

**Standard Summary Project Fiche – IPA centralised programmes**

**(2) Training in Public Procurement in the Western Balkans and Turkey**

**1. Basic information**

- 1.1 CRIS Number:** 2009/021-178
- 1.2 Title:** **Training in Public Procurement** in the Western Balkans and Turkey
- 1.3 ELARG Statistical code:** 01.05- Public procurement
- 1.4 Location / Beneficiaries:** Western Balkans: Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro, Serbia as well as Kosovo<sup>1</sup>  
Turkey

**Implementing arrangements**

- 1.5 Contracting Authority (EC):** European Community represented by the Commission of the European Communities on behalf of the Beneficiaries.
- 1.6 Implementing Agency:** N/A
- 1.7 Beneficiary:** Procurement officers and trainers, public administrations/institutions, civil servants, private sector operators

**Financing**

- 1.8 Overall cost (VAT excluded)<sup>2</sup>:** EUR 4 000 000
- 1.9 EC contribution:** EUR 4 000 000
- 1.10 Final date for contracting:** 30 November 2010
- 1.11 Final date for execution of contracts:** 30 November 2012
- 1.12 Final date for disbursements:** 30 November 2013

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<sup>1</sup> under UNSCR 1244/99

<sup>2</sup> The total cost of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated

## **2. Overall Objective and Project Purpose**

### **2.1 Overall Objective**

To contribute towards upgrading the operational performance and professionalism of public procurement systems in the Western Balkans and Turkey.

### **2.2 Project purpose**

The purpose of this project is to develop a sustainable procurement training strategy at regional and national levels in the Beneficiaries that is in compliance with EU public procurement legislation and practices and with related national legislation in the Beneficiaries.

### **2.3 Link with AP / NPAA / EP / SAA**

Communication from the Commission on the “Enlargement Strategy and Main Challenges 2008-2009” mentions the importance of administrative capacity and good governance as being a crucial aspect in fulfilling the Copenhagen membership criterion on the ability to take on the obligations of membership, as stated by the European Council in Madrid.

More specifically, Public Procurement is mentioned in all the APs as a short-term priority to:

- Implement an effective public procurement regime in line with EU principles, including in relation to remedies. Ensure full transparency of procedures, regardless of the value of the contract concerned, and non-discrimination between the beneficiaries and EU suppliers.
- Ensure the establishment and functioning of the public procurement agency and review body and upgrade their administrative capacity; provide appropriate training of staff in contracting entities responsible for implementing procurement rules.

As a medium priority, the APs recommend to adapt the public procurement framework by adopting the necessary implementing legislation and to ensure compatibility with the *acquis*, as well as to provide a public procurement institutional framework with the administrative capacity and independence to carry out its mission.

The Chapter 5 of the EPs mentions about the Public Procurement the necessity to:

- Give an organisation for procurement the task of guaranteeing a coherent and transparent policy and steering its implementation in all areas related to public procurement; adopt and implement a comprehensive strategy, with time schedules and milestones for legislative alignment and capacity building, in all areas of public procurement (public contracts, concessions, public-private partnerships) as well as for review procedures and bodies. Strengthen enforcement mechanisms of review bodies. (EP Croatia);
- Achieve fully operational public procurement structures which ensure that public procurement procedures are conducted fully in accordance with the EC standards. Develop e-procurement. (EP of the former Yugoslav Republic of Macedonia);

- Give an organisation for procurement the task of guaranteeing a coherent policy and steering its implementation; present a comprehensive strategy which will include all reforms necessary for legislative alignment and institutional capacity building in order to comply with the *acquis*. (EP Turkey).

## **2.4 Link with MIPD**

The Multi-beneficiary MIPD 2009-2010<sup>3</sup> (Section 2.3.1.1.1) foresees support for the strengthening of public administrations' capacities to implement efficient and effective reforms and foster democratic accountability (including public finance management and public procurement), professionalism and integrity within the Beneficiaries' institutions.

## **2.5 Link with National Development Plan**

### *Albania*

The new Public Procurement Law (PPL) no. 9643 was adopted in Albania on 20 November 2006 and entered into force on 1 January 2007. It is mainly based on provisions of EC Directive 2004/18, but the process of alignment of public procurement provisions with the *Acquis Communautaire* is not yet fully accomplished. EC Directive 2004/17 (utilities procurement) has not been transposed at all. Some of the new procurement techniques (framework agreement, competitive dialogue, electronic auction) have not been implemented, and further changes in the PPL are therefore already envisaged.

The number of contracting authorities officially registered by the Public Procurement Agency (PPA) is 1 671. The real number of institutions obliged to follow the PPL might be slightly higher. The Albanian system is fully decentralised, but by a Decision of the Council of Ministers of 16 January 2008, a sort of centralised procurement was created, with the Ministry of Interior as the central purchasing body. However, lack of staff within the Ministry of Interior is hindering centralised procurement. According to article 12(5) of the PPL, each contracting authority has to establish a procurement unit, composed of at least three procurement specialists. Due to a lack of qualified staff, many contracting authorities fail to meet this legal requirement. Contracting authorities also need more in-depth training in the field of public procurement.

There is considerable room for improvement as regards the institutional framework, such as strengthening the PPA and creating an independent review body.

### *Bosnia and Herzegovina*

The new Public Procurement Law (PPL) of Bosnia and Herzegovina was adopted in September 2004 and entered into force in November 2004 for institutions at state level, but later for institutions at entity level (January 2005 in FBiH and May 2005 in RS). The existing PPL is modelled on, but not fully compliant with, EC procurement legislation (provisions for domestic preference are still in place and the novelties of the 2004 EC Directives – electronic auction, competitive dialogue, framework agreement, etc. – have not yet been implemented).

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<sup>3</sup> To be adopted

A new draft of PPL is in the process of being adopted and it is even more in the line with EC Directives, although Bosnia and Herzegovina is not obliged to implement these regulations yet. Certain steps (like development of TOR) concerning establishment of electronic auction are done and further developments are needed

The public procurement system in Bosnia and Herzegovina is fully decentralised (there is no central purchasing body; all contracting authorities award contracts individually). According to estimates, there are approximately 2 200 contracting authorities in Bosnia and Herzegovina.

#### *Croatia*

The Act on the Amendments to the Public Procurement Act (Official Gazette 125/08) was adopted in October 2008 and came into force on 1 January 2009. In line with the Strategy for the Development of the Public Procurement System in the Republic of Croatia and Action Plan, the Government of the Republic of Croatia adopted a programme of training and professional development for the purposes of the public procurement system with a view to developing and strengthening a simple and modern system of public procurement based on the professional development of the human resources involved in public procurement procedures.

This programme includes both basic and advanced knowledge of the professional integrity of all those involved in public procurement activities. It includes education of officials who work on public procurement in state, local and regional self-government units, and other persons involved in the procedures.

The Regulation on forms, methods and conditions of training in the public procurement system, along with other educational programmes, also foresees a programme for the system of preventing corruption in public procurement.

The new PPL is intended to be fully harmonised with EU legislation. Approximately 4 500 entities in Croatia are obliged to apply the PPL (including in the utilities sector). There is no central purchasing agency.

#### *The former Yugoslav Republic of Macedonia*

The 2004 Public Procurement Law (PPL) of the former Yugoslav Republic of Macedonia has been replaced by a new law, which was adopted in November 2007 (entered into force on 1 January 2008). The new PPL is to a large extent aligned with EU public procurement directives. All new important instruments (framework agreement, competitive dialogue, electronic auction) are implemented in the new law. However, the new legislation on concessions and public-private partnerships adopted in is not in line with the *acquis*, neither with good international practice. According to estimates of the Public Procurement Bureau (PPB), the number of contracting authorities is between 1 000 and 1 200.

#### *Montenegro*

The new Public Procurement Law (PPL) in Montenegro entered into force in October 2006. The PPL is a step in the right direction and largely in line with the main principles of the EU public procurement system. However, it still shows several areas

of non-compliance, notably as regards concessions, public-private partnerships and the scope of utilities. The instruments and methods provided by the new EC Directives (e.g. framework agreements and e-procurement) should be developed and support provided for their practical implementation. The number of contracting authorities, according to Montenegrin authorities, amounts to 620; a full list is to be published by the Public Procurement Directorate (PPD). The system is fully decentralised (no central purchasing body).

The capacity of both central public procurement institutions (the PPA and the State Commission) should be strengthened.

### *Serbia*

Following several years of preparation, a new Public Procurement Law was adopted in December 2008 and entered into force in January 2009. The new law foresees a clearer definition of responsibilities in public procurement procedures, stricter control mechanisms and more transparency on contract awarding and on the action of the relevant institutions, lightening of procedures, and capacity building measures in public procurement for relevant bodies. As the largest country in the region, Serbia also has the largest number of contracting authorities – around 12 000. The precise number of procurement officers is not available, but a very rough estimation is between 12 000 and 20 000. The procurement system is fully decentralised (no central purchasing body).

### *Kosovo*

The public procurement system in Kosovo is regulated by Law no. 2003/17 (PPL), which entered into force in June 2004. The amending Law no. 02/L-99, adopted on 8 February 2007, entered into force in June 2007, after promulgation by the United Nations Administration Mission in Kosovo (UNMIK). Changes include a new distribution of functions between public procurement institutions – Public Procurement Agency (PPA) and Public Procurement Regulatory Commission (PPRC) – and new regulations regarding training and certification of procurement officers. The amended PPL is generally compliant with EU public procurement legislation, although several differences remain; there are also discrepancies between the linguistic (Serbian-Albanian) versions of the law. Moreover, some of the implementing provisions in the PPL have not been set yet, and there is a need to engage all stakeholders with the purpose of consolidating progress made to date. There is a general need to strengthen the operational capacity of the main institutional actors.

The public procurement system is generally decentralised, meaning that most of the public contracts are awarded directly by interested contracting authorities. However, the government may decide that any procurement procedure to be conducted by any contracting authority in Kosovo will be conducted by the PPA instead of the concerned contracting authority, for reasons of professional expertise, cost-effectiveness, efficiency or other legitimate concerns, as formulated in the PPL. In practice centralised purchasing is rarely used.

The number of registered contracting authorities equals 137 (with 360 certified procurement officers).



## *Turkey*

The government of Turkey has initiated a number of positive legislative measures in order to bring the public procurement legislation into compliance with EC law. The Public Procurement Authority has prepared a draft law on utilities with the aim of transposing the EC Directives 2004/17 and amendments to the existing Public Procurement Law (N° 4734 adopted in 2002) have been enacted in order to introduce a number of the new instruments and methods provided by the EC Directive 2004/18, such as electronic procurement and framework agreements. There is also a plan to make a full revision of the current Public Procurement Law in order to ensure a full transposition. Similarly, a draft law on public-private partnerships that has been prepared by the State Planning Organisation will replace the existing sectoral laws. However, in order to ensure that the legal framework outside the detailed provisions of the EC Directives will be seriously considered, it will also be important to introduce less complex procedures and more flexibility for contracting authorities. As indicated in the Sigma peer report, the coordination in terms of adoption and date of effectiveness of these various legal acts is of utmost importance.

### **2.6 Link with national/ sectoral investment plans (where applicable) N/A**

### **2.7 Link with other donor's contribution**

#### *Albania*

Due to a shortage of resources, the Training Section in the PPA is obliged to co-operate with various international and local organisations to ensure training activities for procurement officials. In co-operation with the Millennium Challenge Albania Threshold Agreement Project (MCATA), a USAID-funded project, the Training Section has recently prepared a training plan for 1 250 procurement officers representing central and local levels for the period October 2007-October 2008 (informative seminars for 750 officials were organised in July and August 2007).

The PPA also co-operates with the following organisations to carry out training in public procurement: Training Institute of Public Administration (Ministry of Interior); Albanian-American Trade Development Association; Netherlands Development Organisation Albania; Albanian Association of Municipalities.

Courses for the training of trainers have been given twice in Albania. In 2005-2006 the CARDS technical assistance project trained 12 trainers. Then in the first half of 2007, the USAID project MCATA, in co-operation with the PPA, conducted a three-day intensive training course for 23 trainers, who were officially certified after passing the examination.

#### *Bosnia and Herzegovina*

The vast majority of educational activities in public procurement has been carried out with the help of foreign donors: EU technical assistance project (September 2003-February 2007) and the USAID and GAP project, in co-operation with the Bosnia and Herzegovina Association of Municipalities (January-June 2007). In 2007, 1 248 persons attended number of seminars or workshops organized by the Civil Servants Agencies of Bosnia and Herzegovina or FBiH, commercial Institutions and GAP. In

2008, 35 seminars were organized by the different organizations like Civil Servants Agencies of Bosnia and Herzegovina or FBiH and commercial Institutions.

#### *Croatia*

The Federal Ministry of Economy and Technology of Germany (a partner in a twinning project) organised a training course for future trainers, which was attended mainly by experts from the PPO. The course trained a total of 30 trainers.

#### *The former Yugoslav Republic of Macedonia*

In co-operation with the EU-funded CARDS project, the PPB has developed an extensive set of training materials, including a public procurement manual. The training materials will be updated in accordance with the new legislation.

#### *Montenegro*

The Public Procurement Authority of Montenegro will be strengthened with the European Commission's support under IPA 2007. Revisions of the current system, reinforcement of the operational capacity of key bodies, e-procurement and a public campaign to raise the awareness of the public on this issue are foreseen to be developed as from April 2009.

#### *Serbia*

Some training has been organised in co-operation with EAR, OSCE and the Centre for European Integration in Serbia.

The PPO is planning to undertake various actions (including the training of trainers) aimed at increasing the number of qualified procurement officials following the adoption of the new PPL.

#### *Kosovo*

The training of trainers was organised between September 2006 and March 2007 by the EU technical assistance project, in co-operation with the PPRC and the Kosovo Institute for Public Administration (KIPA). Out of the 65 participants, 40 successfully passed the final examination and are now officially certified.

Other interesting training programmes, such as the masters course in public procurement, is currently being implemented by the University for Business and Technology in Pristina, in co-operation with the University for Technology of Vienna.

#### *Turkey*

There is no ongoing or forthcoming support from the Commission or any other donor to the public procurement activities in Turkey.

## Description of project

### 3.1 Background and justification

SIGMA<sup>4</sup>'s assessments<sup>5</sup> showed that according to public procurement practices in the region, the emphasis so far has generally been placed on ensuring legal and formal compliance with procurement regulations, while operational and practical aspects of public procurement have been neglected. A redirection of focus towards support to contracting entities is therefore urgently needed. In addition, due to recent changes in procurement legislation in all beneficiaries, all procurement experts need to be trained in the new procedures and requirements.

Recently, in connection with the obligations related to negotiations with the European Union, all beneficiaries in the region have started the process of reshaping their public procurement regulations in order to meet EU standards and requirements. In 2006-2007 all governments in the region (with no exception) adopted drafts of completely new public procurement laws (Albania, Croatia, the former Yugoslav Republic of Macedonia and Montenegro) or proposals of comprehensive amendments to existing regulations (Bosnia and Herzegovina, Serbia and Kosovo). Most of the drafts have already been adopted by the parliaments (Montenegro – July 2006, Albania – November 2006, Kosovo – February 2007, the former Yugoslav Republic of Macedonia – November 2007, Croatia – October 2007 amended October 2008, Serbia – December 2008).

Changes in the legislative framework have usually been numerous and deep. The new EU-harmonised public procurement procedures are (in most cases) very different from those regulated by previous legislation. Therefore all procurement officers in all beneficiaries need to be retrained. The wave of training on a massive scale should support the entry into force of new regulations. Most of the training materials that had been drafted under the old regulations have become obsolete. Existing educational materials are often basic and tend to focus on legal requirements only, neglecting the economic aspects of the procurement process. Without exception, all existing materials need to be updated due to recent legislative changes. Moreover the organisation of national training capacity is the weakest link in the public procurement system in the region.

Most of the Beneficiaries in the region have now established fully decentralised public procurement systems whereby all procurement activities are carried out directly by the public institutions concerned (with no central purchasing agency that would buy centrally on behalf of a number of public institutions).

The total estimated number of contracting authorities in Western Balkans amounts to 23 000 (with the largest numbers in Serbia and Croatia).

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<sup>4</sup> Sigma (Support for Improvement in Governance and Management) is a joint initiative of the OECD and the European Union, principally financed by the EU (all activities carried out by Sigma for the present project are funded under another programme).

<sup>5</sup> In 2007 Sigma prepared a detailed study on training needs in public procurement in the Western Balkans. Every year Sigma elaborates an assessment of public procurement system in all Western Balkans and Turkey

These figures include only procurement experts working in the public sector in “public procurement departments/units” on the award of public contracts (preparation of tender documents, conduct of procedures). They do not include other persons in the public sector: managers of contracting authorities, judges (in administrative, civil or special courts, depending on the beneficiary-specific legal situation), auditors and monitors, etc. Neither does this estimation include economic operators that are also subject to public procurement law when participating in public tenders. The huge number of people involved professionally in public procurement processes affects the choice of method for the organisation of regional training assistance.

All beneficiaries in the region have established central procurement institutions responsible for the implementation of the public procurement system. The most common model consists of two separate institutions: public procurement office/ agency and procurement review body/ commission.

- A public procurement office/agency is usually a part of the government administration – either as an independent institution responsible to the government or as a unit located within a ministry. Public procurement offices/agencies are responsible for the overall development and implementation of the public procurement system: policy-making, drafting legislation, monitoring, collection of statistical data, and sometimes publication of procurement notices as well. Practically all central offices in the region are also responsible for professional development in the area of public procurement: elaboration and publication of manuals and guidelines, provision of technical assistance and advice to contracting authorities, preparation of training modules and materials, and organisation of training. Some central procurement offices in the region have established within their structures separate units for the organisation or the monitoring of training: Training and Integration Sector in the Public Procurement Agency (PPA) in Albania, Training Office in the PPA in Bosnia and Herzegovina, or Training Department in the Public Procurement Regulatory Commission (PPRC) in Kosovo.

- A procurement review body/commission usually exists as a separate quasi-judicial body dealing with appeals filed by dissatisfied tenderers.

Not a single office in the region has been given sufficient resources to organise on its own large-scale training for the beneficiaries’ procurement officers.

Many valuable explanatory and interpretative materials on public procurement regulations have been produced in the region in recent years. These materials are of good quality and may therefore have served their purposes well. However, in terms of their usability for current training needs, the following remarks should be noted:

- Due to recent changes in public procurement legislation in the region, all publications previously published have now become outdated – new public procurement regulations have been adopted or existing public procurement laws have been changed significantly since the elaboration of these materials.
- All of the publications were written exclusively or mainly by international experts within the framework of various EU and USAID projects. All of those projects have now terminated and the authors are no longer at the disposal of the local public procurement institutions.

- Local public procurement institutions apparently do not have sufficient resources and capacity to carry out the work and update the materials by themselves without external support.
- Some of the materials are quite laconic and basic in nature.
- These materials tend to focus on the legal requirements of public procurement procedures and therefore serve more as commentaries on the law and secondary legislation. The business aspect of the public procurement system seems to have been neglected.
- The publications were not primarily conceived as training modules for use in training sessions. They were rather created as manuals and guidelines to assist procurement officers in their daily operations.

Usually the support given by projects to trainers does not exceed the duration of the initial training course. The national institution responsible for maintaining the list of trainers only collects information on the training that they deliver. To date no follow-up course for trainers has been organised in any beneficiary.

In general, the typical problems related to the sustainability of the training-of-trainers courses organised in the region are the following:

- Lack of stable financial foundations of the system (short-term financing through technical assistance projects);
- Poor design of the curricula (greater emphasis on subject matter rather than on the development of skills related to training preparation and delivery methodology);
- Lack of opportunities to practice training skills during the course and to receive comprehensive feedback;
- Lack of institutional space for graduates of TOT courses (e.g. institutional, long-term relations with public training institutions);
- Lack of opportunities for further professional development in the role of trainer and lack of any quality check of the training services provided (including lack of trainers' professional associations, accreditation systems, advanced level courses);
- Lack of continuity in the performance of functions for which trainers have been trained (high turnover) due to political reasons, weak legal framework, absence of career incentives, and poor human resources management.

The objective of this project is to contribute towards upgrading the operational performance and professionalism of public procurement systems in South East Europe by putting in place sustainable training systems in public procurement that are in compliance with EU public procurement legislation and practices and with related national legislation.

The generic competency-based training materials (modules) in public procurement (in English), to be used for this project will be produced by SIGMA under another project in the course of 2009.

### **3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)**

The project will contribute to the sustainability of public procurement training systems in the region through the following means:

- Survey to investigate the capacities of trainers and training institutions at the local level and to collect data required for the development of national public procurement training strategies;

- Comprehensive training modules customised to the local legal system and available in local languages, to be used during the courses for public procurement officers from public institutions and the courses for economic operators;
- Group of approximately 150-180 highly qualified trainers, who have passed the public procurement competency examination at the end of the five-week courses and who have been accredited in accordance with regionally recognised standards and their assessed performance in actual delivery; the quality of training delivered to target groups by the trainers will be checked and feedback on their training capacities will be provided in order to support their professional development. PPOs will be provided support in setting up a network of trainers, thereby ensuring a long-term commitment to provide courses envisaged by the national training strategy and to periodically update the training modules, as required.
- National “anchor” training institutions responsible for the logistical aspects of training delivery and co-operating closely on a long-term basis with PPOs;
- Strengthened PPO capacities required for the development and implementation of national public procurement training strategies; PPOs will be assisted in the selection of training priorities and of methodological approaches for the delivery of effective and efficient training courses, in co-operation with “anchor” training institutions.
- Commitment of the participating beneficiaries at various stages of implementation (selection of candidate trainers, selection of anchor training institutions, localisation of training materials, organisation of local trainings by certified trainers) is a key prerequisite for a success of the project.

### **3.3 Results and measurable indicators**

#### *Results:*

- Established infrastructure for regional cooperation within the public procurement community in all participating beneficiaries (common tools and training materials, network of experts certified according to regionally recognized rules)
- National training strategy in each beneficiary in place
- Established core team of national procurement trainers capable of customising these modules to fit national, legal and administrative contexts
- Sustained delivery of face-to-face and online modalities of procurement training, in close collaboration with a recognised network of national anchor training institutions
- Ensured regional network dimension with exchange of experiences in public procurement

#### *Measurable Indicators*

- National training strategies adopted in each beneficiary by relevant authorities
- National training modules translated, customised and published in hard copy and available on-line in each beneficiary
- 150-180 national trainers trained and certified
- At least 10 training courses implemented with the assistance of the project in each beneficiary by certified national trainers in the first year after accreditation
- On-line course established in each beneficiary
- Establishment of a permanent forum of experts to exchange experiences on a regular basis

### 3.4 Activities

#### Activity 1: Training of Trainers (ToT)

- Select national training institutions and candidate trainers (10-25 from each beneficiary) in co-operation with public procurement offices/agencies;
- Deliver Training of Trainers course in two stages for about 150-180 participants from the region (total of five weeks);
- Organise an examination at the end of the course.

The Training of Trainers courses will be delivered by the project team during the first year of implementation of the project.

PPOs, in co-operation with the body implementing the project, will select the most appropriate “anchor” training institution, i.e. the institution with the capacity and experience to guarantee organisation of the training courses. Depending on the specific conditions in a given beneficiary, training institutions could be from the public, private or NGO sector. In some beneficiaries such co-operation between PPOs and public training providers already exists and could be easily adjusted to the requirements of this project. In some beneficiaries such co-operation with an anchor training institution for the civil service is already stipulated by law. Co-operation between PPOs and training institutions should be based on long-term commitment so as to ensure sustainability of the training system.

Criteria for selection of anchor training institutions: reputation of the institution, expertise in public administration and possibly in public procurement training; connections to the public procurement community; adequate facilities; geographical location of the institution.

Public procurement offices/agencies (PPOs) will be responsible for nominating the candidate trainers according to agreed objective criteria.

The training will be based on training modules to be developed by Sigma in 2009.

Five-six preliminary (first-stage) workshops will be delivered, with the participation of three-four candidate trainers from each beneficiary in each workshop (25-35 participants in total for each event). These initial workshops will enable “live feedback” from candidate trainers regarding potential areas of improvement in the training modules and desired simplifications, additions, etc.

The second stage of TOT workshops will focus on:

- Deepening the candidate trainers’ understanding of the modules, with particular emphasis on the procurement business process skills and advanced procurement topics;
- Upgrading the participants’ training delivery skills (interactive teaching, use of Power Point and audio-visual aids, course planning and logistical arrangements, etc.);
- Guidance for customisation of selected parts of the modules for online training, and the role of a “tutor” in Internet-based distance learning;
- Methodology for development of national training strategies, costing and financing resources for national annual training plans.

Activity 2 Support for training at national level (individually for each beneficiary)

⇒ Development of a national training strategy

During the second year of implementation the project will assist the national central public procurement institutions in each beneficiary to develop the national training strategies.

Whereas training needs related to the content of public procurement curricula have been identified in the region, a gap remains in the knowledge of specific issues related to the capacity of training institutions, qualifications of trainers, legal frameworks for training, status of trainers, etc. The above-mentioned issues differ from beneficiary to beneficiary and therefore should be investigated by means of the two surveys to be carried out at national level.

Taking into consideration that implementation of training strategies depends on the capacities of institutions; one of the surveys should investigate the capacities of institutions to manage procurement training operations and their willingness to develop these capacities. A second survey will examine other parameters related to the formulation of an optimal national training strategy (or strategies) and corresponding national training plans.

The data collected by means of the two surveys will enable the project to develop, in collaboration with the respective PPOs, the national procurement training strategy and corresponding implementation plans. The data will also make it possible to identify priority training courses and the respective number of participants for inclusion in the first year's procurement training plan.

Based on the data thus collected, the project will be able to propose a tailor-made strategy for the delivery of public procurement training for civil servants and private sector operators in each of the beneficiaries.

The national strategy for each beneficiary will emphasize “affordability” so as to optimize the prospects for “sustainability” and national ownership.

⇒ Localization of training materials

The project will translate the generic training modules provided by Sigma into the official languages of the beneficiaries.

It is planned that each respective PPO will be responsible for quality control and supervising the “localization” into the local legal system of the final version of the generic modules produced by Sigma. The respective PPO will co-operate with the candidate trainers in the customization process (adaptation to the local legal system) of the modules in accordance with the work plan agreed at the end of the first stage of the TOT programme.

After the translation and customization is ready, the national training modules will be printed in hard copy (average 1 000 copies per each beneficiary) and made available on-line.

#### ⇒ Help-desk

An online help-desk will be set up to guide the customization work by the candidate trainers. The help-desk will be able to respond to procurement subject-matter issues as well as training methodology/presentation concerns that may be raised by national trainers. The “help-desk” will also follow up on work progress in the customization of the modules in order to ensure adherence to the agreed work plan for delivery of the second stage of the TOT programme.

#### ⇒ Online course

An abridged version of the modular training set will be adapted by the project for use as an online introductory course for junior government officials with part-time procurement responsibilities as well as for recent graduates who are just entering the procurement profession.

The project will provide assistance for the PPOs that intend to offer online training. This support will involve advice on selecting the appropriate software and presentation style, building in the necessary interactivity and audio-visual features that are indispensable for both online delivery and assessment of learning achievements.

National trainers will act as “tutors” for such online courses. They will have received appropriate preparation for this tutoring role during the second TOT workshop.

It is not planned to convert the full modular training set for online delivery since it is preferable, especially for the application part of the training (e.g. case studies), that course participants exchange their experiences first-hand and brainstorm together as a team, which is of key importance for successful on-the-job-performance in a multi-disciplinary function such as public procurement.

The purpose of the introductory online course is therefore to reach a wide audience and to give course participants from different backgrounds the necessary fundamentals of knowledge of legal and administrative frameworks for public procurement, thereby enhancing their learning achievements in subsequent face-to-face training courses that are more application-oriented.

#### ⇒ Monitoring and support for trainers during first year of operation

The performance of national trainers in the delivery of training, as assessed by means of the feedback from course participants and the monitoring reports of experts, will be essential for their subsequent accreditation by their respective PPOs as “certified national procurement trainers”.

#### Activity 3 – Accreditation of national trainers

Each candidate trainer who has passed the required examination at the end of the second TOT workshop and successfully delivered the agreed number of training sessions under the observance of the project’s experts will be issued an attestation to this effect by the project. This attestation will qualify him/her for accreditation by the respective PPO as a “procurement trainer”.

Accreditation will be based on regionally recognized standards common to all beneficiaries that have been set up by the project implementation body. The

accreditation process will be carried out at national level by the PPOs, in co-operation with the project implementation body.

Accreditation based on regionally agreed criteria will open the possibility for mutual recognition of trainers' qualifications in all beneficiaries in the region – subject to additional criteria (examination) related to local content (national legislation).

### **3.5 Conditionality and sequencing**

- Commitment and cooperation of local authorities (Public Procurement Offices, anchor training institutions, governments);
- Sufficient number of qualified candidates for national trainers available and interested to participate;
- All participating beneficiaries equally interested and committed;
- Data on local training situation available;
- Sufficient resources allocated by PPOs for professional quality supervision of the customisation process;
- Local contracting authorities interested and willing to delegate participants.

### **3.6 Linked activities**

Several beneficiaries received assistance or plan to receive assistance under national programmes for the national training centres or Agencies. Also other donors (international organisations and some EU Member States) support the public administration reform in the region.

Support from national IPA programmes is essential for the successful upgrading of the national public administration training agencies. The Public Procurement project should not replace but complement national programmes so helping the coordination among the national training agencies and facilitating their cooperation. In parallel, the national IPA programmes cover beneficiary-specific actions and the institutional support at national level.

### **3.7 Lessons learned**

Lessons learned from previous capacity-building initiatives in the region indicate that provision for support and follow-up on the quality and rigor of training delivery is essential to overcome early problems and to alleviate any shortcomings that may compromise the integrity of nascent public procurement training systems. It is planned to have the international project's experts observe the performance of national trainers and national training institutions during the first year or two of delivery and provide advice/input as required to help ensure that national training programmes attain the appropriate pace and quality.

#### 4. Indicative Budget (amounts in EUR)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Activity 1,2,3	x		4 000 000		100							
Service contract			4 000 000		100							-
TOTAL IB			4 000 000		100							
TOTAL INV												
<b>TOTAL PROJECT</b>			<b>4 000 000</b>		<b>100</b>							

Amounts net of VAT

(1) In the Activity row use "X" to identify whether IB or INV

(2) Expressed in % of the **Total** Expenditure (column (a))

**5. Indicative Implementation Schedule (periods broken down per quarter)**

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1.1	Q2 2009	Q4 2009	Q4 2012

**6. Cross cutting issues (where applicable)**

**6.1 Equal Opportunity**

The principles and practice of equal opportunity will be guaranteed so as to ensure equitable gender participation in the project. The principle of equal opportunity shall apply also in relation to the trainees coming from the different national administrations.

**6.2 Environment**

Not applicable

**6.3 Minorities**

Minority and vulnerable groups' concerns will be reflected in all activities of the project, in particular when it concerns participation in the training activities and institutional development.

**ANNEXES**

1. Log frame in Standard Format
2. Amounts contracted and Disbursed per Quarter over the full duration of Programme
3. Description of Institutional Framework
4. Reference to laws, regulations and strategic documents:
5. Details per EU funded contract

**ANNEX 1: Logical framework matrix in standard format**

LOGFRAME PLANNING MATRIX FOR Project Fiche	<b>Training in Public Procurement in the Western Balkans and Turkey</b>	CRIS Nr: 2009/xxx
	Contracting period expires: 30 November 2010	Disbursement period expires : 30 November 2013
	Total budget : EUR 4 000 000	IPA budget: EUR 4 000 000

<b>Overall objective</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	
To contribute towards upgrading the operational performance and professionalism of public procurement systems in South-East Europe by putting in place sustainable training systems in public procurement that are in compliance with EU public procurement legislation and practices and with related national legislation.	Public procurement rules implemented in more professional way by a greater number of public institutions.	Annual report issued by the European Commission  Sigma annual assessments of the public procurement systems in beneficiaries	
<b>Project purpose</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>

To develop a sustainable procurement training strategy at regional and national levels.	<p>Training of trainers programme implemented</p> <p>150-180 national trainers accredited</p> <p>National training strategies adopted and process of implementation started</p>	<p>Project report</p> <p>National official publications</p>	<p>Commitment and cooperation of local authorities (Public Procurement Offices, anchor training institutions, governments)</p> <p>Sufficient number of qualified candidates for national trainers available and interested to participate</p>
<b>Results</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
Infrastructure for regional cooperation within the public procurement community in all participating beneficiaries (common tools and training materials, network of experts certified according to regionally recognized rules)	<p>All national training materials compatible with each other (based on the same generic training materials)</p> <p>Network of certified trainers in each beneficiary</p>	<p>Project report</p> <p>Official country publications</p> <p>Websites of PPOs</p>	<p>All participating beneficiaries equally interested and committed</p> <p>Enough resources allocated in each beneficiary</p>
National training strategy in each beneficiary in place	National training strategies adopted in each beneficiary by relevant authorities	<p>Project report</p> <p>Official country publications</p> <p>Websites of PPOs</p>	<p>Commitment and cooperation of local authorities (Public Procurement Offices, anchor training institutions, governments)</p> <p>Data on local training situation available</p>
Public procurement training materials (modules) which transmit knowledge of the legal and business processes and corresponding professional skills;	National training modules translated, customised and published in hard copy and available on-line in each Beneficiary	<p>Project report</p> <p>Training materials published in each beneficiary</p> <p>Websites of PPOs</p>	<p>Commitment and cooperation of local authorities (Public Procurement Offices), sufficient resources allocated by PPOs for professional quality supervision of the customisation process</p> <p>Sufficient number of qualified</p>

			candidates for national trainers available and interested to participate
A core team of national procurement trainers capable of customising these modules to fit national, legal and administrative contexts;	150-180 national trainers trained and certified	Project report List of certified trainers, certificates issued Websites of PPOs	Sufficient number of qualified candidates for national trainers available and interested to participate
Sustained delivery of face-to-face and online modalities of procurement training, in close collaboration with a recognised network of anchor training institutions.	At least 10 training courses implemented with the assistance of the project in each beneficiary by certified national trainers in the first year after accreditation  On-line course established in each beneficiary	Project report Training participation register; evaluation forms collected from participants  Websites of PPOs and anchor training institutions	Commitment and cooperation of local authorities (Public Procurement Offices, anchor training institutions, governments)  Local contracting authorities interested and willing to delegate participants
<b>Activities</b>	<b>Means</b>	<b>Costs</b>	<b>Assumptions</b>
<b><u>Activity 1 Training of Trainers (ToT)</u></b>  Select national training institutions and candidate trainers (10-25 from each beneficiary) in co-operation with public procurement offices/agencies  Deliver Training of Trainers (ToT) course in two stages for about 150-180 participants from the region (total of five weeks)	TA service contract	<b>EUR 4 000 000</b>	

**Activity 2 Support for training at national level (individually for each beneficiary)**

Develop national training strategy

Customise training modules (translation + adaptation to local legal system), including an online course supported by a help-desk

Publication of customised training modules in hard copy and on-line

Support PPOs/trainers for one year of operation

**Activity 3 – Accreditation of national trainers**

Certify national trainers following an observation/assessment period

**ANNEX 2: amounts (in €) Contracted and disbursed by quarter for the project**

<b>Contracted</b>	<b>2009 Q4</b>										
Contract 1.1	4 000 000										
<b>Cumulated</b>	<b>4 000 000</b>										
<b>Disbursed</b>	<b>2010 Q1</b>	<b>2010 Q2</b>	<b>2010 Q3</b>	<b>2010 Q4</b>	<b>2011 Q1</b>	<b>2011 Q2</b>	<b>2011 Q3</b>	<b>2011 Q4</b>	<b>2012 Q1</b>	<b>2012 Q2</b>	<b>2012 Q3</b>
Contract 1.1	2 000 000				1 800 000						200 000
<b>Cumulated</b>	<b>2 000 000</b>				<b>3 800 000</b>						<b>4 000 000</b>

### **ANNEX 3. Description of Institutional Framework**

#### *Albania*

According to the Public Procurement Law, the Public Procurement Agency (PPA) is the institution responsible for the promotion and organisation of training for procurement officers [article 13(2b) of the PPL], and a separate unit within the PPA has been assigned the following tasks: training, integration, finance and management of human resources Section. The section's duties include: drafting a training strategy, planning and organising training, and maintaining a database on training. The Training Section is not sufficiently staffed and does not have the necessary funds to organise trainings on its own

#### *Bosnia and Herzegovina*

Public Procurement Agency (PPA) and the Procurement Review Body (PRB). Both institutions started their activities only in summer 2006, i.e. with an 18-month delay. The PRB is an independent, quasi-judicial body that decides on appeals filed by aggrieved tenderers. The PPA is an independent governmental body responsible for the development, implementation and monitoring of the public procurement system. The PPA is also responsible for professional development in the area of public procurement.

The PPA has not elaborated a long-term strategy for the development of a national training system.

#### *Croatia*

The public procurement training programme in Croatia is implemented by the Centre for Vocational Training and Professional Development of Civil Servants, in co-operation with the Public Procurement Department within the Ministry of Economy. The curriculum for the training has been elaborated in co-operation with the CARDS twinning project.

#### *The former Yugoslav Republic of Macedonia*

The public procurement system in the former Yugoslav Republic of Macedonia has been managed by the Public Procurement Bureau (PPB), a structure within the Ministry of Finance. The PPB is responsible, among other tasks, for the organisation and conduct of public procurement training. Until recently, the PPB (13 employees) had no unit specialising in training; only in July 2007, after the new PPB structure had been approved, a new training unit was established.

#### *Kosovo*

Training for procurement officers is implemented by Kosovo Institute for Public Administration (KIPA) in co-operation with the Training Department of the PPRC. The training programme is prepared by the PPRC. Lectures are delivered by licensed trainers. KIPA (which operates within the Ministry of Public Services) also provides other types of training for the public administration of Kosovo.

#### *Montenegro*

The new PPL introduced a new central institution – the Public Procurement Directorate (PPD) and since July 2006 the State Commission has been responsible only for the

review system. However, the actual establishment of the PPD has been severely delayed; to date the institution is still not fully operational.

#### *Serbia*

Since the beginning of 2003, the Public Procurement Office (PPO) has been the central governmental institution managing the system. Functions of the PPO include, inter alia, the organisation of public procurement training. However, due to limited resources, the PPO has not yet created a training department.

#### *Turkey*

In 2002 the Public Procurement Authority (PPA) was established under the Public Procurement Law in order to ensure the proper implementation of the PPL, to support the participants in the procurement process, and to provide legal remedies in the case of disputes related to public procurement. Among other functions, the PPA organises training for public procurement officers. Within its structures the PPA created a Training Department.

**ANNEX 4: Reference to laws, regulations and strategic documents:**

- Council Decision of 18 February 2008 (2008/210/EC) on the principles, priorities and conditions contained in the European Partnership with Albania and repealing Decision 2006/54/EC
- Council Decision of 18 February 2008 (2008/211/EC) on the principles, priorities and conditions contained in the European Partnership with Bosnia and Herzegovina and repealing Decision 2006/55/EC
- Council Decision of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC
- Council Decision of 18 February 2008 (2008/212/EC) on the principles, priorities and conditions contained in the Accession Partnership with the former Yugoslav Republic of Macedonia and repealing Decision 2006/57/EC
- Council Decision of 22 January 2007 (2007/49/EC) on the principles, priorities and conditions contained in the European Partnership with Montenegro.
- Council Decision of 18 February 2008 (2008/213/EC) on the principles, priorities and conditions contained in the European Partnership with Serbia including Kosovo as defined by United Nations Security Council Resolution 1244 of 10 June 1999 and repealing Decision 2006/56/EC
- Multi-Beneficiary Multi-annual Indicative Planning Document (2009/2011)

**ANNEX 5: Details per EC funded contract**

A restricted call for tender will be launched for the project for value of EUR 4 000 000