues related to trade, CEFTA agreement, etc.

Recently, PPA has had several communications with TAIEX, that organized webinars aimed at exchanging expertise regarding the conducting of public procurement procedures to cope with the situation created by the COVID-19 pandemic, the implementation of inter-state agreements, etc.

### 9.3. PPA COOPERATION WITH OTHER INSTITUTIONS IN ALBANIA

During this year, PPA has continued cooperation with domestic institutions, with which there are cooperation agreements in place, such as: National Food Authority, Competition Authority, State Inspectorate of Labor and Social Services, through the exchange of respective information on winning economic operators of procurement procedures and verification of the fact whether these operators conduct their activity by applying the requirements of the legislation in force, according to the respective fields, covered by each of these institutions.

Also, in 2020, a memorandum of cooperation was signed with the Public Procurement Commission, focusing on cooperation between the parties on common issues of the public procurement system, as well as the constant sharing of experiences between the relevant technical staff.

1. Following the commitment undertaken by the **Cooperation Agreement with NFA no. 7378 protocol, dated 26.07.2018, PPA has sent information on the winners of procurement procedures of food products every three months to this institution.**

The communication between the two institutions has resulted in cases of economic operators listed as winners in procurement procedures of food products, whose relevant licenses were revoked or they did not meet the requirements for conducting their activity.

After the information was reported by NFA, PPA was invested by addressing the relevant contracting authorities, where the economic operators turned out to have been declared winners.

**Following the communications and information sent by NFA, PPA has concluded in the exclusion of an economic operator from participating in public procurement, as it has been proven that the operator in question has misinformed regarding the self-declaration given in the tender that, from the last control of performed by NFA, it was ascertained that the operator conducts its activity in accordance with legal requirements. The information sent by NFA has served the administrative proceedings and decision-making for the exclusion of this economic operator.**

2. Following the commitment undertaken by the Memorandum of Cooperation, no. 5008 Prot., dated 14.06.2019 with the State Inspectorate of Labor and Social Services, PPA has sent periodic information on economic operators that have concluded contracts for periods of three months, throughout the calendar year, to this institution.

From the communications between the two institutions, it turned out that an economic operator which has received public funds was penalized by this institution. Following the administrative investigation process, PPA came to the conclusion that the economic operator was in a state of misinformation according to the provisions of Article 13/3/a of the Law on Public Procurement, and for this purpose has decided to exclude the entity from procurement procedures.

The cooperation with this institution is continuous in terms of reporting by PPA, of economic operators that have received public funds and verification by SILSS whether these operators have been penalized, for non-compliance with the requirements of applicable labor legislation.

In this context, work continues to further verify them or take into account whether these operators will receive public funds for the following periods, while they are penalized by SILSS.

3. In the framework of the Memorandum of Cooperation with the Competition Authority, PPA has communicated with this institution, forwarding for investigation a case denounced by an entity, which has alleged a violation of competition by two economic operators that have participated in the same procurement procedure with the same administrator.

To this end, based on the principle of promoting competition between economic operators, the case was referred to the Competition Authority, to investigate whether the participation of two economic operators with the same administrator in a procurement procedure constitutes a distortion of competition. The case in question has been investigated by the Competition Authority, where the latter by decision no. 753 dated 13.12.2020, has concluded that this case does not constitute the case of a prohibited contract in bids according to the Guideline "On the fight against prohibited contracts in public procurement bids ". Meanwhile, regarding this case, PPA has brought to the attention of the contracting authorities the observance of the provisions of article 65 of DCM 914/2014, especially in the evaluation of bids submitted in small value procurement procedures.

3. Valuing the importance of institutional cooperation, in the context of the good functioning of the public procurement system, through increasing efficiency, effectiveness and continuous sharing of experiences, PPA has signed a Memorandum of Cooperation no. 6592 Prot., dated 15.10.2020 with Public Procurement Commission.

The main purpose of this memorandum is the cooperation between the parties on common issues of the public procurement system, as well as the continuous sharing of experiences between the relevant technical staff.

**Following this Memorandum, a joint Recommendation has been drafted, addressed to the contracting authorities, bringing to their attention the legal obligation to implement the decisions of PPC (in cases where they are not challenged in court), also emphasizing that the procurement procedure in this case**

will not be finalized with the publication of the winner if the CA does not reflect all the changes contained in PPC decision.

- **It is worth mentioning that the cooperation with the above institutions and the establishment of control mechanisms in the procurement process for economic operators, play an important role in raising the awareness of these operators to comply with the requirements of labor legislation, legal requirements in force for entities that trade food products, as sensitive objects, and competition protection legislation. Through the self-declaration mechanism, as an obligatory requirement for economic operators participating in procurement procedures, that they respect the legal requirements in the above areas, it is possible to trace and identify cases when these requirements are not implemented in practice.**

**During this year, PPA, in addition to cooperation with institutions under the relevant agreements, as referred to above, has communicated and cooperated with other state institutions to address various problems identified during the exercise of its activity, in order to avoid them in the future procurement process.**

- Pursuant to Law No. 112/2015 "On public financial inspection", PPA has addressed Public Financial Inspection Directorate in the capacity of an institution whose mission is to ensure the implementation of legality of public funds, referring for competence an ascertained case in the exercise of its duties. The problem was that during the implementation of the public contract, signed between a contracting authority and a consortium of economic operators, it was found that the terms of the signed contract were different from the tendered ones, as the contract was implemented by only one of the members of the consortium of economic operators.

The case was verified by Public Financial Inspection Directorate, which at the end of the investigation submitted the relevant report on the found violations, proposing at the same time to take the initiative to change the provisions of the bylaws for the consortium of economic operators in public procurement rules.

- During the exercise of its duties, at the end of the review of some of the final reports of the State Audit Institution, PPA has ascertained that the auditors have reflected findings related to the double employment of technical managers of companies participating in procurement procedures at the same time in other companies or state institutions.

Meanwhile, from the verifications carried out by PPA in the context of administrative proceedings conducted for the cases in question, it was found that, in fact, the declared persons are employed in other construction companies or in state institutions, contrary to the provisions of paragraph 2, of Chapter IV of DCM no. 42, dated 16.01.2008 "On the approval of the regulation, criteria and procedures for issuing professional licenses for the implementation, classification and discipline of legal entities that conduct construction activities". In these cases, according to the legal provisions of public procurement, PPA has continued with the administrative proceeding for the exclusion of these companies, which have submitted false data / statements in these procurement procedures, for qualification purposes.

In addition to the above, PPA has addressed the issue to the Ministry of Infrastructure and Energy (no. 4682 prot., dated 29.07.2020), in order to intervene by establishing a control



mechanism, regarding the implementation of legal obligations in force on not allowing double employment of technical managers, who are simultaneously listed in the licenses of construction companies, as well as in other construction companies or state institutions.

This communication was continued by PPA (No. 4682, prot., dated 08.10.2020), again addressing this institution and noting that, despite the actions that can be taken, in accordance with the legislation in the field, or and necessary initiatives to intervene in this legislation, it is considered necessary to make changes in the Standard Tender Documents for Public Works, drafting a special appendix to these sets, envisaging that both entities participating in a procurement procedure and individuals in the capacity of technical managers at these entities, to have the obligation to self-declare that they are not in the conditions of non-compliance set by the DCM.

In this context, PPA has requested the opinion and suggestions of this institution, as a regulatory institution for licensing individuals / entities that conduct construction activities, in order to avoid the problem of double employment of technical managers of entities in violation of the DCM.

- General Directorate of Prisons (GDP) has forwarded to PPA the problems encountered in some procurement negotiated procedures without prior publication of a contract notice, where it has concluded that, after opening the bids in the Electronic Procurement System, in each of these procedures it turned out that only one of the invited economic operators submitted a bid, although 6 (six) operators were notified to participate in these procedures, evaluated by them as potential candidates, referring to their status, object of activity and availability of licenses for these procurement objects.

In the framework of the analysis of the situation, in the capacity of the regulatory institution of the public procurement system, PPA has addressed the companies that the GDP has invited, to ask you them identify their problems, which prevent them from participating in these procurement procedures.

From the information administered by the communication with the companies, it was noticed that they lacked administrative capacities, as well as they had not received the notification and did not know the date of the conducting of procurement procedures.

On this basis, PPA has oriented companies on how to access public procurement legislation in order to increase their administrative capacity, as well as the fact that the procurement negotiated procedure without prior publication of a contract notice is one of the types of procedures of the procurement being conducted in EPS, and as such the companies invited by the contracting authorities to participate and submit a bid, are notified through EPS, in their user account.

Due to the problems identified in this case, PPA also addressed GDP, informing that it considers important the role of the contracting authority in interactive communication with economic operators in the market, to convey as much information on ongoing procedures and concrete needs for supplies /services/works.

- In the context of constant institutional cooperation, as well as in the exercise of its functions, PPA addressed the Central Election Commission (No. 6595 Prot., dated 14.10.2020), recommending it to take measures for planning and initiating procurement procedures in order to conduct them in accordance with public procurement legislation, given the fact that the date of the parliamentary elections is set.

## **10. INDICATORS OF DATA ADMINISTRATION AND PUBLICATION ACTIVITY**

Despite the difficult situation created in our country by the pandemic caused by COVID-19, as well as the declaration of the state of natural disaster in the Republic of Albania, the Electronic Procurement System has been in operation (on-line) 24 hours, every day week and the work has continued without any interruption.

### **10.1. PUBLICATION ACTIVITY**

One of the main tasks of PPA is the preparation of the Bulletin of Public Notices in accordance with PPL and public procurement rules, which is published on the main website of PPA.

During the period January-December 2020, a total of 131 Bulletins of Public Notices were prepared for publication (of which 79 were Special Bulletins related to public procurement procedures for Reconstruction), with a total of 28,222 pages or an average of 215 pages per week.

### **Publication of notices in the Electronic Procurement System**

During 2020, the following were verified and published in the Electronic Procurement System and then in the next Bulletin of Public Notices:

- **6,440** Contract Notices coordinated with the decisions of the Public Procurement Commission on the suspension of procurement procedures, reflecting in the Electronic Procurement System only the notices for which the complaint deadlines have been respected;
- **4,568** Winner Notices coordinated with the decisions of the Public Procurement Commission on the suspension of procurement procedures, reflecting in the Electronic Procurement System only the notices for which the complaint deadlines have been respected;
- **3,443** Signed Contract Notices for procedures conducted in the Electronic Procurement System;
- **416** Winner Notices for negotiated procedures without prior publication of a contract notice,
- **416** Signed Contract Notices for negotiated procedures without prior publication of a contract notice, including contract supplements, to meet the needs of 2019;
- **1,490** Annulment Notices coordinated with the decisions of the Public Procurement Commission on the suspension of procedures, reflecting in the Electronic Procurement System only the notices for which the complaint deadlines have been respected;
- **127** Contract Notices in the context of reconstruction, coordinated with the decisions of the Public Procurement Commission for the suspension of procurement procedures, reflecting in

the Electronic Procurement System only the notices for which the complaint deadlines have been respected;

- **27** Annulment Notices for procedures in the context of reconstruction, coordinated with the decisions of the Public Procurement Commission on the suspension of procedures reflecting in the Electronic Procurement System only the notices for which the complaint deadlines have been respected;
- **73** winner notices and **51** concluded contract notices published in Special Bulletins, etc.

Also, during this period, 1,775 decisions of Public Procurement Commission on the suspension of procurement procedures at various stages were addressed, reflecting in the Electronic Procurement System, only the only the notices for which the complaint deadlines have been respected. These decisions of the Public Procurement Commission (1,775) for the period January-December 2020 are detailed as follows:

- **337** initial suspensions of procurement procedures,
- **980** other decisions (annulment, modification, interim suspension, revaluation, etc.)
- **458** permitting decisions.

#### Publication of Public Auction Notices in the Bulletin of Public Notices

During 2020, the following were published in the Bulletin of Public Notices for public auction procedures:

- 438 Notices of Public Auctions conducted by the Selling Authorities;
- 129 Winner Notices of Public Auctions conducted by the Selling Authorities;
- 56 Signed Contract Notices of Public Auctions conducted by the Selling Authorities;
- 86 Annulment Notices of Public Auctions conducted by the Selling Authorities;
- 124 Lease Notices.

#### Concession/ Public-Private Partnership Notices and other notices

During 2020 the following were published in Bulletin of Public Notices:

- 1 Contract Notice for Concession Procedures;
- 38 Notices on Competitive Procedures for issuing mining permits;
- 418 Other Notices.

#### Publication of register elements in the system

Also, during 2020 about 46, 948 register elements (new items and changes made during the year by contracting authorities) were processed in the forecast register of procurement procedures, of which about **37,441** are published elements and **9,507** are rejected elements, due to inaccurate filling of data by the authorities.

Table 102

#### Number of handled elements by Publication Sector

<b>Number of published elements</b>	37,441
<b>Number of rejected elements</b>	9,507
<b>Total</b>	46,948

### Reviewed practices by the Publication Sector

The Publication Sector during the period January - December 2020 has handled 3,796 detailed practices (letters) as follows:

Table 103

Type of request	Number:
<b>Handled and archived letters</b>	1,838
<b>Handled and answered letters</b>	1,958

## 10.2. DATA ADMINISTRATION IN ELECTRONIC PROCUREMENT SYSTEM

Despite the situation created in our country by the pandemic caused by COVID-19, as well as the declaration of the state of natural disaster in the Republic of Albania, PPA has worked maximally in providing high security services to all Contracting Authorities, Economic Operators, Auditors, as well as any other Authority that, in the performance of its duties, uses the Electronic Procurement System.

Likewise, the staff has been available for any request for assistance, questions or uncertainties and has rigorously followed the monitoring processes and weekly controls, or any problems reported until their final resolution, etc. Also, despite the difficult situation created in our country, the Electronic Procurement System has been in operation (on-line) 24 hours, every day of the week.

### 10.2.1. Objectives of Data and Statistics Administration Sector

- **One of the main objectives of the Data Administration and Statistics Sector is the continuous improvement and optimization of the interface, in order to improve and facilitate the work of users.**

The staff of the sector, despite the difficult situation even during 2020, has continued to work on identifying requests for improvements and additions of some new functionality to the Electronic Procurement System. Specifically, during the period January - December, 138 cases/requests for improvement in the functions and interfaces of roles in the system, data analysis, system verifications, etc. were reported to the maintenance company.

During 2020 the following improvements/upgrades have been made to the Electronic Procurement System:

- improvements to the register element and to the Restricted and Restricted Procedure above the high threshold, according to Normative Act no. 9, dated 16.12.2019 "On coping with the consequences of natural disaster";
- Improvements in order to implement the interaction and interconnection / integration of AFMIS system with the Electronic Procurement System, for which the necessary changes have been made in the user interfaces and fields have been added for the control regarding the availability of funds to be performed during the creation of the procurement procedure in the system, as well as all the changes have passed in the live system. Also, all the technical configurations and preparation of the necessary technical documentation for WebService that will display the information of procurement procedures from EPS to AFMIS system have been made.
- a) Improvement of security policies on user passwords in EPS, enabling users after an interval of 20-30 minutes inactive in the system, to automatically log out the user account and have increased password policies, suggesting that the password length be a minimum of 12 characters for all users, regardless of their role in the system;
- b) The new password cannot contain the value of the username or part of the full name of the user; the password must have a minimum of 3-4 characters of the type: numbers, symbols, lowercase and uppercase letters, as well as the display of an information message for password change after the expiration of the 90-day period of its use;
- Improvement to small value procurement procedures and dynamic purchasing system of fares by adding and making part of the process the minutes kept by the committee members during the transition from one economic operator to another. The minutes created in the system are part of the procurement procedure and are accessed at any time by the authorized officer or the auditor's accounts. The upgrade has passed to the live system and has been successful.
- Improvement in the winner notice phase in the case of procurement procedures conducted in the system such as the Framework Agreement, enabling the declaration of some economic operators in the case of framework agreement with several economic operators. Also, in the context of these improvements, some changes have been made to the register element - "mini-contract" category, enabling the addition of several new fields in order to provide complete information about each mini-contract that CAs sign based on the FA and enabling the declaration in case the winning bid is submitted as a "consortium of economic operators" during the "Mark as Implemented" process, to the mini-contract element.
- to assist economic operators in facilitating procedures, on the e-Albania platform, which is administered and implemented by the National Agency for Information Society, **new electronic services have been enabled**, the process of registration / change of password or the provision of a non-exclusion certificate from public procurement procedures. Specifically, all economic operators, after being identified on the e-Albania platform through their TIN and password, can apply to each of the following services:
  - application for changing the password of the economic operator's account in the electronic procurement system ;
  - application for registration of the economic operator in the electronic procurement system;
  - application for non-exclusion certificate for economic operators.

During the technical developments for the full operation of the listed services, improvements/upgrades have been made to the system by adding 2 new roles in order to create a database for excluded economic operators. Also, technical developments have been carried out in the database, to identify economic operators excluded by PPA from economic operators to economic operators that change their inactive status in the NBC.

During this period improvements have been made in the display of fields or necessary information necessary for the implementation of daily tasks of users such as:

- Improvements to the Publisher Role interfaces, adding fields to display information whether the procedure is created as a Framework Agreement or not, etc.;
- Improvements to the Auditor Role interfaces, adding to the reports generated by the system the date of uploading of documents by the authorized officer, including in these reports information regarding electronic minutes for the case of small value procurement and fare purchase, etc.;
- Improvements to the Auditor Role interfaces, enabling the display of requests submitted by economic operators even when the procedure is archived;
- Improvements to the Reports generated by the system for the role of Procurement Analyst, etc.

All the above cited changes are accompanied by the preparation of relevant technical manuals, specifically:

- Technical manual for creating the element for the public procurement procedure for reconstruction;
  - Technical Manual for creating Electronic Minutes during the transition from one economic operator to the next in the dynamic purchasing system of air transport fares;
  - Technical Manual for creating Electronic Minutes during the transition from one economic operator to the next in small value procurement procedures;
  - Technical Manual for establishing FAs and mini-contracts in EPS.
- 
- **One of the main objectives is to guarantee timely and quality work progress for all users of the Electronic Procurement System (EPS) and Electronic Archive System (EAS) and to ensure the confidentiality of the economic bid by encryption and decryption which has made highly sensitive information available only to those persons authorized to view or use it.**

Data Administration and Statistics Sector has made every effort to keep the Electronic Procurement System "online", 24 hours a day, 7 days a week, except when its "offline" status for a very limited period has been necessary for the performance of relevant services, or the addition of new functionalities and this is warned by means of a notification, without violating at any time the deadlines of procurement procedures published in the system.

The result of the work of the Directorate of Technology, Data Administration and Publication has been the secure administration of a total database according to the table below:

- 4,9 TB (4,981,300,359,168 bytes) of the Electronic Procurement System.
- 8,4 TB (8,470,879,912,960 bytes) of the new Electronic Archive System.
- 11.68 TB (8,470,879,912,960 bytes) of the old Electronic Archive System.

Database capacity table for 2020 as compared to 2019 is given below:

**Table 104**

No.	Year	2019	2020
1	Electronic Procurement System (in bytes)	4,211,820,720,024	4,981,300,359,168
2	New Electronic Archive (in bytes)	5,988,595,204,096	8,470,879,912,960
3	Old Electronic Archive (in bytes)	11,684,030,087,168	8,470,879,912,960
	Total (in bytes)	21,884,446,011,288	25,136,210,359,296
	Total (in Terabyte)	21,88	25

- **Solving various hardware and software problems, during daily work, guaranteeing the normal performance of electronic procurement.**

During 2020, the storage upgrade of the Electronic Procurement System infrastructure was done, in order to increase the performance of the live system. However, given the progress of data capacity growth, it is necessary to increase capacity in the hardware infrastructure and network infrastructure of the Electronic Procurement System and the Electronic Archive System, in order to improve the performance and availability of EPS.

- **Providing technical assistance to Electronic Procurement System users**
  - One of the tasks of the staff of the Data Administration and Statistics Sector is to guarantee technical assistance for any request (requests for decryption of documents, requests for clarification, complaints from the technical side), received by PPA, guaranteeing technical assistance to PPA employees, guaranteeing technical assistance for calls and emails received by PPA.
  - Technical assistance provided to all contracting authorities, as well as to all foreign and domestic economic operators who use the electronic procurement system, via e-mails, telephone or consultations at the PPA premises, is a daily job of this directorate. Here it is worth noting the high number of received phone calls or emails.
  - The staff of the sector in cooperation with the Legal, Verification and Integration Directorate, sent about 4,510 e-mails in total, to:
    - contracting authorities, clarifications prepared by the Legal, Verification and Integration Directorate for the contracting authorities (for clarifications and technical instructions);
    - economic operators (for confirmation of online registrations, for resetting the password, for clarifications, instructions and complaints);
    - clarifications prepared by the contracting authorities (for clarifications and instructions of a technical nature);
    - other institutions (for sending data and information).

- Provision of technical assistance by this sector is done through various online trainings, organized by the Public Procurement Agency and the Albanian School of Public Administration (ASPA), where IT specialists have covered sessions on the use of the Electronic Procurement System.
- Guaranteeing technical assistance for audit accounts for each auditor of the Contracting Authorities as well as the State Audit Institution.
- **One of the daily tasks of Data Administration and Statistics Sector is to support users within PPA, as well as to manage the infrastructure of the internal computer and phone network.**

- **Enriching the portal with PPA information**

The staff of the sector publishes any updated information related to the procurement process; specifically the following are published in the portal:

- 131 weekly bulletins;
  - Decisions from PPA Monitoring - 34 decisions;
  - Decisions from Audit Reports- 15 decisions;
  - Decisions to Exclude Economic Operators- 23 decisions;
  - DCM 2020 - 4 decisions;
  - DST 2020 - 4 publications;
  - Guidelines 2020 - 6 publications;
  - Recommendations 2020 - 6 publications;
  - Bringing to the attention of CAs - 1 publication;
  - Notifications for economic operators - 2 publications;
  - Procurement in the fields of Defense and Security - 1 publication;
  - Consultation on the draft National Strategy for Public Procurement 2020-2023 and Action Plan - 1 publication;
  - Notices - 32 notices for contracting authorities and economic operators, in total 297 files (documents).
  - **Providing daily, weekly and monthly back-up of Electronic Procurement System (EPS) and Electronic Archive System (EAS), as well as storage at NAIS.**
- The staff performed and monitored daily, weekly and monthly back-up of Electronic Procurement System (EPS) and Electronic Archive System (EAS), as well as its storage at NAIS.
- **Drafting technical specifications for contracts that PPA has concluded with third parties.**
  - **Creation, updating, as well as closing the accounts of the Electronic Procurement System.**

The sector staff has created 44 accounts in the role of administrator for the Contracting Authorities.



- **Monitoring procurement procedures suspended in the system and drawing the attention of responsible persons in accordance with applicable law.**
- **Archiving all pending procedures by the Contracting Authorities. This process makes it possible for the operational system, in which all public procurement procedures are conducted, to be significantly facilitated by increasingly reducing the number of procedures in it and, consequently, facilitating the work of system users (Authorities Contractors, Economic Operators, Auditors).**
- **The cooperation of the Information and Publication Directorate with the Legal, Integration and Verification Directorate has been very productive in terms of identifying problematic cases and resolving them, as well as improving the electronic procurement system, in accordance with applicable law.**
- **Following up on the maintenance contract for the Electronic Procurement System and all its components by monitoring all system components, specifically:**
  - i. Application software – Electronic Procurement System which includes:
    - a. Core and e-Filing Applications
    - b. Electronic Procurement System database
    - c. Physical Infrastructure of the Electronic Procurement System
    - d. New system archive
    - e. Old archive of 6 /33 system
  - ii. Public Portal
  - iii. Mobile Application
  - iv. Physical infrastructure of servers
  - v. HP “MSL2024” Tape back-up device

It is worth noting that the processes of passing upgrades are always done after the official working hours in order not to interrupt services or eliminate the occurrence of any problems during the day where users are active in the system. Also the readiness to monitor or assist any problems that occur, regardless of the situation of Covid-19 has been 24 to 7 days a week.

- **Preparation of Statistics for PPA**

In addition to the work of summarizing information for publications, the employees in charge of publishing statistics have performed a number of other tasks in the interest of the State Authorities that they have requested. Specifically, during the period January-December 2020, the following statistics were released:

- Statistics for the National Food Authority regarding the Economic Operators that have won contracts in the period January-December 2020;
- Statistics for the Ministry of Finance on negotiated procedures without prior publication of a contract notice for the period January-December 2020;

- Statistics for the Ministry of Finance on the Performance of Forecast Registers for the period January-December 2020;
- Statistics on the Performance of Forecast Registers for Ministries and their subordinate Institutions in the period January-December 2020,
- Statistics for the State Audit Institution on conducted procurement procedures and finalized with winners and contracts for different periods.
- Other data for the High Inspectorate of Disclosure and Audit of Assets and Conflict of Interest on procurement procedures obtained from various entities subject to audit.
- Various statistics for the World Bank, EU, etc.

#### 10.2.2. Reviewed practices by Data Administration and Statistics Sector

During 2020, Data Administration and Statistics Sector handled 3,165 documents and memos in total, which include:

- Creating / Closing an account in the role of CA Admin and Economic Operator, as well as resetting the password (1,700);
- Explanatory letters with Contracting Authorities and Economic Operators (750);
- Letters for sending data and cooperation with other institutions (65);
- Internal memos and memos for cooperation with the Legal, Verification and Integration Directorate in PPA (165);
- Letters for archive and responsible persons (485), etc.

Table 105

Reviewed practices by Data Administration and Statistics Sector in the course of 2020 by type of request	
Type of request	Number
Request for account closure / password change	1,199
Request for technical assistance / clarifications and for sending data and cooperation with other institutions	1,481
Letters for archive and responsible persons	485
Total	3,165

As it can be seen from the above data, the highest number of letters sent and handled by the Data Administration Sector is occupied by the requests for user account creation, password change, which are performed by the User Management Administrator.

Table 106

Requests for password change and creation of user account in EPS	
Requests for password change	912

Requests for user account creation	208
Other requests (account blocking, reactivation, etc.)	79
Total	1,199

### 10.2.3. Creating new users in 2020

In 2020, 5537 new users have been created in the electronic procurement system, respectively: Data Administration and Statistics Sector during 2020, has created 37 new accounts in the role of System Administrator for the Contracting Authorities. While by the accounts of the Administrators of the Contracting Authorities, a total of about 5,500 new users have been created.

The table below presents the number of users of the Electronic Procurement System, within the Contracting Authorities, created respectively in 2020.

Table 107

Role of Account	User accounts created in the course of 2020
CA System Administrator	37
Procurement Unit	2,564
Bid Evaluation Committee	2,554
CA auditor	378
Auditors	4
Total	5,537

The table and chart below show the number of users of the Electronic Procurement System, created respectively in 2020, by months.

Table 108

Month	January	February	March	April	May	June	July	August	September	October	November	December
Number of users	636	682	459	325	367	463	458	408	520	436	420	363

Chart 48



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Krijimi i llogarive të përdoruesve për autoritetet kontraktore, sipas muajve</i>	<i>Creation of user accounts for the contracting authorities, by months</i>
<i>Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nëntor-Dhjetor</i>	<i>January-February-March-April-May-June-July-August0September-October-November-December</i>

The figure clearly shows the creation of user accounts in the system in the period March - May, there is a significant decrease in user creation, which is the period when the publication of new procedures in the system was suspended due to the situation created by the pandemic caused by COVID-19.

Also, in the system there are about 38,831 user accounts in the role of procurement unit, BEC members, audits, etc. in inactive status and 26, 830 user accounts in the role of procurement unit, BEC members, and auditors in active status. In the role of System Administrator for the contracting authority there are 729 in inactive status and 1,698 in Active status.

The following table presents the status of user accounts from the Contracting Authorities in the Electronic Procurement System:

**Table 109**

Role of Account	Active user accounts	Inactive user accounts
CA System Administrator	1,698	729
Procurement Unit	11,692	16,443
Bid Evaluation Committee	13,930	19,594
CA auditor	1,214	2,794
PPC auditor	16	24

In terms of user accounts in the role of economic operators, 14,495 new economic operators are registered in 2020 in the Electronic Procurement System, of which 135 are foreign economic operators, compared to 2019 where there were 89 foreign economic operators.

The provision of economic operators with user accounts is performed by PPA, as well as thanks to the interaction service with the system of the National Business Center, where automatically every economic operator registered in the NBC is provided with a user account in EPS.

Table 110

Role Month	January	February	March	April	May	June	July	August	September	October	November	December	Total
Economic Operators from PPA	31	14	15	27	23	30	16	9	21	22	10	11	229
Economic Operators automatically by NBC	1506	1352	625	363	1049	1408	1226	892	2308	1404	1074	924	14131
International economic operators approved by the portal	11	6	13	8	2	15	13	15	13	14	8	17	135
<b>Total</b>	<b>1548</b>	<b>1372</b>	<b>653</b>	<b>398</b>	<b>1074</b>	<b>1453</b>	<b>1255</b>	<b>916</b>	<b>2342</b>	<b>1440</b>	<b>1092</b>	<b>952</b>	<b>14495</b>

The following chart presents the number of new Economic Operators of the Electronic Procurement System, by month:

Chart 49



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Regjistrimi i Operatorëve Ekonomikë në Sistemin e Prokurimit Elektronik, sipas Muajve</i>	<i>Registration of Economic Operators in the Electronic Procurement System, by months</i>
<i>Janar-Shkurt-Mars-Prill-Maj-Qershor-Korrik-Gusht-Shtator-Tetor-Nëntor-Dhjetor</i>	<i>January-February-March-April-May-June-July-August-September-October-November-December</i>

The following shows the status of economic operators in the Electronic Procurement System:

Table 111

<b>Status of Economic Operators in 2020</b>	<b>Number</b>
<b>Active economic operators</b>	<b>227,791</b>
<b>Economic operators bearing the status excluded</b>	<b>21</b>
<b>Inactive economic operators NBC</b>	<b>33,461</b>

#### 10.2.4. Other statistics about the use of Electronic Procurement System

##### 10.2.4.1. Use activity by hits, views and visitors

In the Electronic Procurement System, for 2020 there is a total of 541,984,976 hits (compared to 2019 we have 5,748,543 fewer hits), 450,921,097 website views (compared to 2019 we have 3,124,882 fewer website views) and 1,702,402 visitors (compared to 2019 there are less 827,931 visitors). This is explained by the fact that the suspension of the procurement process due to the situation created by the pandemic, has also affected the reduction of the use of the electronic procurement system by contracting authorities and economic operators.

## Hits in 2020

Table 112

Use of Electronic Procurement System	2019	2020
Total Hits	547,733,519	541,984,976
Hits by visitors	547,023,186	541,321,636
Average of hits per day	1,500,639	1,480,833
Average of hits per visitor	321.32	213.93
Total website views	454,045,979	450,921,097
Average of website views per day	1,243,961	1,232,024
Average of website views per visitor	266.71	178
Total Visitors	1,702,402	2,530,333
Average of visitors per day	4,664	6,913
Total Unique IPs	117,811	116,004

The chart below shows the distribution of hits, and visitors in 2020.

Chart 50

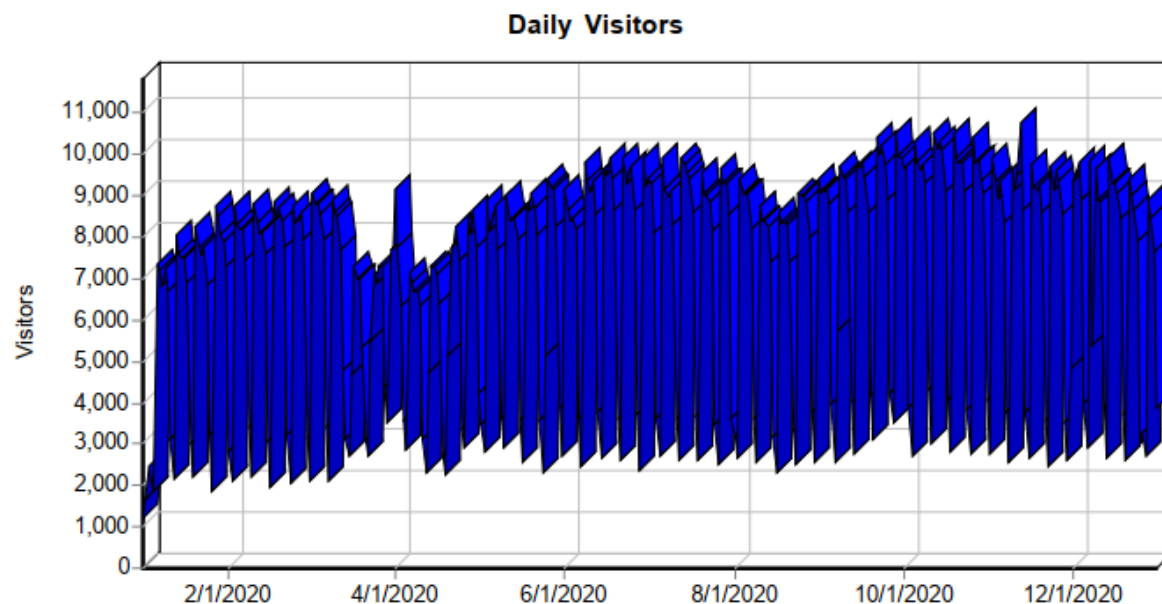
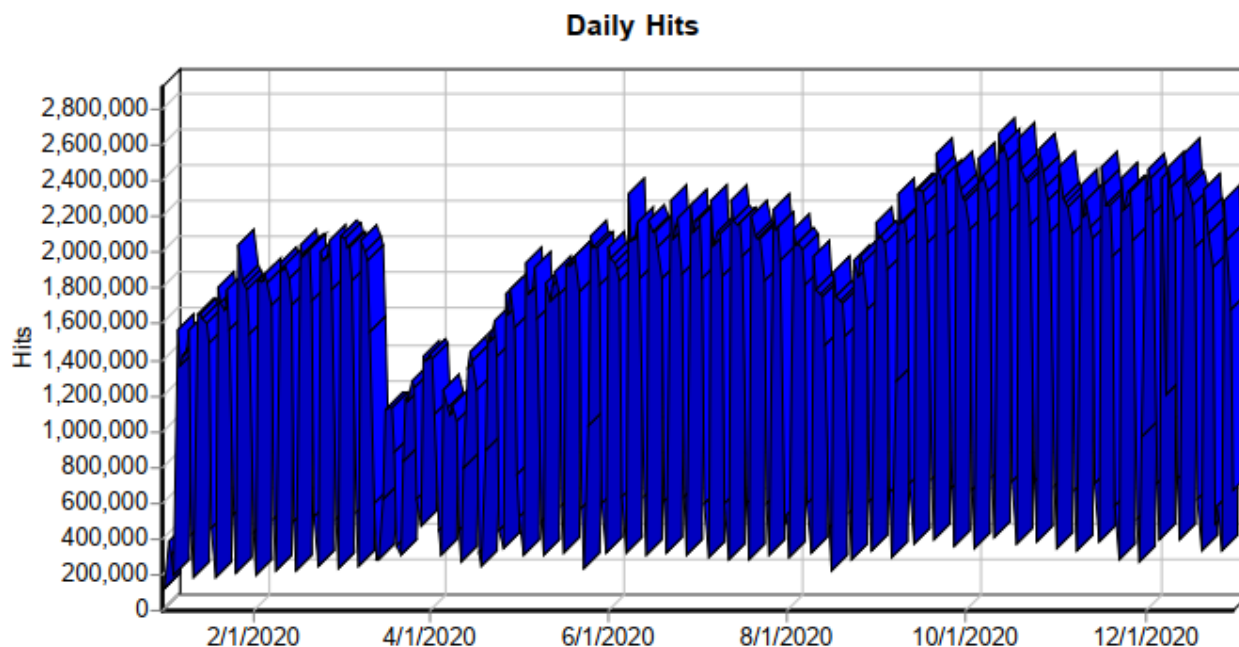


Chart 51



As it results from the data in the table above, the peak distribution of hits and visitors in the Electronic Procurement System is during the period June-July and October-November.

#### 10.2.4.2. User activity by hits, views and visitors in 24 hours

The following table and chart show the distribution of hits, visitors and time spent by hours:

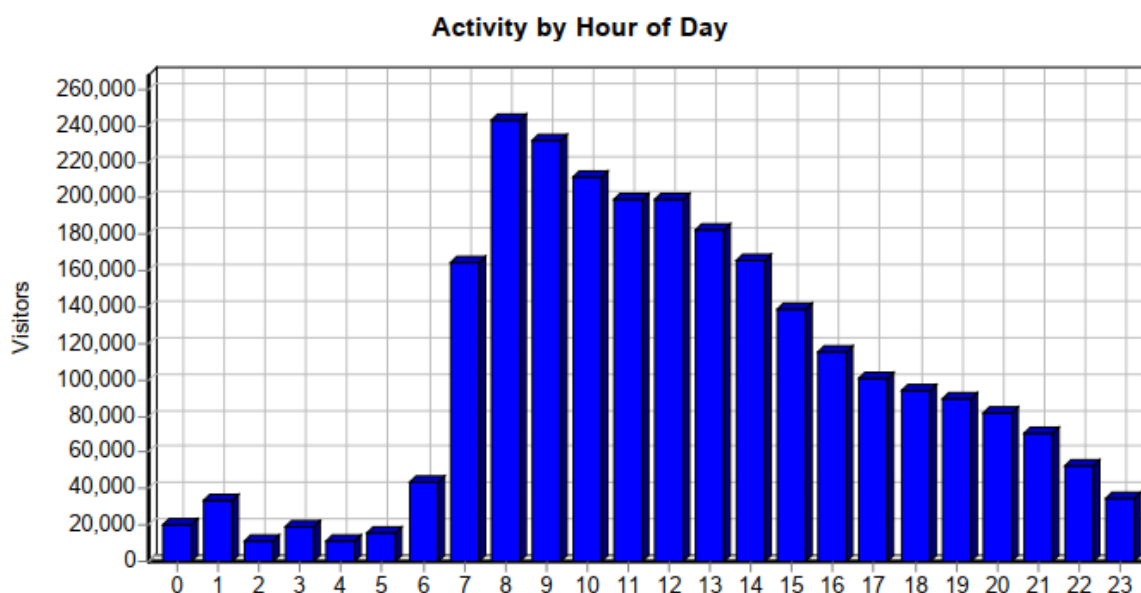
Table 113

Distribution of hits, visitors and time spent by hour in 2020			
Time	Hits	Website views	Visitors
00:00 - 00:59	3,162,844	2,182,142	19,894
01:00 - 01:59	2,379,218	1,526,633	33,643
02:00 - 02:59	2,016,946	1,235,590	11,540
03:00 - 03:59	1,916,412	1,140,317	18,638
04:00 - 04:59	1,914,897	1,128,310	11,025
05:00 - 05:59	2,262,222	1,385,589	16,169
06:00 - 06:59	4,268,435	2,899,075	44,224



<b>07:00 - 07:59</b>	19,136,297	14,818,548	164,389
<b>08:00 - 08:59</b>	42,554,298	34,762,640	243,277
<b>09:00 - 09:59</b>	58,551,927	49,329,207	232,198
<b>10:00 - 10:59</b>	61,915,749	52,989,788	211,974
<b>11:00 - 11:59</b>	59,523,083	51,306,381	199,014
<b>12:00 - 12:59</b>	55,423,155	47,834,499	199,076
<b>13:00 - 13:59</b>	51,591,392	44,431,129	182,553
<b>14:00 - 14:59</b>	46,996,040	40,319,853	165,665
<b>15:00 - 15:59</b>	36,248,730	30,908,646	138,352
<b>16:00 - 16:59</b>	23,359,855	19,596,973	114,785
<b>17:00 - 17:59</b>	15,648,413	12,753,284	100,461
<b>18:00 - 18:59</b>	12,535,838	9,899,945	94,014
<b>19:00 - 19:59</b>	10,868,435	8,347,452	89,661
<b>20:00 - 20:59</b>	9,683,363	7,332,136	82,010
<b>21:00 - 21:59</b>	8,457,784	6,307,565	70,437
<b>22:00 - 22:59</b>	6,752,558	4,992,896	52,801
<b>23:00 - 23:59</b>	4,817,085	3,492,499	34,533
<b>Total</b>	<b>541,984,976</b>	<b>450,921,097</b>	<b>2,530,333</b>

Chart 52



As shown from the data in the table above, the peak of distribution of hits and visitors in the Electronic Procurement System is during the hours 08: 00-15: 00, but in any case it is noticed that the activity of users is during 24 hours.

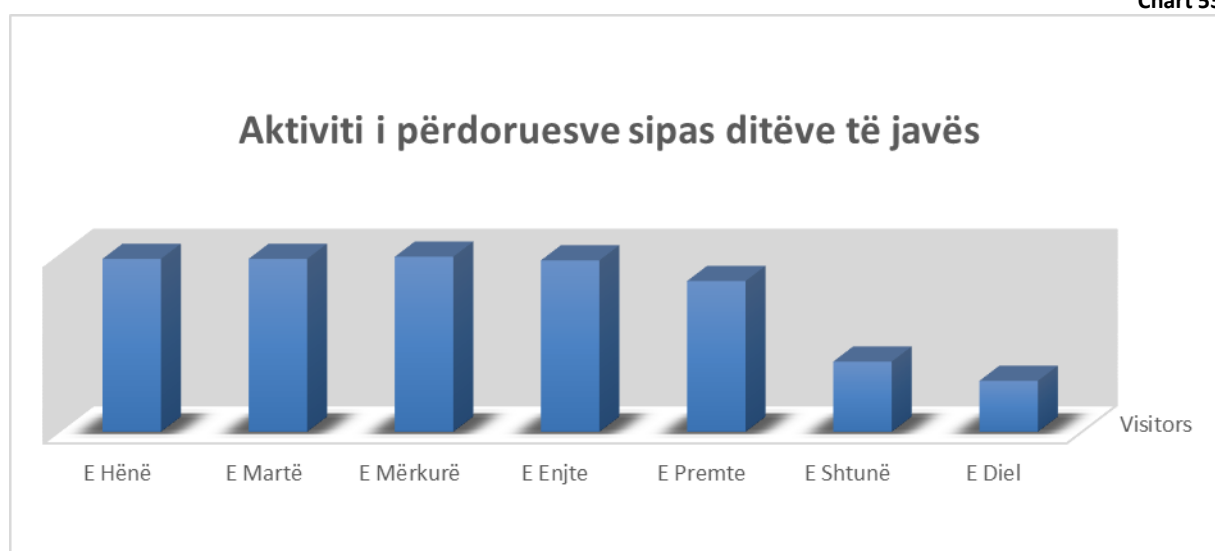
#### 10.2.4.3. User activity by hits, views and visitors by week days

The following table and chart show the distribution of hits, visitors and time spent by week days:

Table 114

Activity by week days in 2020			
Days	Hits	Website views	Visitors
Monday	102,981,458	85,830,809	453,637
Tuesday	102,211,834	85,768,956	453,723
Wednesday	103,457,392	87,041,307	459,254
Thursday	101,132,911	84,998,313	449,820
Friday	86,617,251	72,535,592	395,656
Saturday	29,634,539	23,508,241	184,368
Sunday	15,949,591	11,237,879	133,875
<b>Total</b>	<b>541,984,976</b>	<b>450,921,097</b>	<b>2,530,333</b>

Chart 53



**Translation of the chart:**

Albanian	English
Aktiviteti i përdoruesve sipas ditëve të javës	User activity by days of the week
E hënë-E martë-E mërkurë-E enjte-E premte-E shtunë-E dielë	Monday-Tuesday-Wednesday-Thrusday-Friday-Saturday-Sunday

As it turns out from the data in the table above, the peak of distribution of hits and visitors in the Electronic Procurement System, during the week is from Monday to Friday, but there are also hits and visitors of the system during the weekends.

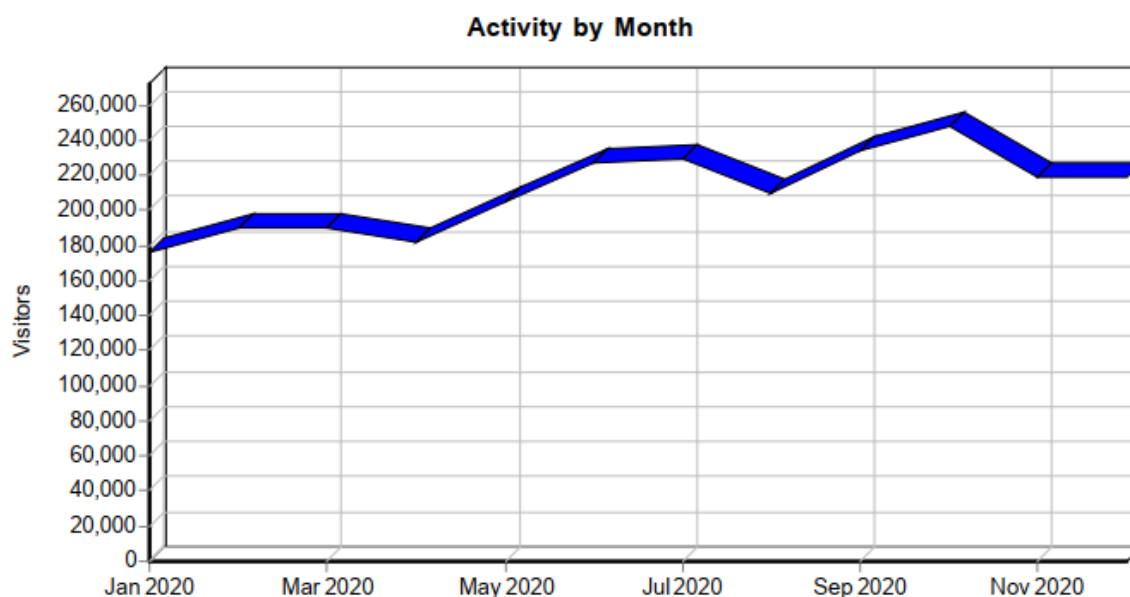
#### 10.2.4.4. User activity by hits, views and visitors by month

The following table and chart show the distribution of hits, visitors and time spent by month:

Table 115

Activity by months in 2020			
Month	Hits	Website views	Visitors
January	36,184,242	29,995,722	176,562
February	41,388,857	34,445,904	190,299
March	35,078,469	28,510,018	189,572
April	32,438,971	26,258,599	182,364
May	41,731,141	34,523,408	204,632
June	49,203,308	41,182,372	227,593
July	50,247,105	42,133,275	229,524
August	43,277,064	35,510,713	210,012
September	52,768,087	44,438,721	234,450
October	57,824,801	48,669,071	247,666
November	50,360,258	42,184,913	218,709
December	51,482,673	43,068,381	218,950
Total	541,984,976	450,921,097	2,530,333

Chart 54



As it turns out from the data in the table above, the peak of the distribution of hits and visitors in the Electronic Procurement System is the period June-July and then the period October-November.

#### 10.2.4.5. User activity by most frequently visited interfaces in PPA portal

The following table and charts show the most frequently visited online interfaces for accessing the Electronic Procurement System:

Table116

Most frequently visited websites on the Internet	Visitors
<a href="http://www.app.gov.al/">http://www.app.gov.al/</a>	1,614,137
<a href="http://www.app.gov.al/legjislacioni/prokurimi-publik/udhezime/">http://www.app.gov.al/legjislacioni/prokurimi-publik/udhezime/</a>	225,937
<a href="http://www.app.gov.al/e-prokurim/">http://www.app.gov.al/e-prokurim/</a>	122,778
<a href="http://www.app.gov.al/regjistri-i-parashikimeve/">http://www.app.gov.al/regjistri-i-parashikimeve/</a>	116,032
<a href="http://www.app.gov.al/legjislacioni/prokurimi-publik/vkm/">http://www.app.gov.al/legjislacioni/prokurimi-publik/vkm/</a>	65,604
<a href="http://www.app.gov.al/njoftimi-i-kontratës-së-shpallur/">http://www.app.gov.al/njoftimi-i-kontratës-së-shpallur/</a>	39,614
<a href="http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/arkiva-e-buletinit-te-prokurimit-publik-2020/">http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/arkiva-e-buletinit-te-prokurimit-publik-2020/</a>	34,314
<a href="http://www.app.gov.al/njoftime/njoftime-2020/">http://www.app.gov.al/njoftime/njoftime-2020/</a>	30,295
<a href="http://www.app.gov.al/të-tjera/trajtime/pyetje-të-shpeshta/">http://www.app.gov.al/të-tjera/trajtime/pyetje-të-shpeshta/</a>	28,649
<a href="http://www.app.gov.al/legjislacioni/prokurimi-publik/dokumentet-standarte-të-tenderit/">http://www.app.gov.al/legjislacioni/prokurimi-publik/dokumentet-standarte-të-tenderit/</a>	19,733
<a href="http://www.app.gov.al/contract-notice/">http://www.app.gov.al/contract-notice/</a>	19,613
<a href="http://www.app.gov.al/prokurimet-me-vlere-te-vogel/">http://www.app.gov.al/prokurimet-me-vlere-te-vogel/</a>	18,767
<a href="http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/">http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/</a>	17,843
<a href="http://www.app.gov.al/njoftimi-i-fituesit/">http://www.app.gov.al/njoftimi-i-fituesit/</a>	9,908
<a href="http://www.app.gov.al/legjislacioni/prokurimi-publik/ligji/">http://www.app.gov.al/legjislacioni/prokurimi-publik/ligji/</a>	9,500
<a href="http://www.app.gov.al/ep/2016_Arkiva_e_Buletineve.aspx">http://www.app.gov.al/ep/2016_Arkiva_e_Buletineve.aspx</a>	6,304
<a href="http://www.app.gov.al/të-tjera/kontakte/">http://www.app.gov.al/të-tjera/kontakte/</a>	6,012
<a href="http://www.app.gov.al/legjislacioni/koncesionetppp/ligji/">http://www.app.gov.al/legjislacioni/koncesionetppp/ligji/</a>	5,709
<a href="http://www.app.gov.al/njoftimi-i-lidhjes-së-kontratës/">http://www.app.gov.al/njoftimi-i-lidhjes-së-kontratës/</a>	5,245
<a href="http://www.app.gov.al/regjistri-i-realizimeve/">http://www.app.gov.al/regjistri-i-realizimeve/</a>	5,169
<a href="http://www.app.gov.al/njoftime/njoftime-2019/">http://www.app.gov.al/njoftime/njoftime-2019/</a>	4,128
<a href="http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/arkiva-e-buletinit-te-prokurimit-publik-2019/">http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/arkiva-e-buletinit-te-prokurimit-publik-2019/</a>	4,890
<a href="http://www.app.gov.al/e-procurement/">http://www.app.gov.al/e-procurement/</a>	4,196
<a href="http://www.app.gov.al/legjislacioni/prokurimi-publik/sjellje-në-vëmendje-të-ak/">http://www.app.gov.al/legjislacioni/prokurimi-publik/sjellje-në-vëmendje-të-ak/</a>	4,163
<a href="http://www.app.gov.al/të-tjera/operator-ekonomik-të-përgjashtuar/">http://www.app.gov.al/të-tjera/operator-ekonomik-të-përgjashtuar/</a>	4,057
Other	37,053

Chart 55

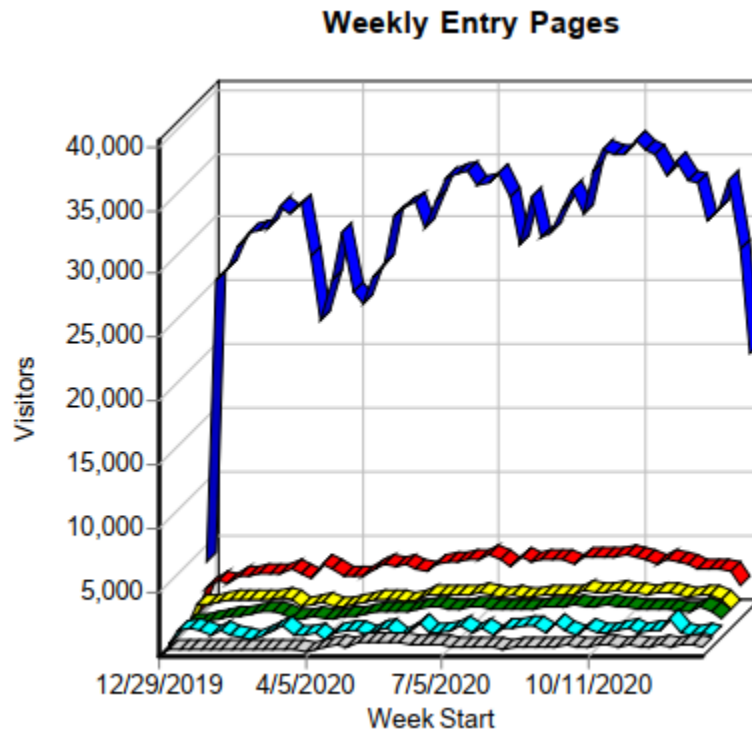


Chart 56



**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
Ndërfaqet më të kërkuara	Most searched interfaces

As it turns out from the data in the table above, the main interest is in the login interface in the electronic procurement system, the archive of public procurement bulletins, DCM, Notices of published contracts, etc.

#### 10.2.4.6. User activity by most used key words for search on PPA portal

The following table and chart reflect the words most frequently used to search the web portal of the PPA and the Electronic Procurement System in the Internet:

Table 117

Key phrases/ words	Visitors
app.gov.al	242,559
public procurement agency	429
economic operator section	422
contracting authority session	424
e-procurement	81
PPA	77
Electronic procurement	45
e-procurement	36
www.app.gov.al	31
e-procurement	28
app gov al	26
http://www.app.gov.al/	20
Public Procurement Agency	17
app.gov.al electronic procurement	16
Public Procurement Agency	16
app.gov al	16
app.gov.al login	16
e prokurime	16
www.app.gov.al main page	16
Other	10

Chart 57



**Translation of the chart:**

<i>Albanian</i>	<i>English</i>
<i>Fjalët më të shpeshtë të përdorur kërkimi</i>	<i>Most frequent search-words used</i>

#### 10.2.4.7. Accessing Electronic Procurement System by browser and operating system

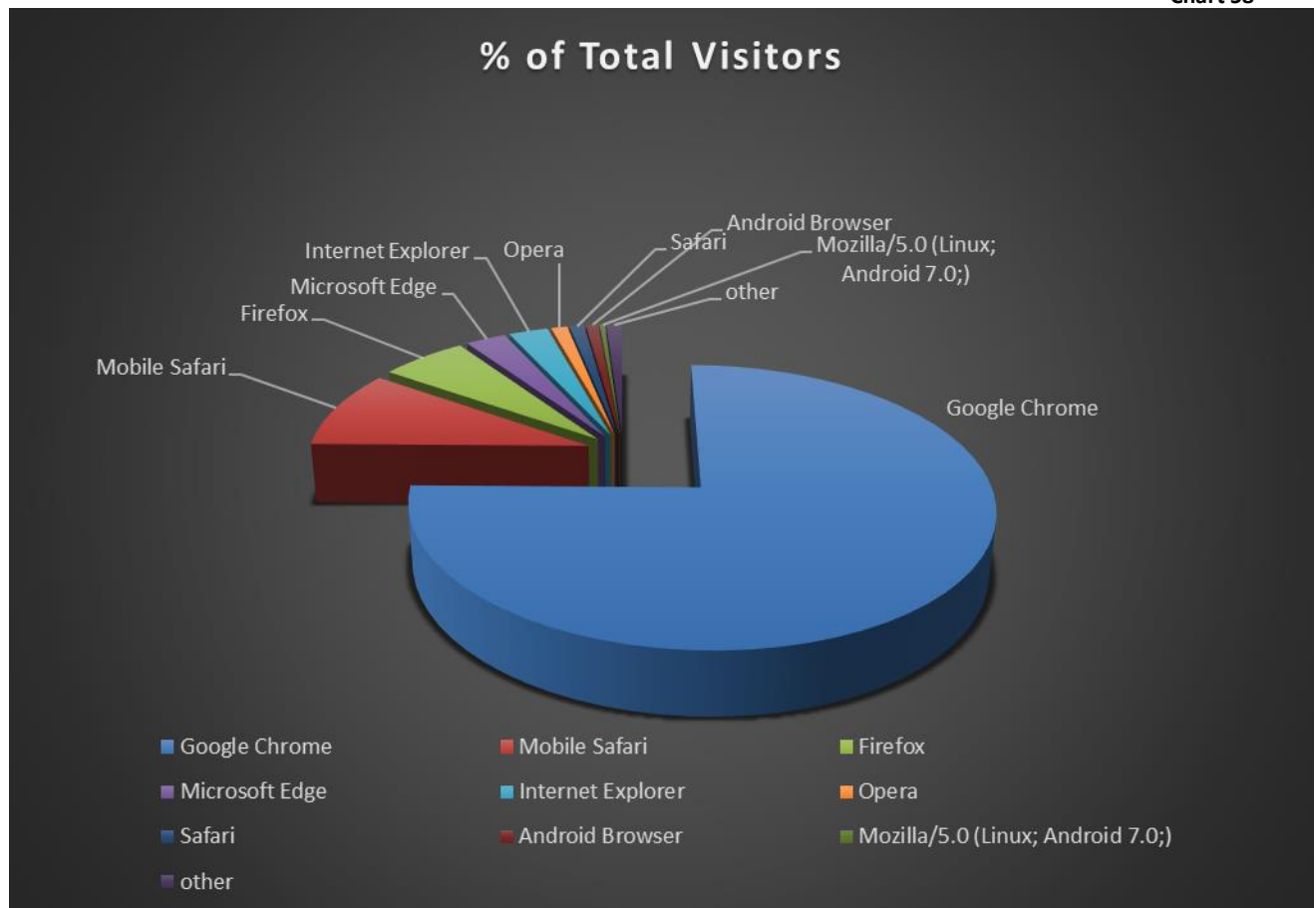
The following table and chart reflect the access to the Electronic Procurement System by search browser:

**Table 118**

Browser	Hits	Visitors	% of total visitors
Google Chrome	447,748,435	1,966,797	72.67%
Mobile Safari	8,146,439	246,337	9.13%
Firefox	36,107,252	159,955	5.56%
Microsoft Edge	16,584,574	69,178	2.57%
Internet Explorer	13,739,439	67,861	2.52%
Opera	4,476,639	28,936	1.04%
Safari	7,675,096	27,585	0.95%
Android Browser	2,101,863	21,496	0.80%
Mozilla/5.0 (Linux; Android 7.0;)	1,613,141	9,122	0.34%
other	464,219	27,061	1.01%
Subtotal	538,657,097	2,624,328	97.55%
Total	541,321,636	2,690,217	100

As it can be seen from the above data, the Electronic Procurement System is accessed and operates normally by all types of browsers such as Google Chrome, Mozilla Firefox, etc. It is also noted that Google Chrome remains the most widely used browser for accessing the procurement system.

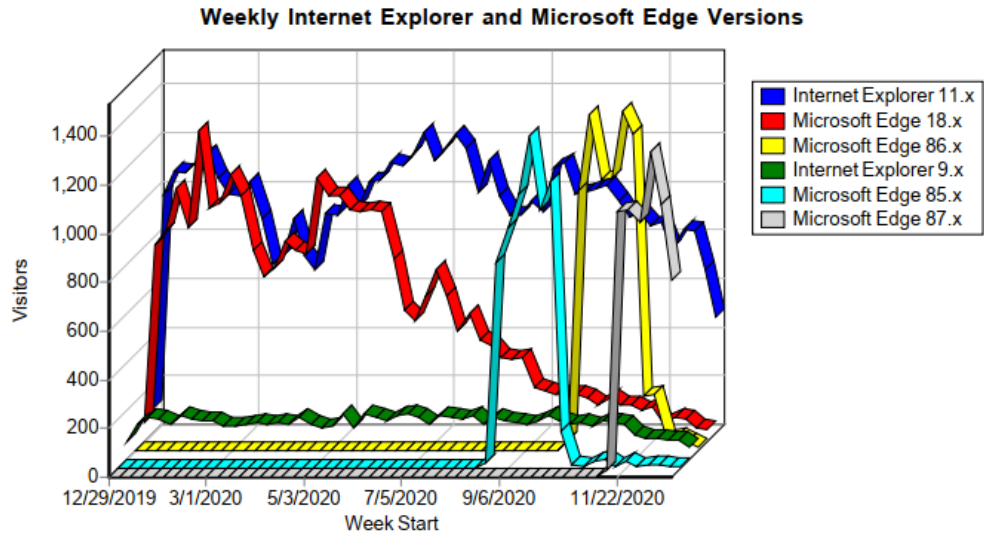
Chart 58



Below is the weekly access to the electronic procurement system from the Internet Explorer and Microfostr Edge versions.

Chart 59





#### 10.2.4.8. Accessing Electronic Procurement System by operating systems and type of most widely used devices by users

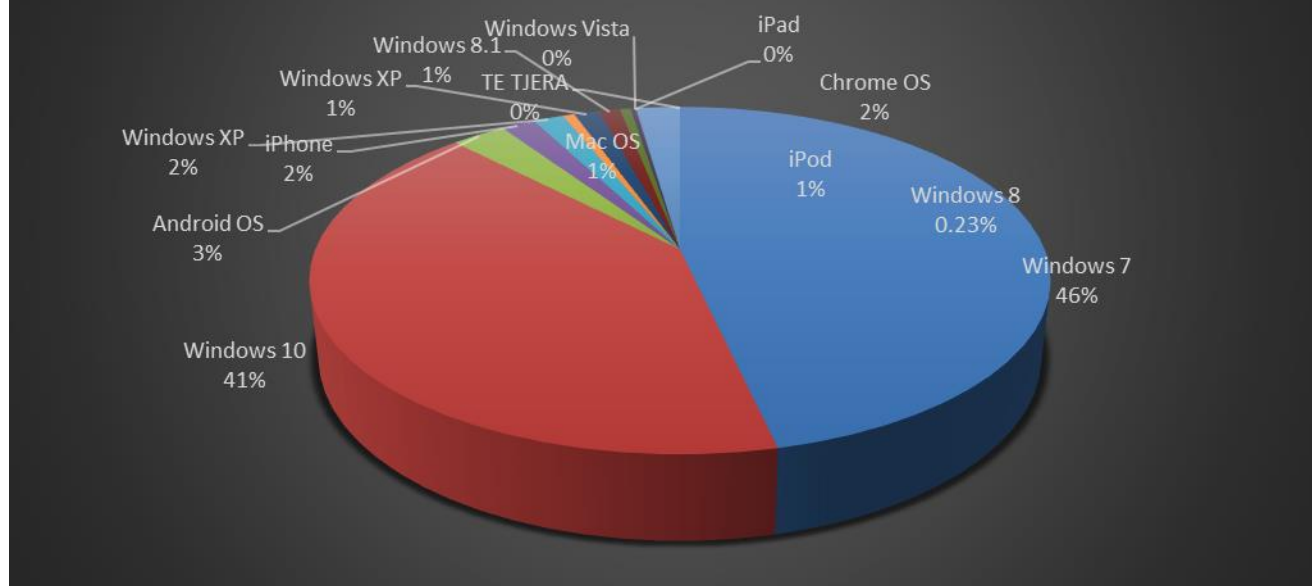
The following table and chart reflect the access to the Electronic Procurement System by operating systems used by the users:

Table 119

Hits	Visitors	% of total visitors
Windows 7	251,400,791	33.90%
Windows 10	223,474,870	29.51%
Android OS	15,281,956	17.47%
iPhone	9,517,258	10.74%
Windows XP	8,558,287	2.22%
3. Mac OS	3,229,037	1.82%
Windows XP	7,029,970	1.68%
Windows 8.1	5,996,004	1.22%
iPod	2,951,671	0.78%
Windows 8	1,245,747	0.22%
Windows Vista	280,052	0.22%
iPad	114,126	0.12%
Chrome OS	12,224,330	0.07%
Other	14,724	0.03%
	541,318,823	100.00%
	2,530,333	100.00%

Chart 60

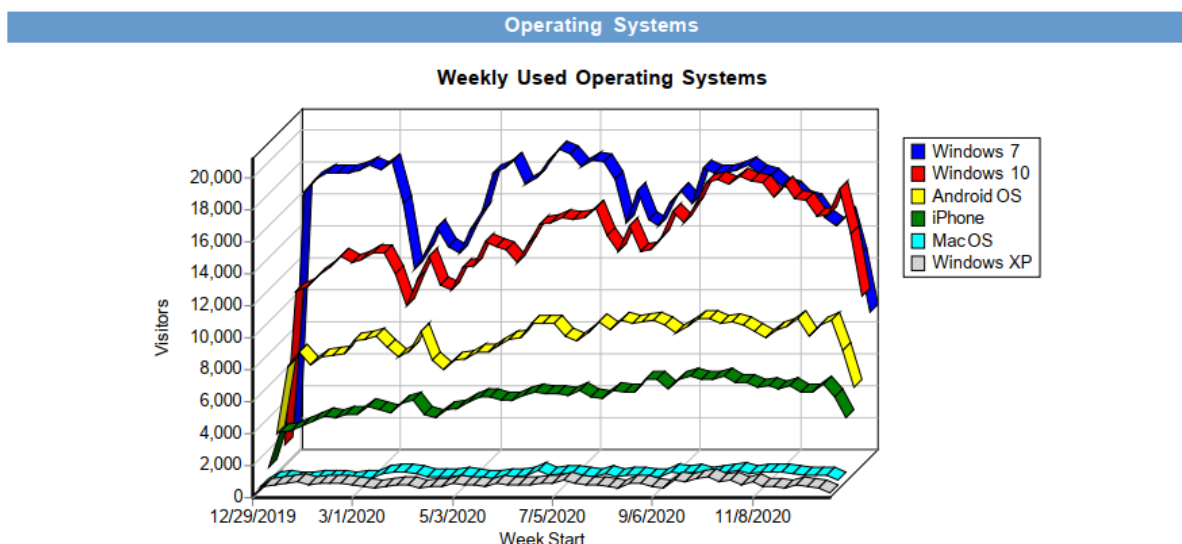
## Raporti në % sipas sisteme operative



### Translation of the chart:

<b>Albanian</b>	<b>English</b>
<i>Raporti në % sipas sistemeve operative</i>	<i>Ratio in % by operating systems</i>

Below is given the weekly access to the electronic procurement system by operating systems used by EPS users.



The following table and chart reflect the access to the Electronic Procurement System by types of devices used by users:

Table 120

Type of devices	Hits	Visitors	% of total visitors
Desktop	516,403,284	1,813,383	71.67%
Mobile	24,181,490	686,842	27.14%
Tablet	736,862	30,108	1.19%
Total	541,321,636	2,530,333	100.00%

Chart 62



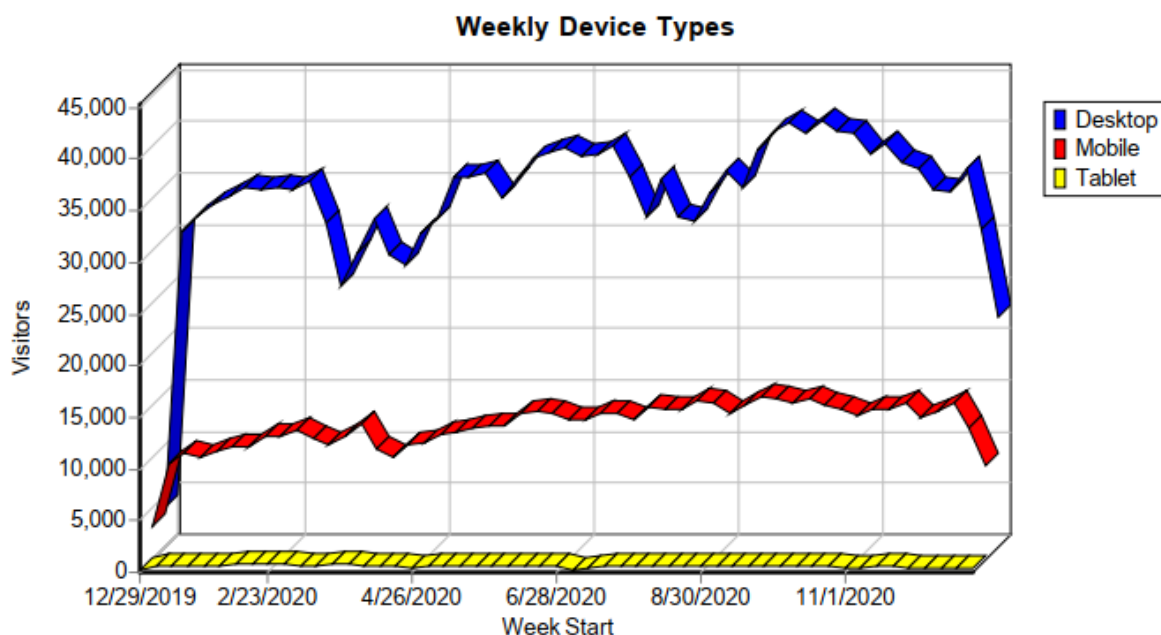
**Translation of the chart:**

<b>Albanian</b>	<b>English</b>
<i>Llojeve të pajisjeve të përdorura nga përdoruesit për aksesimin e SPE</i>	<i>Type of devices used to access the EPS</i>

As noticed, the electronic procurement system can be accessed from any electronic device by facilitating the work of its users and enabling access at any time and at any time where they are.

The weekly access to the electronic procurement system by types of devices used by EPS users is shown below.

**Chart 63**



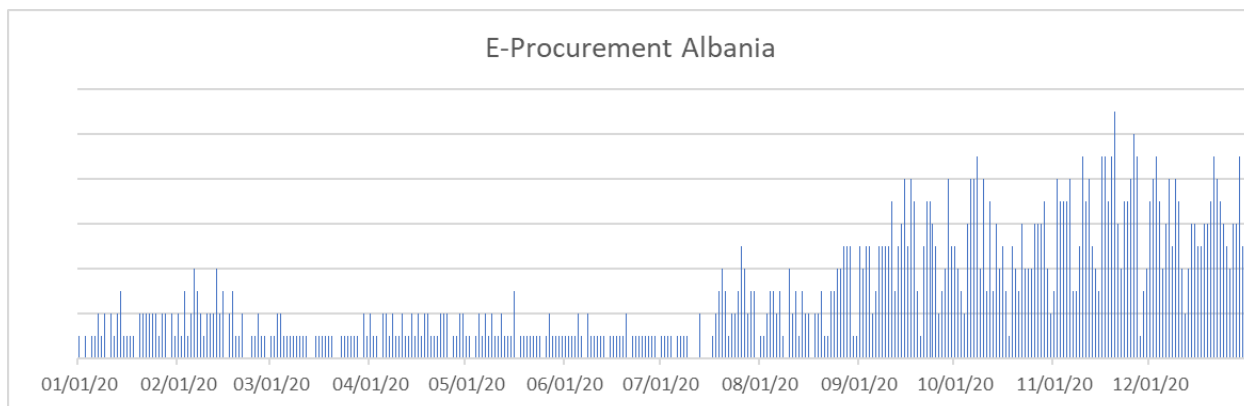
As it turns out from the data in the table above, Electronic Procurement System is mostly accessed by computer devices (desktop) as well as mobile devices.

#### **10.2.4.9. Use of Mobile Applications**

The use of the mobile application for the main platforms iOS and Android and the possibility of bidding for small value procurement procedures through it for economic operators, turns out to have increased during 2018.

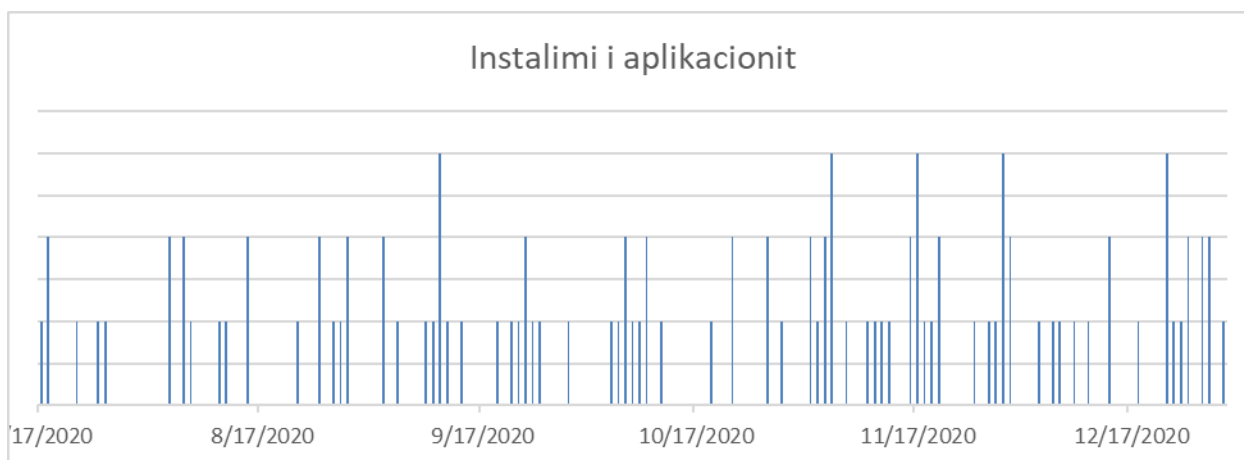
Specifically, the activity of application users by months is reflected below.

**Chart 64**



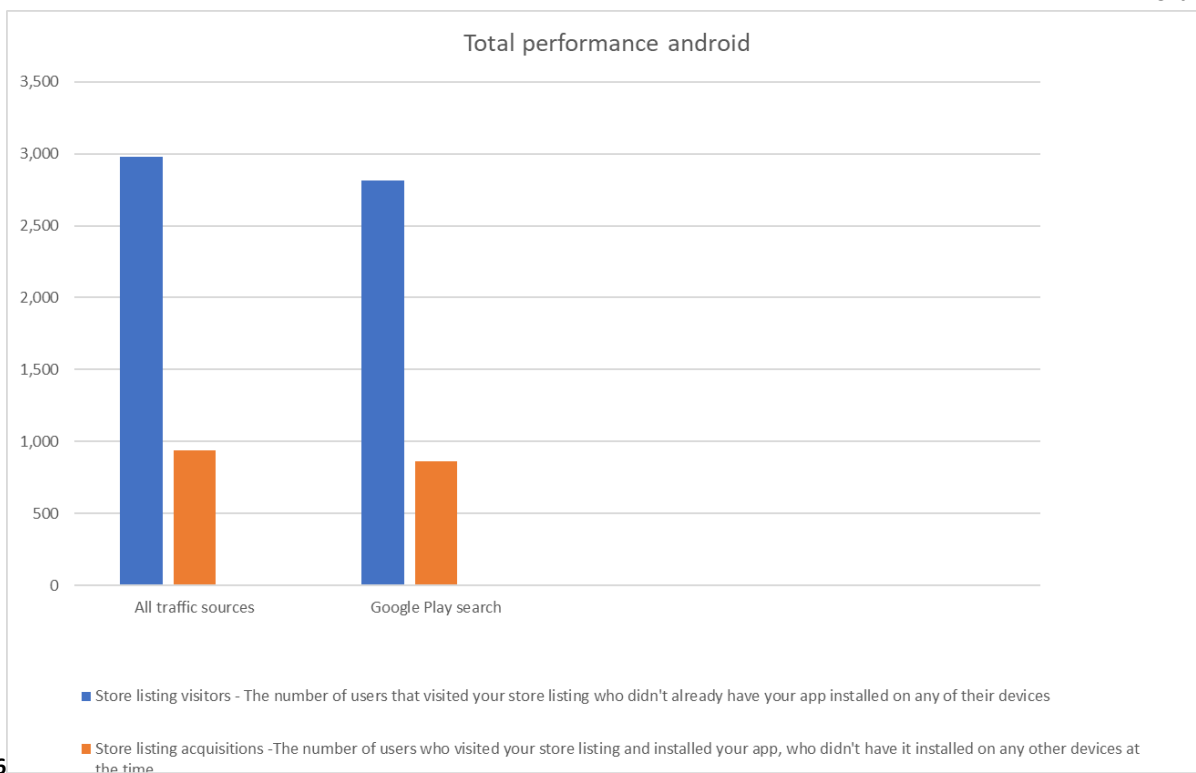
As it turns out, from the above chart during 2020, the period where the application has found the most use is October-December, as during this time the contracting authorities have published mostly small value procurement procedures.

Chart  
65



**Translation of the chart:**

<b><i>Albanian</i></b>	<b><i>English</i></b>
<i>Instalimi i aplikacionit</i>	<i>Application installation</i>



## **11. HUMAN RESOURCES AND FINANCIAL MANAGEMENT**

### **11.1. HUMAN RESOURCES MANAGEMENT**

PPA has conducted its legal activity with 3 (three) directorates and 1 (one) sector under the direct supervision of the Director General. During 2019, the structure and staff of PPA has changed once, specifically: By Order no. 54, dated 15.03.2019 of the Prime Minister "On the approval of the structure and staff of the Public Procurement Agency", the new structure and staff of the PPA were approved consisting of 3 (three) directorates and 1 (one) sector under the direct supervision of the Director General, respectively the Legal, Verification and Integration Directorate with 3 (three) sectors: Legal Sector, Procedure Verification Sector and Integration Sector, Coordination Directorate with 2 (two) sectors: Coordination Sector and Contract Monitoring Sector, Data Administration and Publication Directorate with 2 (two) sectors: Data Administration and Statistics Sector and Publication Sector, as well as Finance and Human Resources Sector. The total number of employees is 42.

### **11.2. RESPONSIBLE AUTHORITY FOR CONFLICT OF INTEREST**

During 2020, in the Public Procurement Agency, based on Law no. 9049, dated 10.04.2003 "On the disclosure and audit of assets, financial obligations of elected officers and public servants" and Law no. 9367, dated 07.04.2005 "On the prevention of conflict of interest during the exercise of public functions", 4 employees of PPA in the following positions (i) Director General, (ii) Director of Data Administration and Publication Directorate, (iii) Director of Coordination and Monitoring Directorate, and (iv) Director of the Legal, Verification and Integration Directorate have had the obligation to declare periodic/ annual private interests for 2020.

All the above responsible subjects have completed and submitted within the deadlines the Declaration of Private / Periodic Interests to the High Inspectorate of Disclosure and Audit of Assets and Conflict of Interest respectively:

In terms of identification and registration of cases of conflict of interest, during 2020 no such cases were registered in PPA.

### **11.3. COORDINATOR FOR THE RIGHT TO INFORMATION**

Access to information produced or maintained by public authorities is essential and aims to ensure public access to information, in the context of exercising the rights and freedoms of individuals in practice. Upon the approval of Law no. 119/2014 "On the right to information", the Public Procurement Agency (hereinafter "PPA") has had a considerable number of requests for information.

In order to inform the public, PPA has replied, within the deadlines provided by applicable law, to numerous requests for information by citizens in written or electronic form, depending on the selection made by the latter. During 2020, the requested information was processed and forwarded to 22

requests addressed to the coordinator for the right to information, electronically or in writing. In a comparative view, it turns out that there is an increase in the number of requests for the right to information, as during 2019, PPA has considered 19 requests.

Most of the requests for the right to information submitted to PPA have been initiated by journalists or the media, but there is a decrease in the number of requests submitted by individuals (natural persons). Specifically, out of 22 requests submitted to PPA for the period January-December 2020, 18 are requests submitted by media or journalists and 4 requests were submitted by individuals (natural persons). The constant demand for information is a positive indicator, which has to do with raising awareness about the effectiveness of the law on the right to information.

During 2020, the provision of information was not restricted or refused to any certain entity.

Pursuant to Law no. 119/2014 "On the right to information", PPA maintains and publishes the Register of requests and replies, which reflects all requests for information as well as the information provided in reply. This register is updated every 3 months and published on the official website of PPA.

Also, by Decision of the Council of Ministers No. 145, dated 13.03.2018 "On the establishment of the state database "Electronic register of requests and replies for the right to information" the establishment of the Central Register of Requests and Replies was approved. This register is also installed in PPA.

In support of transparency, in order to ensure public access to public information, PPA has continued to work on improving the procedures for reviewing requests for the right to information by enabling the requested information to be made available in the most practical way available to all interested parties.

#### **11.4. ACTIVITIES TOWARD STRENGTHENING ADMINISTRATIVE CAPACITIES OF PPA STAFF AND PUBLIC PROCUREMENT SPECIALISTS AT CONTRACTING AUTHORITIES**

##### **11.4.1. Participation in international activities**

As part of trainings and meetings held with various international organizations on public procurement, PPA officials have participated in trainings, meetings, and conferences as follows:

- On January 29, 2020, FAO held a workshop on "Sustainable food procurement for schools", which was attended by 2 employees;
- On 4 and 5 February 2020, the XII Forum "Europe-Ukraine" was held in Rzeszow, Poland, with the theme "New opportunities. New risks", in which 1 employee participated;
- On 17 and 18 February 2020, the first preparatory meeting of the 28th OSCE Economic and Environmental Forum took place in Vienna, Austria, in which Ms. Reida Kashta participated;
- On 14 and 15 July, European Union funded workshops were held on "Strengthening the capacity of the Albanian Road Authority in implementing good governance practices in terms of planning, management, procurement, implementation and maintenance of road investments", in which 2 employees from PPA participated;
- On 16 July 2020, a webinar was held by TAIEX on the topic "Public Procurement during Covid-19", which was attended by 5 employees from PPA;



- On September 17, September 24, October 1 and October 8, WTO conducted a webinar on Competition, Trade and Development Policies, which was attended by 1 employee;
- On 12 and 13 November 2020, webinars were held by TAIEX on the topic "Impact of Intergovernmental Agreements on Public Procurement", which was attended by 11 employees;
- On November 25 and December 2, SIGMA conducted webinars on "Central Public Procurement Bodies in the Western Balkans", which were attended by 6 employees;
- On December 10, 2020, an international conference funded by the European Union was held on the topic "Strengthening the Capacity of the Albanian Road Authority", which was attended by 4 employees;
- On 7, 10 and 17 December, the World Trade Organization (WTO) conducted on-line seminars on WTO Multilateral Public Procurement Agreements (GPA), attended by 1 PPA employee.

#### 11.4.2. Trainings of procurement employees at Contracting Authorities

The Public Procurement Agency, in exercising its duties according to the provisions of paragraphs 2 "b" and 2 "d" of article 13, of Law no. 9643, dated 20.11.2006, "On Public Procurement", as amended, carries the legal obligation for the promotion, organization and qualification of central, local and independent government employees involved in public procurement activity. In the context of inter-institutional cooperation with the Albanian School of Public Administration, in order to increase the professionalism and qualification of responsible persons for procurement at the Contracting Authorities in the field of public procurement, trainings were organized on procurement divided into different topics and according to knowledge levels (TMC, basic, intermediate, advanced). Due to the pandemic caused by COVID-19, the trainings were conducted online by webinars defined by the Albanian School of Public Administration.

For the period January-December 2020, 970 participants were enrolled, of which 681 are female and 289 male. 963 civil servants and 7 employees employed according to Labor Code participated in the organized trainings. During 2020, 970 participants were trained in the field of public procurement or 446 more participants compared to 2019, during which 524 participants were trained.

- During 2020, classroom trainings were conducted and from the beginning of the COVID-19 pandemic, online trainings (webinars) were organized. The data are as follows:

Table 121

No	Topic	Total of participants	Central Institutions	Local Institutions	Independent Institutions
1	Planning and phases of public procurement	117	73	34	10
2.	Technical specifications in public procurement	116	75	32	9
3	Qualification criteria and selection of winning bids in public procurement procedures	162	94	50	18

4	Electronic public procurement system	84	53	20	11
5	Framework agreement in public procurement	152	105	37	10
6	Discussions of practical cases of small value procurement procedure	94	62	18	14
7	Small value procurement procedure	83	66	13	4
8	Public Procurement in COVID-19	74	58	10	6
9	Public Procurement TMC	26	26	0	0
10	Public Procurement basic/elementary level	18	9	8	1
11	Public Procurement intermediate level	29	19	8	2
12	Public Procurement advanced level	15	12	3	0
	<b>Total</b>	<b>970</b>	<b>652</b>	<b>234</b>	<b>84</b>

- During 2020, 652 participants from central institutions, 234 participants from local institutions and 84 participants from independent institutions were trained. The data are as follows:

Table 122

Employee data divided by institution and work status	Central Institutions		Local Institutions		Independent Institutions	
	Civil Servants	Labor Code	Civil Servants	Labor Code	Civil Servants	Labor Code
	646	6	233	1	84	0
<b>Total 970</b>	<b>652</b>		<b>234</b>		<b>84</b>	

During 2020, 289 men and 681 women participated in trainings in the field of public procurement.

#### 11.5. FINANCIAL STATUS OF PUBLIC PROCUREMENT AGENCY IN 2019

The Institution of Public Procurement Agency has conducted its financial activity for 2020 based on the Law no. 88/2019 "On the budget of 2020". The budget situation for the period January - December 2020 is presented as follows:

Table 123

Nr.	Items	Annual plan	12/month planned	12/month actual	Difference as 12/month in ALL	12/month implementation (%)	Number of employees	
							Planned	Actual
1	600.00	44,000,000	44,000,000	43,025,764	974,236	97.79		

2	601.00	7,300,000	7,300,000	7,009,932	290,068	96.03		
3	602.00	7,000,000	7,000,000	3,544,777	3,455,223	50.64		
4	606.00	100,000	100,000	80,000	20,000	80.00		
5	231.00	8,000,000	8,000,000	7,518,876	481,124	93.99		
<b>Total</b>		<b>66,400,000</b>	<b>66,400,000</b>	<b>61,179,349</b>	<b>5,220,651</b>	<b>92.14</b>	<b>44</b>	<b>42</b>

Based on the data of the above table, it turns out that in 2020 the implementation of expenditure in total is **61,179,349 ALL**, from **66,400,000 ALL** planned or **92.14%**.

## ANALYSIS OF EXPENDITURE ITEMS

### Item 600-601 "Salaries and Social Security"

In terms of the item 'Salaries and social security for item 600', the implementation of the annual plan is 43,025,764 ALL from 44,000,000 ALL planned **or 97.79%** with a non-implementation of 974,236 ALL or **2.21%**, and for item 601 the implementation is 7,009,932 ALL from 7,300,000 ALL planned or **96.03%**, with a non-implementation of **290,068 ALL** or **3.97%**. Compared to 2019, during 2020, 6,258,044 ALL or 8.4% were spent on salaries and 1,011,988 ALL or 2.03% on social security.

Since during 2020 the approved staff with 44 employees was not completed due to staff movements (new dismissals and employments), free funds were created which were used for salary and social security expenses for temporary employees of archives and interns approved by the employment program of the Ministry of Education and Science.

Based on the economic indicators of budget execution during 2020, despite the difficulties created by the pandemic, optimal conditions have been created by meeting the needs of employees in order to continue working effectively.

## 12. PUBLIC PROCUREMENT AGENCY PRIORITIES FOR 2021

Following the approval of Law 162/2020 "On Public Procurement" and the National Strategy for Public Procurement, the main objectives of PPA for 2021 are as follows:

1. **Adoption of bylaws** for the implementation of the new law, specifically:

- DCM on the approval of public procurement rules;
- DCM on the procurement nomenclature;
- DCM on the procurement of social services and other special services;
- Standard Tender Documents;
- PPA guidelines/ instructions regarding various aspects of the procurement process, etc.

Completing the legal framework in the field of procurement through bylaws is very important to ensure the good implementation of the law and the compliance of Albanian practices with those of the European Union.

2. **Establishment of mechanisms for monitoring the implementation of contracts** in support of the new competencies given in the new law;

Monitoring the implementation of contracts is a challenge not only for PPA, but for all implementing and monitoring institutions, to ensure the efficient use of public funds.

3. **Improving the electronic procurement system** in order to adapt it to the changes provided in the new law;

Envisaging of new procedures and mechanisms by the new procurement law makes it necessary to improve the electronic system in order to guarantee the necessary means for the full implementation of legal provisions.

4. **Cooperation with the Albanian School of Public Administration for capacity building of the Contracting Authorities**, their acquaintance with and awareness of the new provisions provided by the new law;

In addition to the above, cooperation with ASPA is very important in the context of professionalization of procurement in Albania, which is one of the main objectives in the field of procurement.

5. **Coordination and monitoring activities in the framework of the National Strategy for Public Procurement**;

Establishment of appropriate mechanisms for coordination of work and continuous monitoring of the activities of the Public Procurement Strategy are the keys to ensure the further advancement of the reforms for the improvement of the procurement system in Albania.

6. **Coordination of activities in the framework of the European integration process** for the preparation in the context of the start of accession negotiations.

Defining Chapter 5: Public Procurement as one of the main chapters for the opening of negotiations and their successful continuation increases the responsibility of PPA as the leading institution of this chapter to work intensively towards the preparation of the negotiation process closely with all IIWGEI member institutions for this chapter.