



Republic of Albania  
Public Procurement Agency

Annual Report





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ABBREVIATIONS:



**CA** – Contracting Authority  
**PPA** - Public Procurement Agency  
**ASPA** - Albanian School of Public Administration  
**ATRAKO** - Concessions Treatment Agency  
**WB** – World Bank  
**PNB** - Public Notices Bulletin  
**EOG** – Economic Operators Grouping  
**EO** - Economic operator  
**HIDAACI** - High Inspectorate of Declaration and Audit of Assets and Conflict of Interest  
**BEC** - Bid Evaluation Committee  
**CAP** – Code of Administrative Procedures  
**SAI** – Supreme 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  
**AS** - Anticorruption Strategy  
**EAS** - Electronic Archive System  
**PFMS** - Public Finance Management Strategy  
**EPS** - Electronic Procurement System



## DEFINITIONS:

In view of interpreting this report, the following terms have the meaning as hereunder provided:

**Procured limit fund** - Value without Value Added Tax, which is calculated by the Contracting Authority at the time of publication of the contract notice or at the moment of the commencement of the procurement procedure, in cases where such publication is not required

**Warded value** – The value of the winning bid.

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

**Other procedures** - Procurement procedure conducted in the Electronic Procurement System, after the publication of the contract notice.

**Negotiated procurement procedure without prior publication of a contract notice** – A type of procedure that is used in special circumstances, which are provided for by public procurement legislation.

**Unfinished (canceled) procedures** - Procurement procedures that have failed to be concluded with the winner notice

**Suspension** - Interruption of the procurement procedure in cases when complaints have been filed with the Contracting Authority or with the Public Procurement Commission.

**Assistance/coordination** - Process developed in the frame of providing assistance to Contracting Authorities, which undertake a procurement procedure, regarding the drafting of tender documents.

**Verification** – Process, which is carried out, after the procurement procedure is completed with the conclusion of a contract, in order to verify whether the procurement procedure conducted by the Contracting Authority was carried out or not in compliance with the legal provisions.

**Contract monitoring** - The monitoring process of the execution of the contract, which is signed by the Contracting Authorities, through the reports submitted by them.

**Procedures above the monetary threshold for small value procurement** - This term refers to procedures above 800,000 Albanian Leks for the period of January - May 2021 while it refers to procedures above 1,000,000 Albanian Leks for the period of June - December 2021 according to the new monetary thresholds.



## 1. INTRODUCTION

This report describes the work of the Public Procurement Agency (hereafter "PPA") and the functioning of the public procurement system covering the period from 01 January 2021 to 31 December 2021.

The Public Procurement Agency carries out its activity under Law No. 162/2020 "On Public Procurement", as amended, Law no. 125/2013 "On Concessions and Public Private Partnerships", as amended, Law No. 36/2020 "On procurement in the field of defense and security", Law no. 9874/2008 "On Public Auction", as amended.

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. KEY ACHIEVEMENTS DURING 2021

2021 has been an intensive year of work for the Public Procurement Agency in terms of improving the procurement system. The maximum commitment and results achieved by the work of the PPA during this year and not only, are reflected in the positive evaluation that Albania received regarding Public Procurement, in the Monitoring Report on Public Administration Reform for the Western Balkans and Turkey prepared by OECD/SIGMA. In this Report, the public procurement system in Albania has received a maximum rating of 5/5 for 3 out of 5 indicators and a rating of 3/5 for the other 2 indicators.

Specifically, Albania is the only country in the region that has received maximal rating in terms of institutional capacity in the field of public procurement at the central level regarding the effective and efficient drafting, implementation and monitoring of policies in the field of procurement.

Such an evaluation is directly related to the work of the Public Procurement Agency in regard to the following: (i) drafting strategic objectives in the field of procurement in order to guarantee an efficient and sustainable procurement system; (ii) drafting and approving the new legal framework in the field of procurement; and (iii) continuous monitoring of policy implementation and proper implementation of procurement legislation.

The main achievements in this regard are summarized as follows:

#### 1. Completion of the new legal framework of public procurement:

The entry into force of the new Procurement Law 162/2020 intensified the work of the PPA in terms of drafting and adopting a series of bylaws in order to guarantee the implementation of the provisions of the new Law. In this context, a series of Decisions of the Council of Ministers, Guidelines and several sets of Standard Tender Documents have been drafted and approved for each foreseen procedure and type of contract.

All legislation is drafted based on EU directives in this area, therefore guaranteeing a high degree of harmonization of legislation.

#### 2. Enhancement of transparency regarding procurement procedures:

The data provided in this report show that 2021 marks the lowest number of negotiated procedures without prior publication of the contract notice since 2010 with only 143 such procedures conducted.





Reducing the number of such procedures is a very important indicator for increasing transparency of the conducting of procurement procedures, given that the Contracting Authorities/Entities have preferred to conduct procedures, which are published and are easily accessible and verifiable by anyone in the Electronic Procurement System.

### **3. Increasing the use of the ~most economically advantageous tender~ evaluation criterion, based on cost:**

The data show that the increase of the use of the most economically advantageous tender evaluation criterion, based on cost is a very important achievement aiming at the increase of the quality of the contract concluded at the end of the procurement process.

Such an increase also comes as a result of the new legislation, which clearly provides for the use by the Contracting Authorities of criteria, which are related to product quality, environmental, social or life cycle, thus guaranteeing higher efficiency and lower cost for the Contracting Authority/Entity

### **4. Training of procurement staff on the innovations of the law:**

In order to guarantee the implementation by the Contracting Authorities/Entities, of the new legislation PPA has cooperated with the OSCE and ASPA to organize information sessions on the innovations brought by the new legislation and the manner of their implementation.

## **2. STATISTICAL DATA ON THE PROCUREMENT SYSTEM IN ALBANIA**

Public procurement is one of the key areas of state activity and it's one of the most important processes of public finance management. The figures and data processed in this framework indicate that the budget, which has been spent on public procurement in the countries of the region in 2020, ranges, on average, from 7.5-14.7% of the Gross Domestic Product. More specifically, according to Chart no. 1 below, the published data indicate the following:

- 1- **Kosovo:** According to the European Commission Report, based on preliminary data, Public Procurement accounted for 7.5% of GDP in 2020, with a decrease compared to the percentage of 2019, when Public Procurement accounted for 10.7% of GDP. <sup>1</sup>
- 2- **Serbia:** According to the European Commission Report, Public Procurement accounted for approximately 6.88% of GDP in 2020, thus experiencing a decrease compared to the percentage of 2019, when Public Procurement accounted for 8% of GDP. <sup>2</sup>
- 3- **Montenegro:** According to the European Commission Report, Public Procurement accounted for approximately 13.1% of GDP in 2020, thus experiencing a decrease compared to the percentage of 2019, when Public Procurement accounted for 12.4% of GDP. <sup>3</sup>

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<sup>1</sup> European Commission (2021), Kosovo Report, pg. 62  
[https://ec.europa.eu/neighbourhood-enlargement/kosovo-report-2021\\_en](https://ec.europa.eu/neighbourhood-enlargement/kosovo-report-2021_en)

<sup>2</sup> European Commission (2021), Serbia Report, pg. 69  
[https://ec.europa.eu/neighbourhood-enlargement/serbia-report-2021\\_en](https://ec.europa.eu/neighbourhood-enlargement/serbia-report-2021_en)

<sup>3</sup> European Commission (2021), Montenegro Report, pg. 61  
[https://ec.europa.eu/neighbourhood-enlargement/montenegro-report-2021\\_en](https://ec.europa.eu/neighbourhood-enlargement/montenegro-report-2021_en)



- 4- **North Macedonia:** According to the European Commission Report, Public Procurement accounted for approximately 8% of GDP in 2020, thus experiencing a decrease compared to the percentage of 2019, when Public Procurement accounted for 11% of GDP..<sup>4</sup>
- 5- **Albania:** According to the 2020 Annual Report published by the Public Procurement Agency, public procurement in 2018 accounted for about 14.7% of GDP..<sup>5</sup>

**Chart 1**

Source: Data obtained from the European Commission Reports on the countries of the region and the PPA Annual Report

Meanwhile, based on the Electronic Procurement System data processing, and based on the data provided by INSTAT and the Ministry of Finance and Economy<sup>6</sup> on Gross Domestic Product (GDP), it turns out that the total **limit fund procured in 2021 accounts for 8.9% of the Gross Domestic Product (GDP).**

The table and chart below show the data of the procured total limit fund-GDP ratio:

**Table 1**

Macroeconomic Indicator	Value (in billion Albanian Leks)
<b>GDP- Gross Domestic Product</b>	1,682,600,000,000
<b>Total limit fund published in the Republic of Albania</b>	149,320,420,249
<b>Total limit fund published in the Republic of Albania vs. GDP (in %)</b>	<b>8.9%</b>

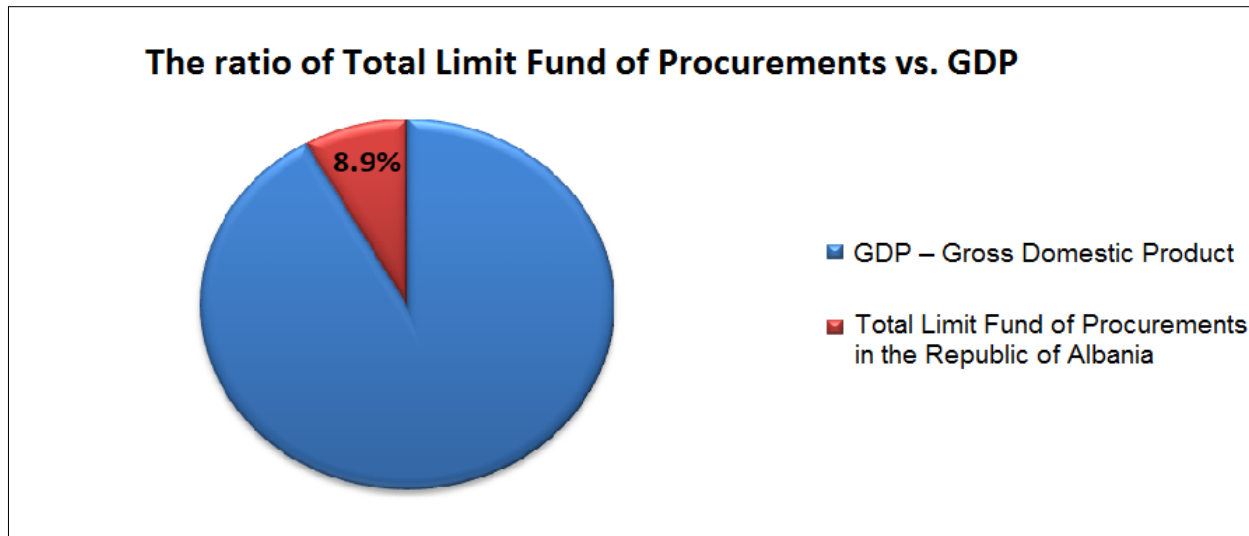
<sup>4</sup> European Commission (2021), North Macedonia Report, pg. 57  
[https://ec.europa.eu/neighbourhood-enlargement/north-macedonia-report-2021\\_en](https://ec.europa.eu/neighbourhood-enlargement/north-macedonia-report-2021_en)

<sup>5</sup> Analiza Vjetore 2020, APP, pg. 8

<sup>6</sup>According to preliminary forecasts of the Ministry of Finance and Economy for 2019 (<http://www.financa.gov.al/buxheti-2020/>), Gross Domestic Product for 2019 is: 1,705,246,000,000.



Chart 2



The above data show that there is a decrease of the ratio of the total limit fund vs. GDP during 2021 compared to 2020 when this ratio was 14.7%.

#### 2.1. STATISTICS ABOUT THE FORECAST REGISTERS ESTABLISHED IN THE ELECTRONIC PROCUREMENT SYSTEM FOR 2021

The Public Procurement Procedures Forecasts Register and the Realized Public Procurement Procedures Register are electronically drafted and published in the Electronic Procurement System, where they can be accessed by any stakeholder free of charge and at any time.

The computerization of these two registers has been of great importance in terms of increasing the responsibility of Contracting Authorities when planning the needs, which they will procure during the coming year, as well as in terms of ensuring real-time information for the Economic Operators on all procedures and public funds to be procured during the year, thus significantly enhancing the transparency about the good use and management of public funds.

Additionally, computerization of the registers helps the Public Procurement Agency to identify in real time the data about the procurements, which the Contracting Authorities have planned to carry out.

According to data of the National Procurement Forecasts Register for 2021, it results that about 36, 926 elements (new elements and changes) were approved and published in the procurement forecast registers.

Practically, the itemization of the elements in the National Procurement Forecasts Register is as follows:

Table 2

Type of contract	Type of procurement procedure	2021
Works	Contracts above the monetary threshold for small value procurements	1866
	Small value procurement	615

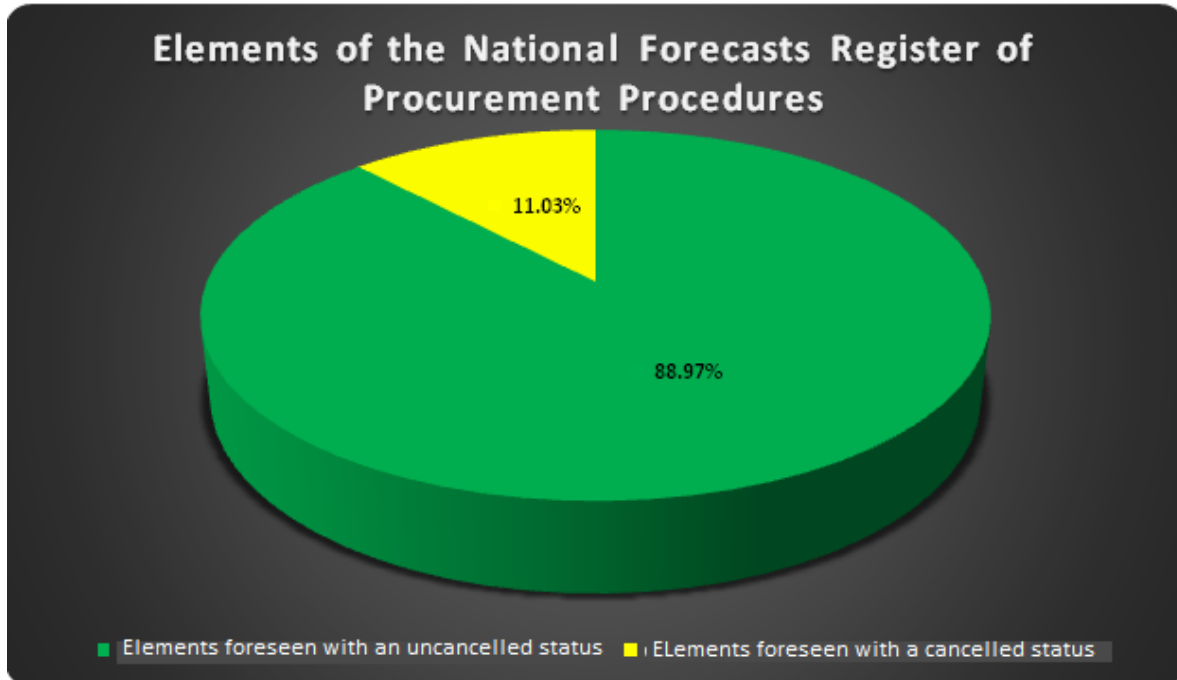


	Negotiated, without prior publication	22
	Amendment for the needs of the beginning of the year	9
Supplies	Contracts above the monetary threshold for small value procurements	5401
	Small value procurement	7693
	Purchase below the value of 100,000 Albanian Leks	6680
	Amendment for the needs of the beginning of the year	9
	Negotiated, without prior publication	94
Services	Contracts above the monetary threshold for small value procurements	2659
	Small value procurement	5135
	Purchase below the value of 100,000 Albanian Leks	6444
	Amendment for the needs of the beginning of the year	18
	Dynamic Purchasing System Tickets	214
	Negotiated, without prior publication	67
<b>Total elements of the register published</b>		<b>36926</b>

According to the monitoring of the Elements of the Forecasts and Realizations Register in EPS in 2021, it turns out that there are **36,926** elements foreseen in the register, of which **32,851** elements or 88.97% of the total have continued with the procedures, while **4,075** elements or 11.03% of the total are with canceled status.

The data is graphically presented in the following form:

**Chart 3**



According to the analysis of the elements of the Public Procurement Procedures Forecasts Register, which have continued with the publication of the procedures by the contracting authorities, it turns out that 5,302 elements are with changes. Changes in the Forecast Register are an indicator of the performance of the Forecast Register.

If we analyze only the performance of the Forecasts Register expressed in percentage as the ratio of changed elements versus the total of elements with uncanceled status ( $5,302/32851 \times 100$ ), it turns out that it is 16.1%.

**Table 3**



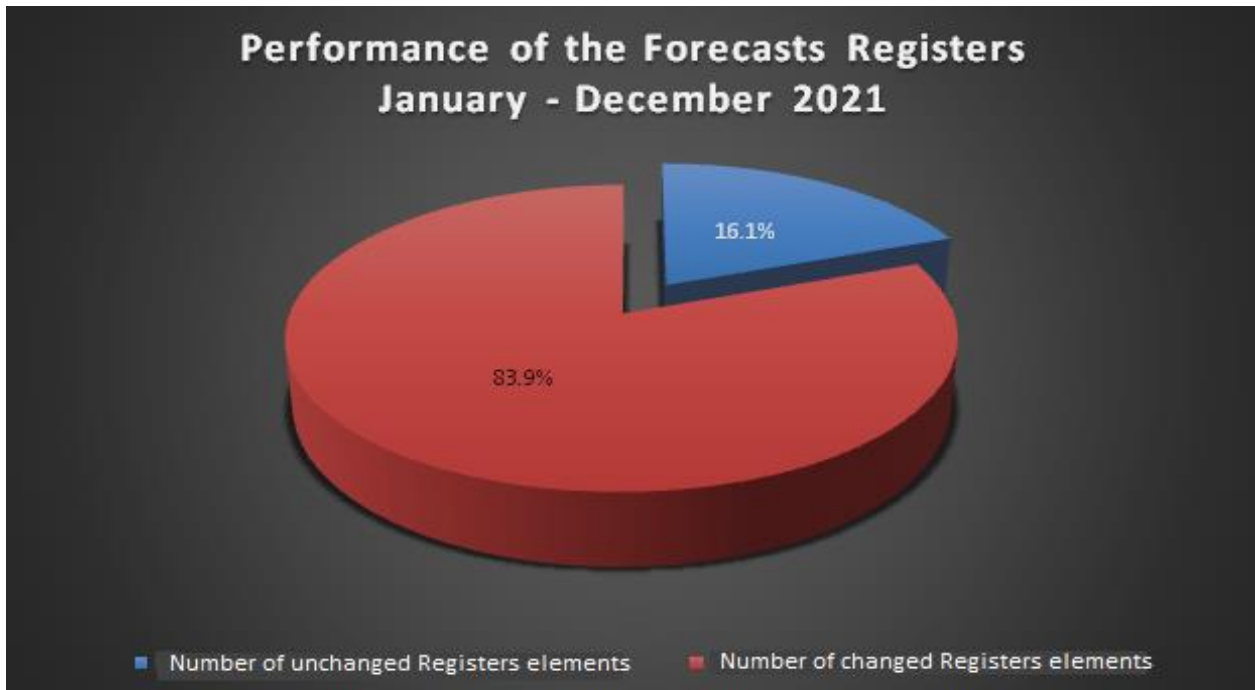
Performance of Forecast Registers	
January-December 2021	Number of Elements
Total number of Forecast Registers elements, which are not cancelled	32851
Number of Forecast Registers elements that are changed	53602
Performance or % of changed elements (5302/32851 x 100)	16.1%

As noted above, about 83.9% of the elements, which are published Register elements (foreseen and realized, as well as in the process of realization), are unchanged.

Compared to 2020 when the percentage of registered items, which have changed, was 19.3%, in 2021 there is a decrease of this percentage to 16.1%, thus showing a better performance compared to 2020.

The following graphs show the performance of the Procurement Procedures Forecasts Register elements in 2021.

Graph 4



## 2.2. STATISTICS ABOUT THE NUMBER OF PUBLIC PROCUREMENT PROCEDURES PUBLISHED IN 2021 IN THE PUBLIC PROCUREMENT SYSTEM

This section presents detailed data about the procurement procedures, including negotiated procedures without prior publication of contract notices, small value procurement procedures and dynamic purchasing system, which are carried out in the Republic of Albania in 2021.



In a summarized way, the key data about competitive procedures with value above the monetary threshold for small value procurement and negotiated procedures without prior publication of contract notice, as well as ratios in percentage and the total fund savings for 2021 are as follows:

**Table 4**

<b>Electronic procurements and negotiated procedures without prior publication of contract notice January-December 2021</b>	
<b>Total No. of Procedures/Lots published in the EPS</b>	<b>5079</b>
<b>Total limit fund published in EPS</b>	<b>149,320,420,249</b>
Total No. of Procedures/Lots published in the EPS and canceled	1042
Limit fund of Procedures/Lots published in the EPS and canceled	18,620,051,244
Total No. of Procedures/Lots, which have been published in the EPS and which have continued	4037
Limit fund of Procedures/Lots, which have been published in the EPS and which have continued	<b>130,700,369,005</b>
Total number of procedures concluded with winner	4078
Total limit fund of procedures concluded with winner (value in Albanian Leks)	189,155,455,459
<b>Total number of awarded negotiated procedures without publication</b>	<b>143</b>
<b>Total limit fund of negotiated procedures without publication</b>	<b>6,512,211,253</b>
% which the total number of negotiated procedures without prior publication occupies versus the total number of procedures concluded with winner (other procedures + negotiated without publication)	<b>3.4%</b>
% which the total limit fund of negotiated procedures without prior publication occupies versus the total limit fund of procedures concluded with winner (other procedures + negotiated without publication)	<b>3,3%</b>
<b>TOTAL SAVINGS</b>	
% that the total awarded value occupies versus the total procured limit fund	94.5%
Total saved value in Albanian Leks without Value Added Tax	10,781,993,256
% that the total saved value occupies versus the procured total limit fund	5.5%

The table above shows that 143 negotiated procedures without prior publication of the contract notice were conducted during January-December 2021.

Negotiated procedures with without prior publication of the contract notice constitute 3.4% of the total number of procedures concluded with winners (competitive + negotiated without publication).

In any case, the above data show that the published limit fund for this type of procedure (6,512,211,253 Albanian Leks) is much lower, compared to the total limit fund of procedures concluded with winners (electronic + negotiated without publication) (195,667,666,712 ALL), thus occupying only 3.3% of the total fund of procedures concluded with winners.

Meanwhile, the table above shows that the number of procedures concluded with a winner is higher than the number of procedures, which have continued, something which is explained by the publication of procedures to meet the needs of 2021 at the end of 2020, which were concluded with winners at the beginning of 2021.



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

This part of the annual report will provide and interpret data on the number of competitive public procurement procedures above the monetary threshold for small value procurements, which have been published to be conducted in the Electronic Procurement System.

In addition, this section provides the respective data on the number of winner notices and the number of signed contract notices and these data will be analyzed.

Due to the adoption of new procurement legislation, there have been significant changes in 2021 in terms of procurement procedures, namely:

- The “Request for Proposal” procedure has been replaced by the “Simplified Open” procedure, which has been used since June. Therefore, data for both of these procedures will be provided in this report.
- Monetary thresholds have been changed in order to get harmonized with the monetary thresholds used in the EU. This has led to a significant reduction of the upper monetary threshold, something which has resulted in an increase of the number of procedures above this threshold compared to previous years.

#### 2.3.1. Statistics by type of contract

The total number of procurement contract notices published during 2021 in the Electronic Procurement System, by type of contract including service, supplies, works contracts, is 5,079 (1,361 less than in 2020 when 6,440 competitive procedures were published).

In particular, the number of procedures by contracts is as follows:

**Table 5**

Procedure notices 2021					
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
Open procedure	344	Open procedure	672	Open procedure	436
Open above the upper monetary threshold	61	Open above the upper monetary threshold	205	Open above the upper monetary threshold	14
Request for Proposal	401	Request for Proposal	702	Request for Proposal	237
Simplified Open	449	Simplified Open	995	Simplified Open	314
Consultancy Service and Design contest	98	Consultancy Service and Design contest	0	Consultancy Service and Design contest	0
Restricted (Not reconstruction)	2	Restricted (Not reconstruction)	-	Restricted (Not reconstruction)	4





Restricted above the upper monetary limit (Not reconstruction)	-	Restricted above the upper monetary limit (Not reconstruction)	-	Restricted above the upper monetary limit (Not reconstruction)	-
Restricted for reconstruction	66	Local restricted for reconstruction	-	Local restricted for reconstruction	76
Restricted above the upper monetary threshold for Reconstruction	-	Restricted above the upper monetary threshold for Reconstruction	1	Restricted above the upper monetary threshold for Reconstruction	2
<b>TOTAL</b>	<b>1,421</b>	<b>TOTAL</b>	<b>2,575</b>	<b>TOTAL</b>	<b>1,083</b>

When analyzing the data of 2021 it is noticed that procedures for the procurement of supplies occupy the largest number of published procedures with a total of 2,575 published procedures or 51% of the published procedures, followed by the procedures for services with a total of 1,421 published procedures or 28% and procedures for civil works with a total of 1,083 published procedures or 21%.

In addition, it turns out that there is a high number of "Open procedures above the upper monetary threshold" with 280 published procedures or 5.5% of the total published procedures, with a limit fund of 60,320,831,429 Albanian Leks, which constitutes a considerable value compared to the limit fund published in 2020 for this type of procedure.

The increase of the number and respective values of these types of procedures is explained by the change of monetary thresholds by the new procurement legislation that provides for the reduction of the value of the upper monetary threshold significantly. Consequently, a good part of the procedures which in previous years were considered as procedures below the upper monetary threshold, were classified as procedures above the upper monetary threshold during the second half of 2021.

It is worth mentioning that the deadline of waiting for bids in these procedures is longer and the Standard Tender Documents are published in Albanian and English, thus applying the same procedural rules as those provided in the relevant EU Directive.

### 2.3.2. Statistics by type of procedures

Data about the number of public procurement procedures, which are broken down by type of procedure conducted in the Electronic Procurement System in 2021, and the relevant limit funds are as follows:

**Table 6**

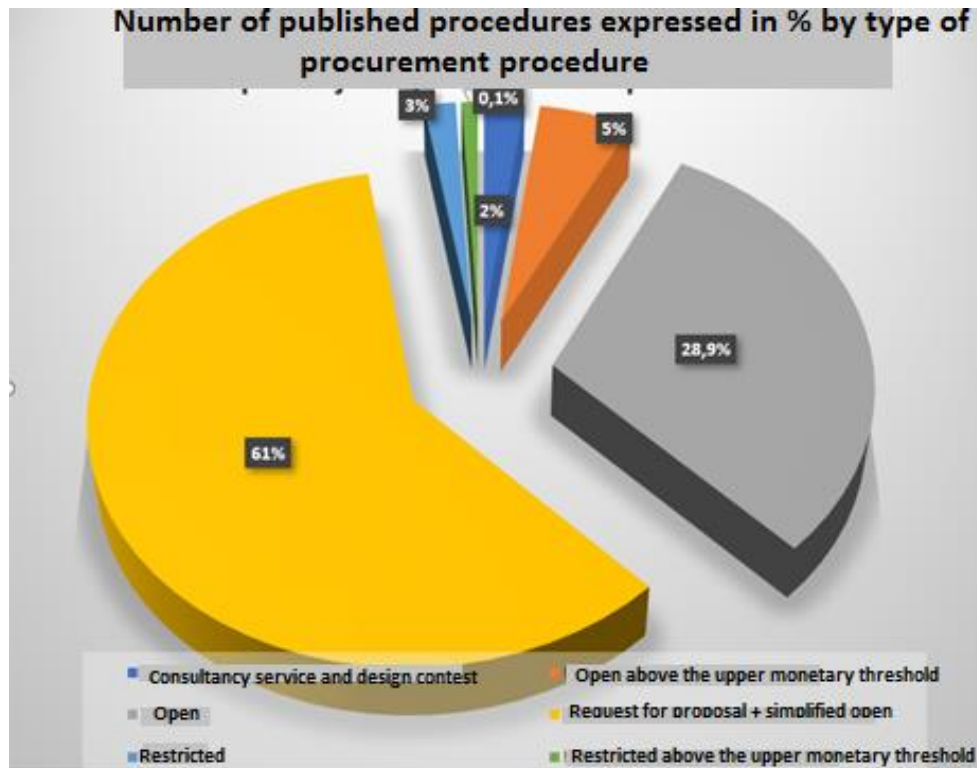
<b>The total number of published procedures broken down by the type of procedures January-December 2021</b>	
Total number of published procedures	<b>5,079</b>



The total limit fund of published procedures (Value in Albanian Leks without Value Added Tax)	<b>149,320,420,249</b>
Number of consultancy service and design contest procedures	98
Limit fund of consultancy service and design contest procedures (value in Albanian Leks)	3,356,417,307
Number of open procedures above the upper monetary threshold	280
Limit fund of open procedures above the upper monetary threshold (value in Albanian Leks)	60,320,831,429
Number of open procedures	1,452
Limit fund of open procedures (value in Albanian Leks)	56,079,357,875
Number of request for proposal procedures	1,340
Limit fund of request for proposal procedures (value in Albanian Leks)	3,975,850,520
Number of simplified open procedures	1,758
Limit fund of simplified open procedures (value in Albanian Leks)	5,438,168,128
Number of restricted procedures without including reconstruction	6
Limit fund of restricted procedures (value in Albanian Leks) without including reconstruction	770,879,530
Number of restricted procedures above the upper monetary threshold without including reconstruction	0
Limit fund of restricted procedures above the upper threshold (value in Albanian Leks) without including Reconstruction	0
Number of restricted procedures (reconstruction only)	142
Limit fund of restricted procedures (value in Albanian Leks) (reconstruction only)	15,767,419,365
Number of restricted procedures above the upper monetary threshold (reconstruction only)	3
Limit fund of p restricted procedures above the upper monetary threshold (value in Albanian Leks) (reconstruction only)	3,611,496,095

The following graph shows the percentage of the number of public procurement procedures, broken down by type of procedure, conducted in the Electronic Procurement System in 2021:

**Graph 6**



The above data suggest that the “Request for proposal” and “Simplified Open” procedures take up the largest number of procedures with 3098 published procedures or 61% of the total number of published procedures.

Moreover, regarding other types of procedures, it turns out that the “Open” procedure takes up 28.9% of the total number with 1452 published procedures, the “Open above the upper monetary threshold” procedure takes up 5% of the total number with 280 published procedures , the "Consultancy Service" procedure takes up 2% of the total number with 98 published procedures, the "Restricted including reconstruction" procedure takes up 3% of the total number with 148 published procedures and the "Restricted above the threshold including reconstruction" procedure takes up only 0.1% of the total number with 3 published procedures.

The following table presents the percentage of the Limit Fund of public procurement procedures conducted in the Electronic Procurement System in 2021, broken down by type:



Table 7

Type of procedure	Limit fund by type of procedures	% of the limit fund of procedures by type versus the total
Open	56,079,357,875	38.0%
Open above the upper monetary threshold	60,320,831,429	40.3%
Request for proposal	3,975,850,520	2.5%
Simplified open	5,438,168,128	3.6%
Consultancy service & design contest	3,356,417,307	2.2%
Restricted (Not reconstruction)	770,879,530	0,5%
Restricted (Reconstruction only)	15,767,419,365	10.5%
Restricted above the upper threshold (Not reconstruction)	0	0.0%
Restricted above the upper threshold (Reconstruction only)	3,611,496,095	2,4%
<b>TOTALI</b>	<b>149,320,420,249</b>	<b>100,0%</b>

According to the above data, the "Open procedure above the upper monetary threshold" with a limit fund of 60,320,831,429 Albanian Leks without VAT, or 40.3% of the total limit fund of the published procedures, takes up the largest percentage of the limit fund of public procurement procedures, broken down by type of procedures conducted in 2021, while the "Request for Proposal together with the Simplified Open procedure" take up the largest number of procedures with 3,098 procedures.

If compared to 2020 when the "Open procedure above the upper monetary threshold" had a limit fund of 47,780,228,294 Albanian Leks without VAT, as we mentioned above, it turns out that the limit fund of the "Open procedure above the upper monetary threshold" (60,320,831,429 Albanian Leks) published in 2021 is 24% higher than in 2020.

Referring to the above analyses, it turns out that this fact has occurred due to changes in monetary thresholds, something which has resulted in the procurement of more funds than any other year with competitive procedures above the upper monetary thresholds.

### 2.3.3. Statistics on procurement procedures published and continued during 2021, by 3 months

Data about the number of public procurement procedures published in the Electronic Procurement System in 2021 and the respective limit funds, broken down into 3 months are presented in a table form as follows:



Table 8

Publication of statistics of the procurement procedures, broken down into quarters, which continued in 2021					
No.	Description	Number of published procedures /lots	Limit fund in Albanian Leks (without Value Added Tax)	% of the number of procedures /lots of the quarter versus the total	% of the limit fund of the quarter versus the total
1	Publications of procurement procedures in the Electronic Procurement System - first quarter of 2021	1423	39,397,630,318	35,2%	
2	Publications of procurement procedures in the Electronic Procurement System - Second Quarter of 2021	736	37,338,801,216	18,2%	
3	Publications of procurement procedures in the Electronic Procurement System Third Quarter of 2021	752	25,950,005,826	18,6%	
4	Publications of procurement procedures in the Electronic Procurement System - Fourth Quarter of 2021	1126	28,013,931,645	28,0%	21,4%
5	<b>TOTAL</b>	<b>4037</b>	<b>130,700,369,005</b>	<b>100%</b>	<b>100%</b>

The above data indicate that the 1<sup>st</sup> and 4<sup>th</sup> quarters have the highest number of published and continued procedures, thus accounting for 63, % of the total procedures. Likewise, the limit fund of published and continued procedures in the 1<sup>st</sup> and 2<sup>nd</sup> quarters accounted for 58.8% of the total.

The existence of a higher number of procedures published in the 1<sup>st</sup> and 4<sup>th</sup> quarters is explained by the fact that new procedures for 2021 are opened in the 1<sup>st</sup> quarter, while new procedures are opened for next budget year in the 4<sup>th</sup> quarter.



#### 2.3.4. Statistics on the number of contract notices about procurement procedures published during 2021, compared to 2020.

The number of procurement contract notices published by the type of contract for 2021, compared to 2020 is presented as follows:

**Table 9**

<b>Comparing of competitive procedures publication in 2020 vs. 2021 by type of contract</b>		
<b>Year</b>	<b>2020</b>	<b>2021</b>
Services	1,571	1,421
Supplies	3,780	2,575
Works	1,089	1,083
Total number of procedures	6,440	5,079
Total value of the limit fund	264,072,258,684	149,320,420,249

The number of procurement procedure notices in 2021 by type of procedure compared to 2020 is presented as follows:

**Table 10**

<b>Number of competitive procedure notices of 2020 compared to 2021 by type of procurement procedure</b>		
<b>Type of procedure</b>	<b>2020</b>	<b>2021</b>
Open Procedure	1954	1452
Open above the Upper Monetary Threshold	332	280
Request for Proposal	3842	1340
Simplified Open	0	1758
Consultancy Service + Design Contest	142	98
Restricted (Not Reconstruction)	3	6
Restricted for Reconstruction	110	142
Restricted above the Upper Threshold (No Reconstruction)	40	0
Restricted above the Upper Threshold (International for Reconstruction)	17	3
Number of Procedures	<b>6440</b>	<b>5079</b>
Total value of the limit fund	264,072,258,684	149,320,420,249

What is noticed when looking at the data of this table is the fact that there is a smaller number of procedures published in 2021 (5,079) compared to 2020 when (6,440) were published.

Likewise, the limit fund of procedures published in 2020 (264,072,258,684 Albanian Leks without VAT) is significantly higher than the limit fund of procedures published in 2021 (149,320,420,249 Albanian Leks without VAT).

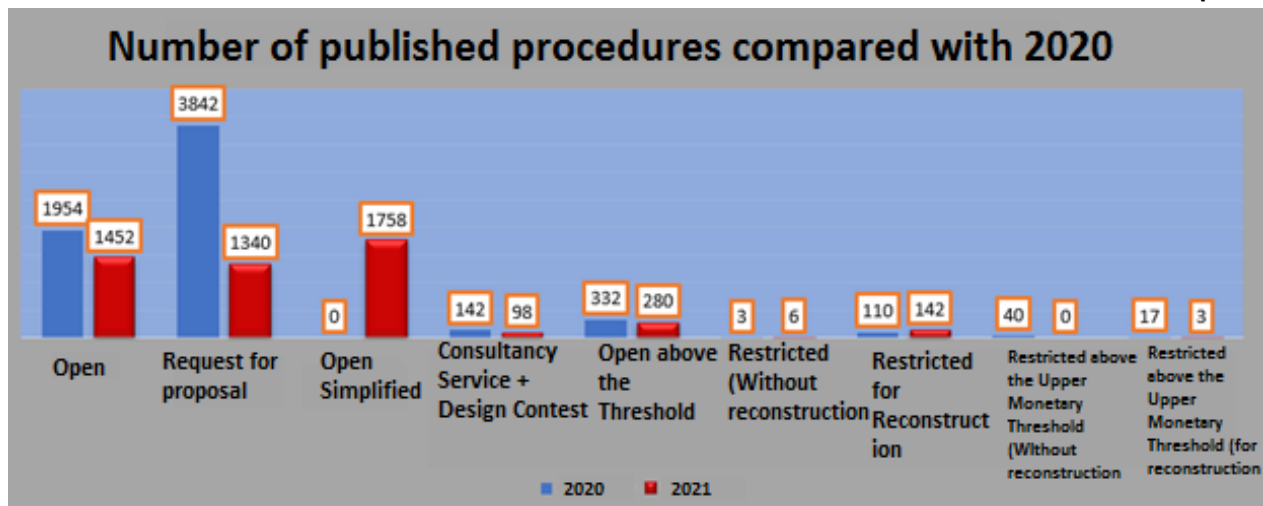


The significant reduction of the fund published for procurement during 2021 reflects the reduction of the need to conduct procedures related to coping with the consequences of the November 2019 earthquake and the Covid-19 pandemic, which were significant during 2020.

145 “Restricted” and “Restricted above the upper monetary threshold” procedures were published in 2021, with a total limit fund of 19,378,915,460 Albanian Leks, while the scope of these procedures included mainly the services of supervision or testing of works that were carried out in the frame of the reconstruction process.

The following graph shows the number of procedures published by type of procedure, respectively comparing 2020 and 2021.

Graph 7



The data about the values of the limit fund for the procedures published in 2021 compared to the values of the limit fund for the procedures published in 2020 are presented in the following table:

Table 11

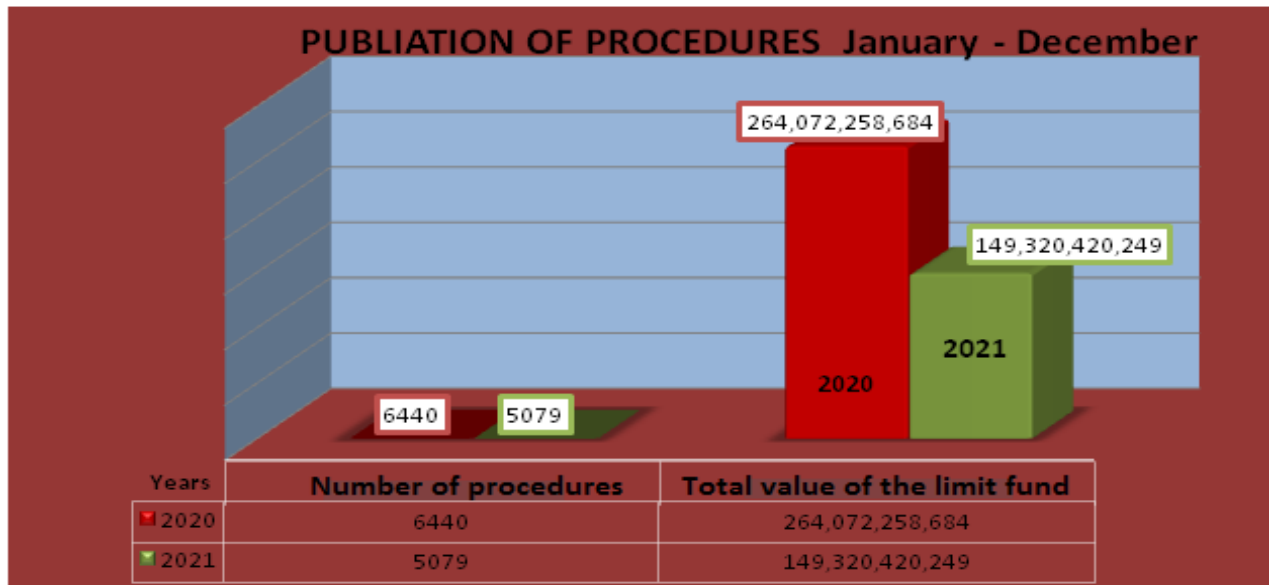
Limit fund values of competitive procedure notices Comparing of 2020 with 2021 by type of procurement procedure		
Type of procedure	2020	2021
Open Procedure	123,247,664,809	56,079,357,875
Open above the Upper Threshold	47,780,228,294	60,320,831,429
Request for Proposal	8,235,601,242	3,975,850,520
Simplified Open	0	5,438,168,128
Consultancy Service + Design Contest	2,870,217,730	3,356,417,307
Restricted (Not Reconstruction)	186,289,623	770,879,530
Restricted to Reconstruction	8,914,808,768	15,767,419,365
Restricted above the Upper Threshold (Not Reconstruction)	10,419,821,448	0
Restricted above the Upper Threshold for Reconstruction	62,417,626,770	3,611,496,095
<b>Total value of the limit fund</b>	<b>264,072,258,684</b>	<b>149,320,420,249</b>



The analysis of comparative values presented in the table above show that there is a decrease in the value procured in 2021 compared to that procured in 2020. It should be noted that this decrease of the value is explained by the significant impact of the use of a large number of Framework Agreements of more than 1 year in addition to coping with the situation reconstruction from the earthquake and pandemic in 2020.

The graph below shows in a comparative way the number of published procedures and the values of the limit fund, respectively for 2020 and 2021.

**Graph 8**



The table and graph below show in detail the number of procedures published respectively in the period of January - December 2020 and January - December 2021, by months.

**Table 12**

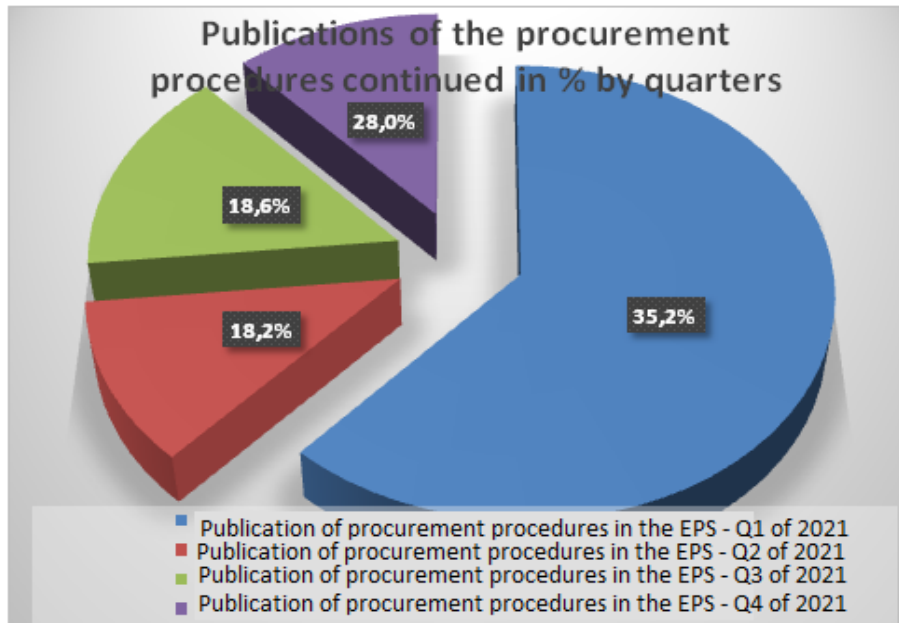
Comparing of the numbers of procedures of 2020 versus 2021 published in the Electronic Procurement System		
Year	2020	2021
January	194	291
February	600	629
March	633	794
April	377	249
May	362	327
June	716	339
July	729	314
August	634	390
September	583	381
October	666	427
November	419	521
December	527	417
<b>Total</b>	<b>6440</b>	<b>5079</b>



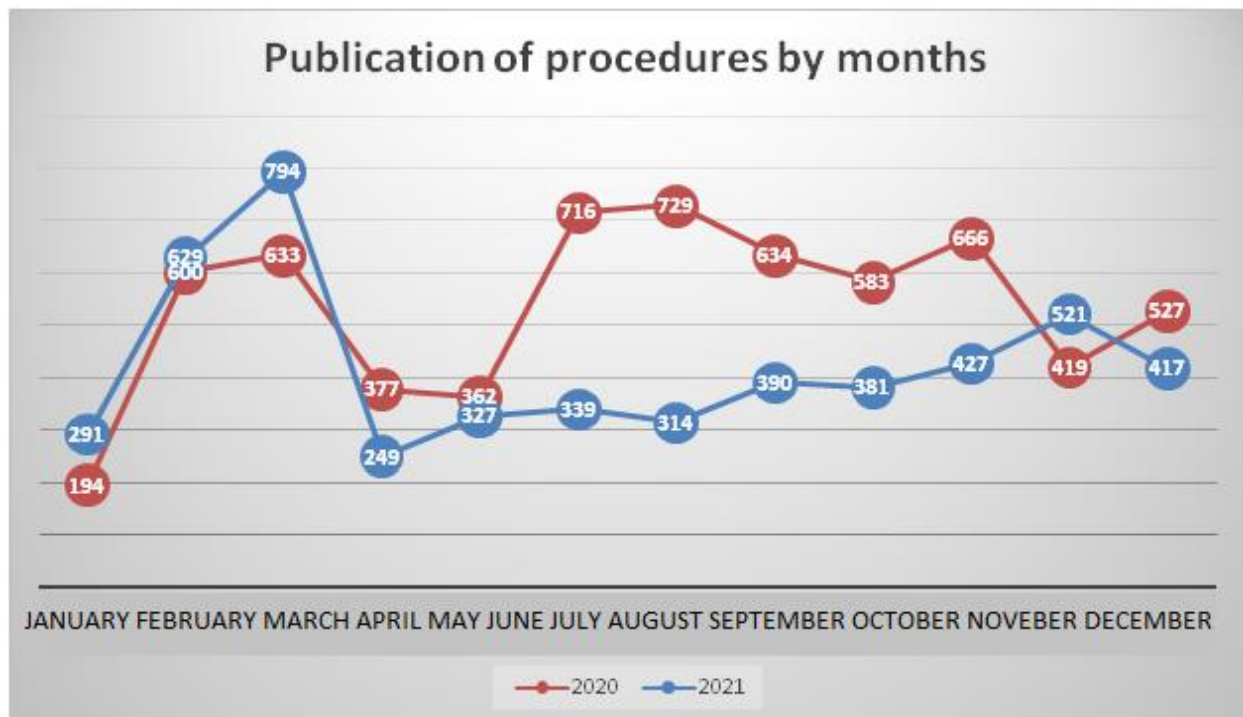


The following graph shows the percentage of publication of public procurement procedures in the Electronic Procurement System in 2021 by 3 quarters:

Graph 9



Graph 10



The above graphs show that there is an increase in the efficiency of the process where the distribution of procedures by months has returned to normal, while their largest number belongs to the first 6 months of the year in contrast to the unclear situation during 2020, when conducting of procedures was shifted to the 2nd quarter of 2020 due to the pandemic situation.



This shows the improvement of planning and timely implementation of procedures, which are conducted in the first 6 months and in the 4th quarter of the year, in order to cover the needs for the following year.

It is worth mentioning that other factors such as computerization of the Forecasts Register have influenced in the identification of these numbers, where the authorities have the obligation to foresee in the relevant elements the time of conducting the procedures and compliance with this planning, thus avoiding frequent changes in the register.

### 2.3.5. Statistics by winner notice

This part of the report will provide the respective data regarding the publication of the winners' notices in the Electronic Procurement System and these data will be analyzed.

The total number of winner notices of the procurement procedures published during 2021 in the Electronic Procurement System, by type of contract including service, supply, works, is 4,078 (490 less than in 2020 when 4,568 procedures were concluded with winners).

The lower number of winner notices is also related to the lower number of published procedures during 2021 (where 5,079 procedures were published), compared to the procedures published in 2020 (where 6,440 procedures were published).

Additionally, this decrease in the number of procedures concluded with winner notice reflects the positive effects that the use of the "Framework Agreement" has brought with multiyear time limits foreseen for the objects (supplies/works/service).

#### 2.3.5.1 Statistics about the number of winner notices published during 2021, by type of contract

The data about electronic procurement procedures, broken down by type of contract, conducted and concluded with winners in the system during 2021, are presented in a table form as follows:

**Table 13**

Number of winner notices published by type of contract 2021					
Services		Supplies		Public works	
Type of procedure	Number of winner notices	Type of procedure	Number of winner notices	Type of procedure	Number of winner notices
Open procedure	343	Open procedure	590	Open procedure	486
Open above the upper threshold	41	Open above the upper threshold	54	Open above the upper threshold	10
Request for Proposal	397	Request for Proposal	628	Request for Proposal	234
Simplified Open	307	Simplified Open	530	Simplified Open	216
Consultancy Service and Design Contest	107	Consultancy Service and Design Contest	0	Consultancy Service and Design Contest	0
Restricted (Not Reconstruction)	1	Restricted (Not Reconstruction)	0	Restricted (Not Reconstruction)	0



Restricted above the Upper Threshold (Not Reconstruction)	65	Restricted above the Upper Threshold (Not Reconstruction)	0	Restricted above the Upper Threshold (Not Reconstruction)	57
Restricted (Reconstruction)	8	Restricted (Reconstruction)	0	Restricted (Reconstruction)	0
Restricted above the Upper Threshold (Reconstruction)	0	Restricted above the Upper Threshold (Reconstruction)	1	Restricted above the Upper Threshold (Reconstruction)	3
<b>TOTAL</b>	<b>1,269</b>	<b>TOTAL</b>	<b>1,803</b>	<b>TOTAL</b>	<b>1,006</b>

The data of the table indicate that the highest number of winners belongs to the contracts of supplies with 1,803 winners or 44.2% of the total winners, then "Services", with 1,269 winners or 31.1% of the total winners, as well as "Public works", with 1,006 winners or 24.7% of the total winners.

### 2.3.5.2. Statistics about the number of winners' notices published in 2021, by type of procurement procedure

Winner notices by type of procedure, the procured limit fund and the awarded value for the 2021 procedures are presented as follows:

**Table 14**

Data about procurement procedures conducted and concluded with winners January -December 2021						
Types of procedures	Total Number of Procedures	Total limit fund published (value in Albanian Leks)	Total offered value (gained) (value in Albanian Leks)	% which the offered fund takes up versus the published limit fund	Total fund saved (value in Albanian Leks)	% which the saved fund takes up versus the published limit fund
Open Procedure	1,419	78,903,907,592	73,378,365,847	93,0%	5,525,541,745	7,0%
Open above the upper monetary threshold	105	52,740,866,198	48,779,720,655	92,5%	3,961,145,545	7,5%
Request for Proposal	1,259	3,948,061,497	3,499,873,325	88,7%	448,188,172	11,3%
Simplified Open	1,053	3,578,344,587	3,132,362,411	87,4%	445,982,176	12,6%
Consulting Service and Design Contest	107	2,832,628,446	2,582,739,645	91,2%	249,888,800	8,8%
Restricted (Not Reconstruction)	1	48,826,042	48,826,042	0	0	0
Restricted (Reconstruction Only)	122	13,942,536,181	13,840,337,658	99,3%	102,198,523	0,7%
Restricted above the Upper Threshold (Not Reconstruction)	8	5,155,131,012	5,155,131,012	0	0	0
Restricted above the Upper Threshold (Reconstruction only)	4	28,005,153,903	28,005,153,903	0	0	0
<b>TOTAL</b>	<b>4,078</b>	<b>189,155,455,459</b>	<b>178,422,510,498</b>	<b>94,3%</b>	<b>10,732,944,961</b>	<b>5,7%</b>

The above data indicate that the highest value of savings versus the published limit fund rest with the "Open Procedure", which takes up the largest percentage by 51% of the total value saved in competitive procedures above the monetary threshold for small value procurements.

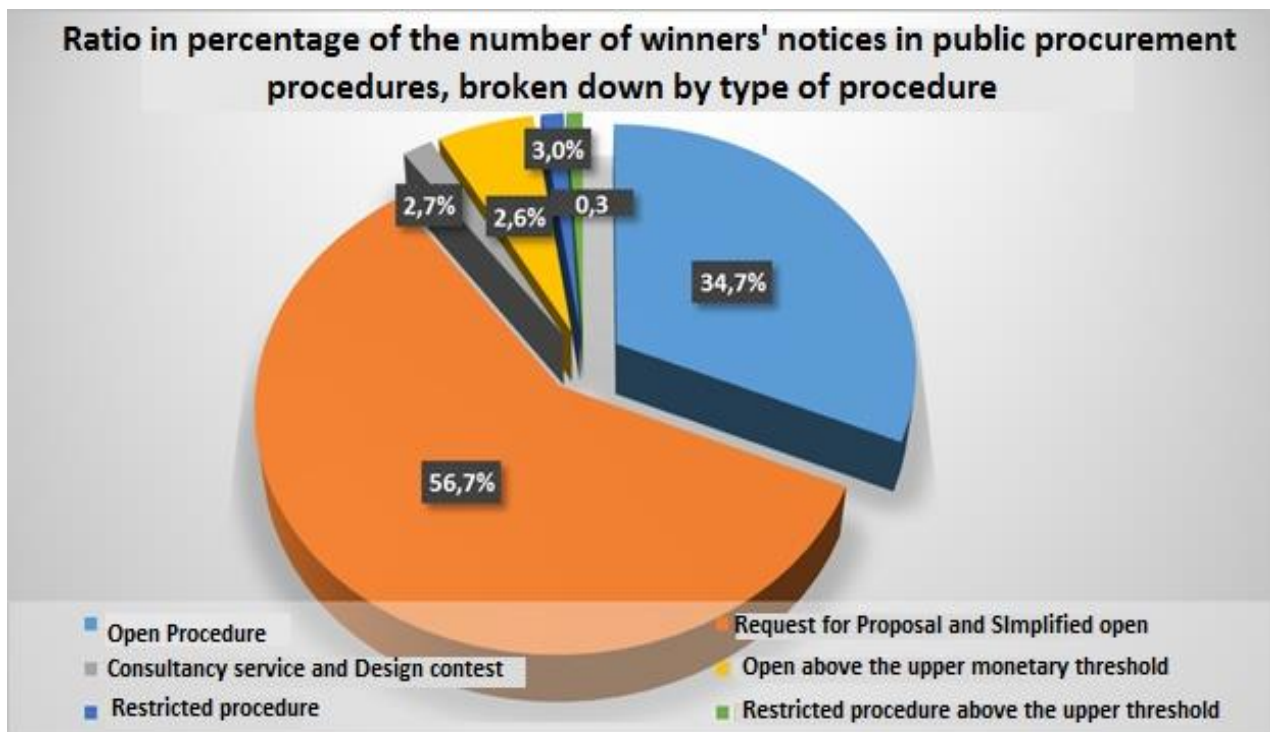


Regarding the low percentage of savings of the limit fund found in "Restricted" and "Restricted above the upper monetary threshold" procedures, it should be noted that it's mainly Framework Agreements with a duration of more than one year that are procured through these procedures. In addition, in order to execute these Framework Agreements, it's necessary for the responsible Contracting Authority to conduct call-offs depending on the needs that the Contracting Authority has throughout the duration of the Framework Agreement.

In this sense, the real value of the Framework Agreement can't be measured with one-year data, but it can only be calculated at the end of its validity period by means of calculating also the fund saved after signing the call-offs.

The following graph presents the ratio in percentage of the number of winners' notices in public procurement procedures, broken down by type of procedure, conducted in the Electronic Procurement System in 2021.

Graph 11



Regarding the number of winners notices published in 2021, the above data, show that the "Request for Proposal and Simplified Open" procedure takes up the largest number of procedures with 2,312 published winner notices or 56.6 % of the total number of announced winners.

Meanwhile, the table above shows that the highest awarded value rests with the open procedure followed by the open procedure above the upper monetary threshold and restricted above the upper monetary threshold procedure for reconstruction.

### 2.3.5.3. Statistics about the number of winner notices published during 2021 compared to 2020

The table and graph below provide statistical data regarding the winner notices of 2021 compared to 2020.

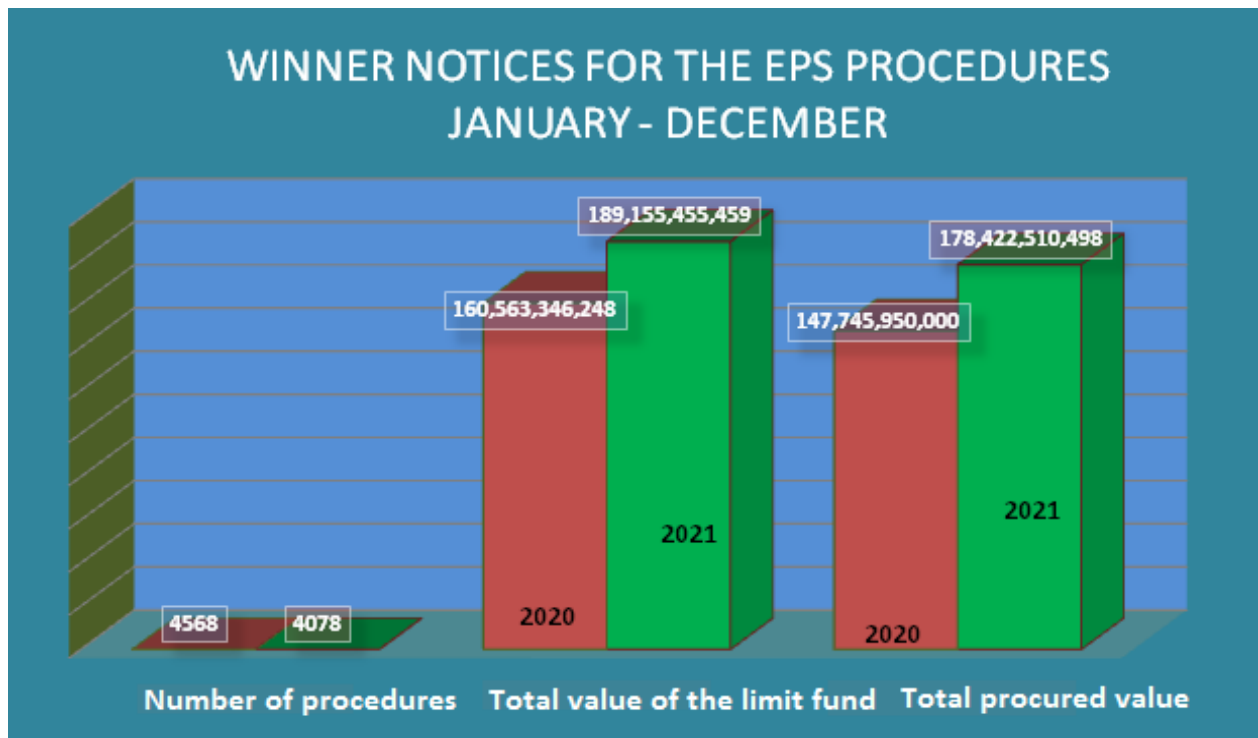


**Table 15**

Comparing of the number of winner notices published in the EPS in 2020 vs. 2021		
Year	2020	2021
Number of procedures	4,568	4078
Total value of the fund limit	160,563,346,248	189,155,455,459
Total procured value	147,745,950,000	178,422,510,498

The graph below provided statistical data regarding the winner notices of 2021 compared to 2020.

**Graph 12**



The table and graph below show in detail the number of the winner notices published in the Electronic Procurement System, respectively in the period of January - December 2021 and January - December 2020, by months.

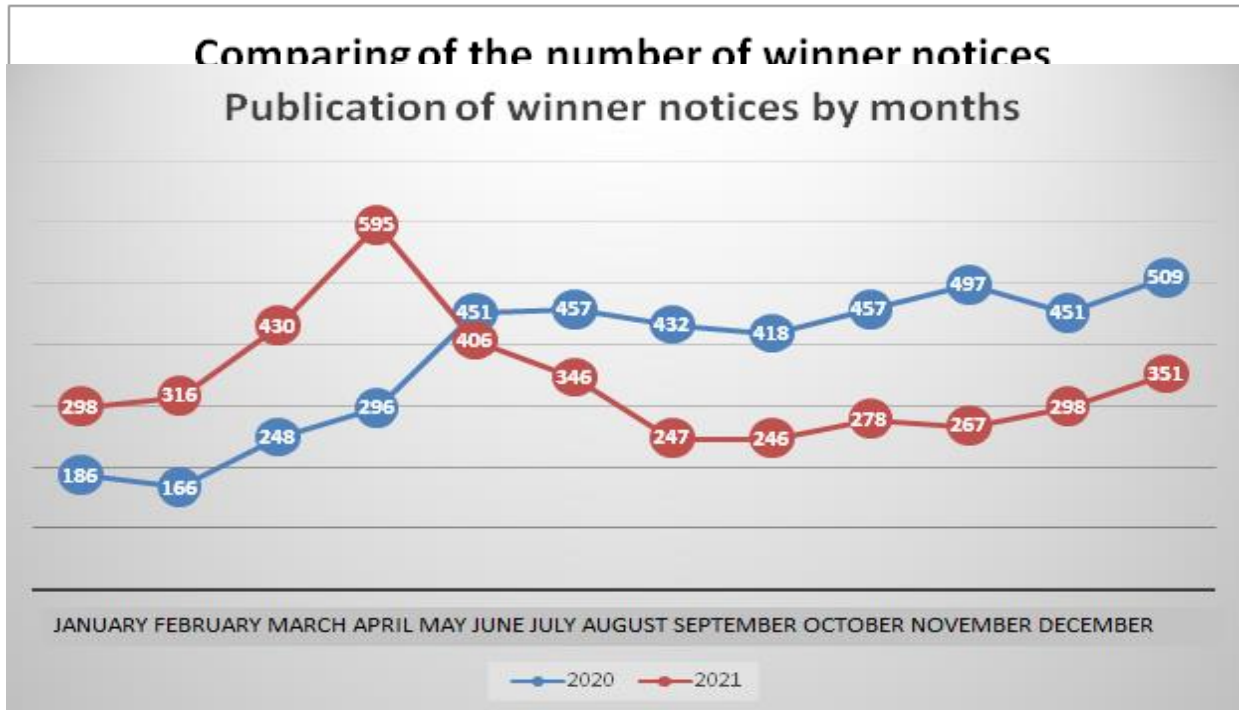
**Table 16**

Comparing of the number of winner notices published in the Electronic Procurement System 2020 vs. 2021		
Year	2020	2021
January	186	298
February	166	316
March	248	430
April	296	595
May	451	406
June	457	346
July	432	247
August	418	246



September	457	278
October	497	267
November	451	298
December	509	351
<b>Total</b>	<b>4568</b>	<b>4,078</b>

Graph 13



Graph 14

The above data show that the largest number of winner notices in 2021 was published during the first 6 months of the year. This is related to the increase in the number of contract notices published at the end of 2020 to meet the needs of 2021. These data are indicative of the enhanced performance of the procurement system in general, which reflects the improvement of the procedures planning and their implementation on time.

#### 2.3.5.4. Statistics about the criteria provided by law regarding the evaluation of the winning bid for the procedures finalized with winner notice during 2021

The adoption of new procurement legislation brought a significant change in terms of evaluation criteria by defining the most economically advantageous tender as the basic criterion, which can be identified on the basis of price (lowest price) or on the basis of cost (based on price-quality ratio).

PPA has analyzed the use of the above criteria for the evaluation of the winning bid during 2021 and the data of this analysis are presented in the following table:

Table 17

Statistics about procedures awarded through the most economically advantageous tender based on cost in 2021
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No.	Description	No. of procedures/Lots	Limit fund in Albanian Leks without VAT	Procured fund in Albanian Leks without VAT	% Number of relevant procedures vs. the total	% Relevant limit fund vs. the total	% of the respective gained value vs. the total
1	Procedures awarded based on the most economically advantageous tender based on cost - in 2021	242	87,740,789,642	83,762,521,783	5,9%	46,4%	46,9%
2	Procedures awarded based on the most economically advantageous tender based on the lowest price – in 2021	3836	101,414,665,817	94,659,988,715	94,1%	53,6%	53,1%
	<b>TOTAL</b>	<b>4078</b>	<b>189,155,455,459</b>	<b>178,422,510,498</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Concerning the number of awarded procedures, for which the most economically advantageous cost-based tender was used, the above data indicate that there is an increase compared to previous years, but still, these constitute only 5.9% of the total number of awarded procedures.

On the other hand, these procedures constitute 46.4% of the awarded procedures in terms of value compared to the total procured fund, thus indicating that this criterion has been used more obviously in procurement procedures with significant values. It is worth noting that according to the laws in force it is mandatory to use this type of criterion for the procedures related to the reconstruction process and for some other procurement procedures.

**Table 18**

<b>Type of procedures with the most economically advantageous tender in 2021</b>	
Type of procedure	Number of procedures
Consultancy service	80
Negotiated without prior publication of the contract notice	2
Open above the upper monetary threshold	20
Open	16
Open simplified	1
Restricted above the upper monetary threshold	3
Restricted	120

The table above shows that “Restricted” and “Consultancy Service” procedures constitute the highest number of procedures, in which the most economically advantageous tender based on cost has been applied as the evaluation method.

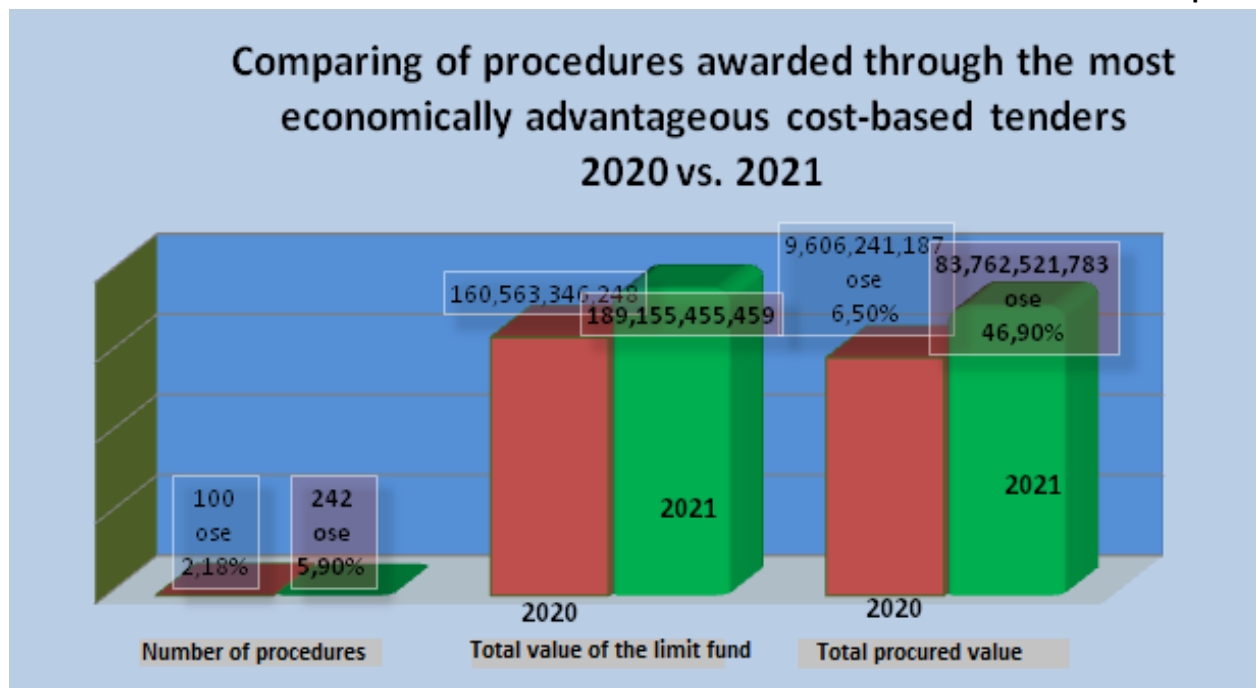


The table and graph below show the comparison of the numbers and values of the limit fund and the winners for the procedures awarded based on the most economically advantageous tender, respectively in the periods of January - December 2021 and January - December 2020.

**Table 19**

Comparing of procedures awarded based on the most economically advantageous tender in 2020 compared to 2021		
Year	2020	2021
Number of procedures	100	242
Total value limit fund	9,651,675,070	87,740,789,642
Total procured value	9,606,241,187	83,762,521,783

**Graph 15**



Compared to 2020, there is an increase of the use of the most economically advantageous cost-based tender as an evaluation criterion, which is significant in terms of value.

Specifically, the number of procedures awarded in 2021 through the most economically advantageous cost-based tender is **242 or 5.9%** of the total number of procedures completed with winners, while the number of procedures awarded in 2020 through the most economically advantageous tender was **100 or 2.18%** of the total procedures completed with winners.

The value of procedures awarded in 2021 through the most economically advantageous cost-based tender is **83,762,521,783 Albanian Leks in value terms, or 46.9%** vs. the total value declared as a winning one, while the value of procedures awarded in 2020 through most economically advantageous tender was **9,606,241,187 Albanian Leks or 6.50%** vs. the total value declared as a winning one.





Such an increase comes also as a result of legal changes and the definition in law of the obligation of contracting authorities to use the most economically advantageous tender, as well as to use, where possible, criteria related to environmental protection, life cycle of products etc., thus making them more aware of the benefits, which the use of this criterion brings.

### 2.3.6. Statistics about signed contracts

This part of the report will provide the respective data related to the publication of signed contract notices and Framework Agreements in the Electronic Procurement System, as well as these data be analyzed.

4,185 (742 contracts more than in 2020 where there were 3,443 signed contracts) is the total number of signed contract notices and framework agreements of procurement procedures conducted during 2021 in the Electronic Procurement System which were published on the official website of the PPA

#### 2.3.5.1 Statistics about the number of signed contract notices and framework agreements in 2021, by type of contract

Signed contracts notices and framework agreements by type of procedures and type of contracts are presented as follows:

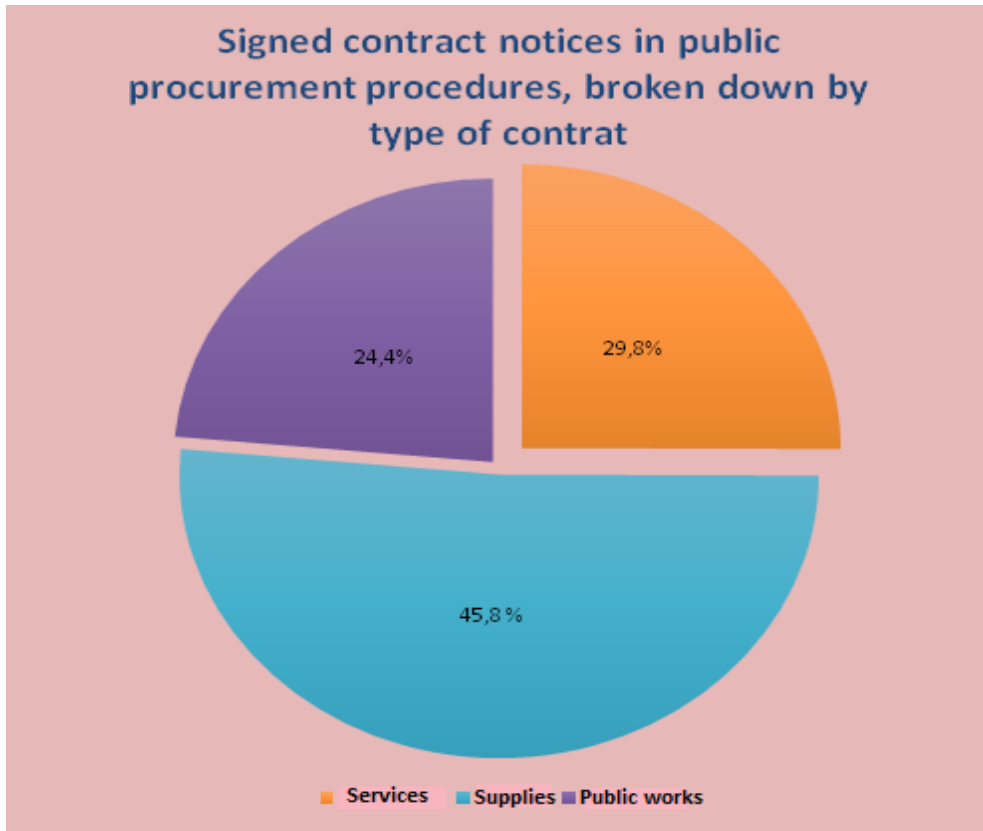
Table 20

Signed contracts notices of January-December 2021					
Services		Supplies		Public works	
Type of procedure	Number of signed contracts	Type of procedure	Number of signed contracts	Type of procedure	Number of signed contracts
Open Procedure	339	Open Procedure	596	Open Procedure	508
Open above the upper monetary threshold	41	Open above the upper monetary threshold	197	Open above the upper monetary threshold	10
Request for Proposal	438	Request for Proposal	717	Request for Proposal	251
Simplified Open	249	Simplified Open	406	Simplified Open	191
Consulting Service and Design Contest	96	Consulting Service and Design Contest	0	Consulting Service and Design Contest	0
Restricted (Not Reconstruction)	2	Restricted (Not Reconstruction)	0	Restricted (Not Reconstruction)	0
Restricted (Reconstruction Only)	65	Restricted (Reconstruction Only)	0	Restricted (Reconstruction Only)	57
Restricted above the Upper Threshold (Not Reconstruction)	18	Restricted above the Upper Threshold (Not Reconstruction)	0	Restricted above the Upper Threshold (Not Reconstruction)	0
Restricted above the Upper Threshold (Reconstruction only)	0	Restricted above the Upper Threshold (Reconstruction only)	1	Restricted above the Upper Threshold (Reconstruction only)	3
<b>TOTAL</b>	<b>1,248</b>	<b>TOTALI</b>	<b>1,917</b>	<b>TOTALI</b>	<b>1,020</b>



The following diagram shows, in %, the number of signed contract notices and framework agreements broken down by type of contract, published in the Electronic Procurement System in 2021.

**Graph 16**



The data provided above indicate that the highest number of signed contracts and framework agreements so far rests with the "Supplies" type with 1,917 contracts or 45.8% of the total contracts, followed by "Service" type with 1,248 contracts or 29.8% of total, as well as "Public works" type with 1,020 contracts or 24.4% of the total.

### 2.3.6.2 Statistics on the number of contract notices and Framework Agreements signed during 2021, by type of procurement procedure

Signed contract notices and Framework Agreements according to the total value and type of procedure are presented as follows:

**Table 21**

Data about procurement procedures concluded with signed contracts 2021						
Types of procedures	Number of signed contracts	Total procured limit fund (value in Albanian Leks without Value Added Tax)	Total awarded value (value in Albanian Leks without Value Added Tax)	% that the awarded value occupies against the procured limit fund	Total saved fund (value in Albanian Leks without Value Added Tax)	% that the saved fund occupies against the procured limit fund
Open Procedure	1,443	84,734,029,718	79,038,695,869	93,3%	5,695,333,849	6,7%



<b>Open above the upper monetary threshold</b>	248	58,602,455,429	54,338,125,398	92,7%	4,264,330,031	7,3%
<b>Request for Proposal</b>	1,406	4,234,912,270	3,764,584,840	88,9%	470,327,430	11,1%
<b>Simplified Open</b>	846	2,857,293,390	2,518,909,247	88,2%	338,384,143	11,8%
<b>Consulting Service and Design Contest</b>	96	1,254,549,790	1,215,696,086	97,0%	38,853,704	3,0%
<b>Restricted (Not Reconstruction)</b>	2	197,649,165	197,649,165	-	-	-
<b>Restricted (Reconstruction Only)</b>	122	13,942,536,181	13,840,337,658	99,3%	102,198,523	0,7%
<b>Restricted above the Upper Threshold (Not Reconstruction)</b>	18	6,579,363,603	6,579,363,603	-	-	-
<b>Restricted above the Upper Threshold (Reconstruction only)</b>	4	28,005,153,903	28,005,153,903	-	-	-
<b>TOTAL</b>	<b>4,185</b>	<b>200,407,943,449</b>	<b>189,498,515,769</b>	<b>94,6%</b>	<b>10,909,427,680</b>	<b>5,4%</b>

As it can be seen from the data analyzed in the above tables, it turns out that the number of signed contracts and Framework Agreements notices, a total of 4,185, is higher than the number of winner notices with a total of 4,078, with a difference of 107 notices between them.

The fact that the number of contracts and framework agreements signed in 2021 is greater than the number of winner notices is explained by the fact that many contracts awarded in 2020 are finalized with the signing of contracts in the following year 2021. This is because the time limit from the moment of declaring the winner up to the conclusion of the contract is 60 days and from the moment of signing of the contract up to the publication of the signed contract notice in the system is 5 days.

The following tables show the data about the number of contracts and framework agreements signed in 2021, the respective limit fund, contracted values and savings in absolute value and in percentage.

**Table 22**

<b>Statistics: Total of Signed Contracts and Agreements in the EPS January - December 2021</b>	
Total number of awarded procedures	4185
Total limit fund	200,407,943,449
Total fund procured	189,498,515,769
% that the procured fund takes up vs. the limit fund	94,6
Total saved fund	<b>10,909,427,680</b>
% that the saved fund takes up vs. the limit fund	5,4
<b>DETAILED</b>	
<b><u>Statistics about the signed Framework Agreements - January - December 2021</u></b>	



Total number of awarded procedures	1132
Total limit fund	52,686,609,638
Total fund procured	51,217,876,345
% that the procured fund takes up vs. the limit fund	97,2
Total saved fund	<b>1,468,733,293</b>
% that the saved fund takes up vs. the limit fund	2,8
<b><i>Statistics only about signed contracts - January - December 2021</i></b>	
Total number of awarded procedures	3053
Total limit fund	147,721,333,812
Total fund procured	138,280,639,424
% that the procured fund takes up vs. the limit fund	93,6
Total saved fund	<b>9,440,694,388</b>
% that the saved fund takes up vs. the limit fund	6,4

In a general overview, we hereby find that the fund of 1,468,733,293 Albanian Leks or 2.8% of the limit fund of Framework Agreements saved for Framework Agreements is lower than the fund of 9,440,694,388 Albanian Leks saved for signed contracts or 6, 4% of the limit fund for these contracts.

Based on these saved percentages, the idea is created that the saving for the signed contracts is over 2 times higher than for the Framework Agreements (2.8%).

In fact, we should note that the procured value of the Framework Agreements is equalized for statistical purposes with the limit fund, especially for those with duration of more than 1 year. This is because several call-offs are signed for 1 (one) Framework Agreement during its execution and the exact value of the Framework Agreement is calculated at the end of the terms, which can range from 1 (one) to 4 (four) years.

On the other hand, the use of Framework Agreements has an advantage in terms of savings, because Contracting Authorities avoid stocks and expiration of products by using call-off, as in the case of medicines, when the materials used for repairs and maintenance are accurately determined, as well as a high quality of supplies and services is guaranteed.

### 2.3.6.3 Statistics about the number of contract notices and FA-s signed in 2021 compared to 2020

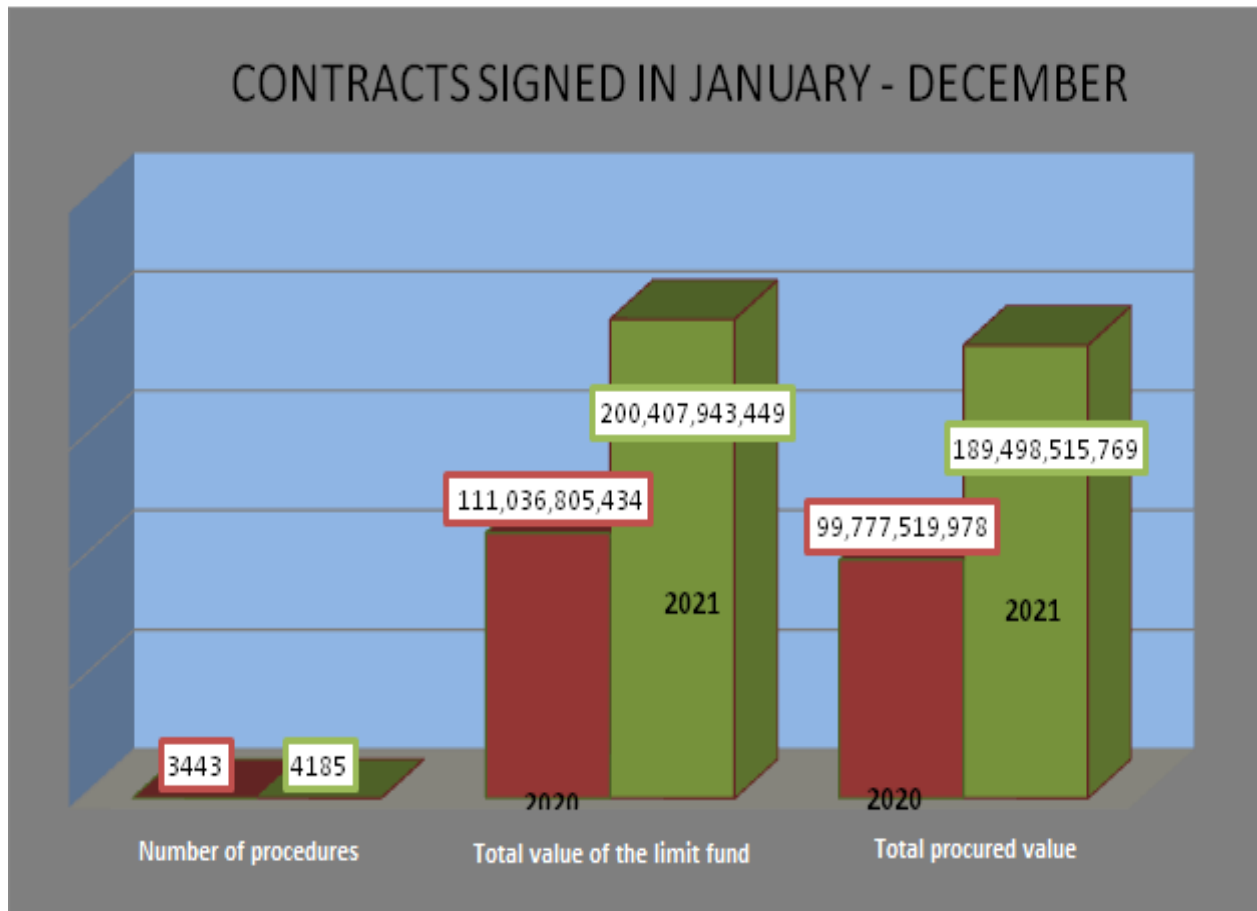
The table and the graph below provide statistical data regarding the signed contract notices and framework agreements of 2021 compared to 2020.

**Table 23**

Comparing of signed contract notices of 2020 vs. 2021		
Year	2020	2021
Number of contracts	3,443	4185
Total value of the limit fund	111,036,805,434	200,407,943,449
Total procured value	99,777,519,978	189,498,515,769



Graph 17



Referring to what is stated above, it is worth noting the fact that 742 contracts and framework agreements were signed in 2021 more than in 2020. In addition, the limit fund and the value of signed contracts and framework agreements in 2021 is much higher than in 2020.

The increase in the number and value of contracts and framework agreements signed in 2021 is explained by the fact that many contracts belonging to procedures, which started in 2020, are finalized by signing a contract in the following year 2021, because the time limit is 60 days from the moment of publishing the winner until at the conclusion of the contract.

The table and graph below show in detail the comparison of the number of signed contract notices and framework agreements published in the Electronic Procurement System, respectively for the period of January-December of 2020 and 2021.

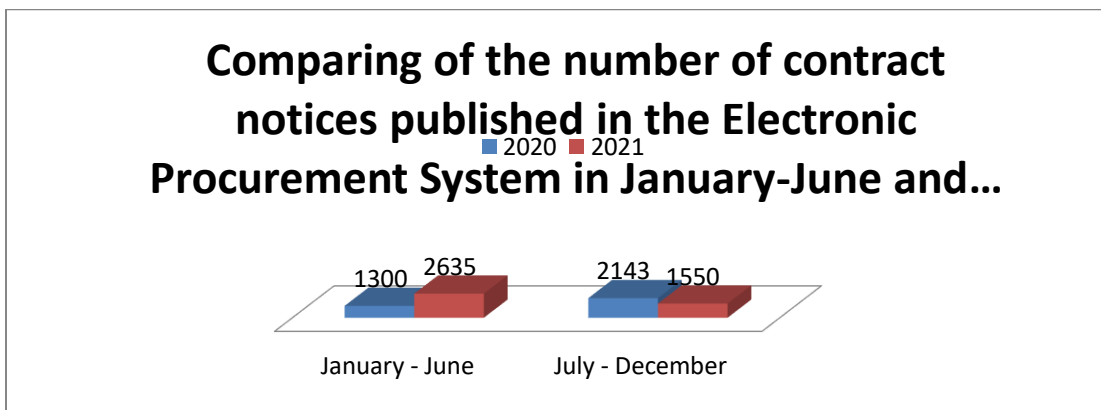
Table 24

Comparing of the number of contract notices published in the Electronic Procurement System 2020 vs. 2021		
Year	2020	2021
January	236	381
February	151	487
March	142	384



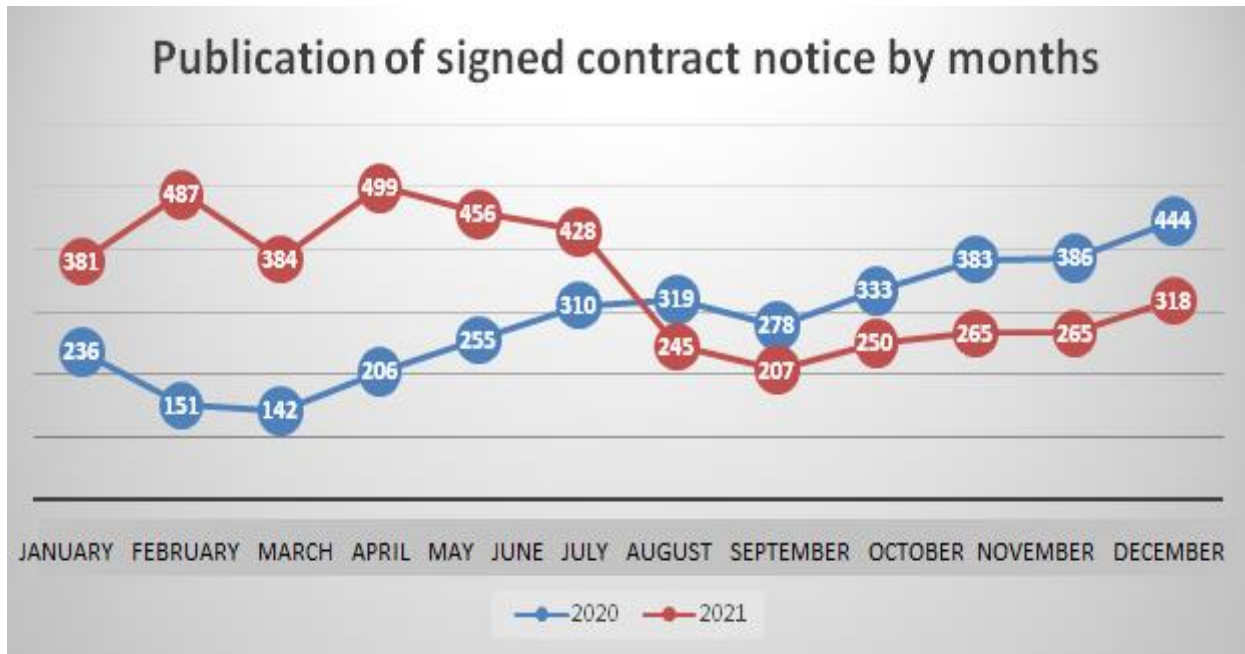
April	206	499
May	255	456
June	310	428
July	319	245
August	278	207
September	333	250
October	383	265
November	386	265
December	444	318
<b>Total</b>	<b>3443</b>	<b>4185</b>

Graph 18





Graph 19



Both, in the case of the winner notices, as well as in the case of the signed contracts and FAs, it turns out that the largest number of signed contract notices were published in the first 6 months of the year due to the increase in the number of publications in end of 2020, thus confirming once again the improvement of the procurement system and the enhancement of the performance of the public procurement system in general.

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

The following table provides data on the number of public procurement procedures conducted in the electronic system (excluding negotiated procedures without prior publication of the contract notice) during 2021, the relevant limit fund, the number of canceled procedures, the number of ongoing procedures, the number of procedures awarded along with the limit fund and the respective fund offered, as well as the saving in percentage.

Table 25

<b>Procurement procedures carried out in the Electronic Procurement System 2021</b>	
Total number of published procedures	5079
The total limit fund of published procedures (value in Albanian Leks)	<b>149,320,420,249</b>
Total number of unfinished (cancelled, etc.) procedures	1042
The total limit fund of the unfinished (cancelled, etc.) procedures (value in Albanian Leks)	18,620,051,244
Total number of procedures that have continued	4037
The total limit fund of procedures that have continued (value in Albanian Leks)	<b>130,700,369,005</b>
Total number of awarded procedures	<b>4078</b>



The total procured limit fund for the awarded procedures (value in Albanian Leks)	189,155,455,459
Total awarded value (value in Albanian Leks)	178,422,510,498
% which the total awarded value occupies against the total procured limit fund	94.3%
Total saved fund (value in Albanian Leks)	<b>10,732,944,961</b>
% that the saved fund occupies against the total procured limit fund	5.7%

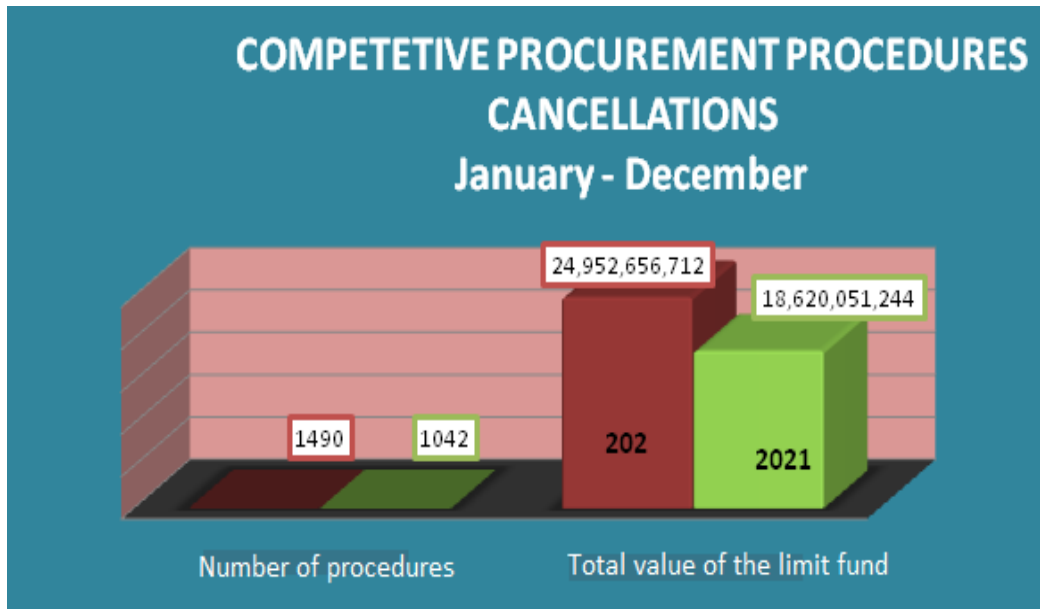
We hereby clarify that the number and limit fund of procedures awarded in 2021 is higher than the number and limit fund of published and continued procedures, due to the fact that declaring of winners has continued in 2021 for procedures published in 2020.

### 2.3.8. Statistics about the number of cancellations of competitive procedures above the monetary threshold for small value procedures during 2021

According to the data presented above, it results that out of 5,079 procedures published in 2021 to be conducted in the Electronic Procurement System, 1,042 of them were canceled with a value of 18,620,051,244 Albanian Leks, while 1,490 procedures with a total value of 24,952,656,712 Albanian Leks were canceled in 2020.

So, as noted, the number and value of procedures canceled in 2021 is lower than the number and value of procedures canceled in 2020. When expressed in percentage, it turns out that the number of procedures canceled in 2021 is 30% less that in 2020.

Graph 20



The analyses of the data show that 395 canceled procedures are lots, which take up 38% of the cancellations of the published procedures. The percentage taken up by the canceled procedures in relation to the detailed publications with and without lots is presented in the following table:



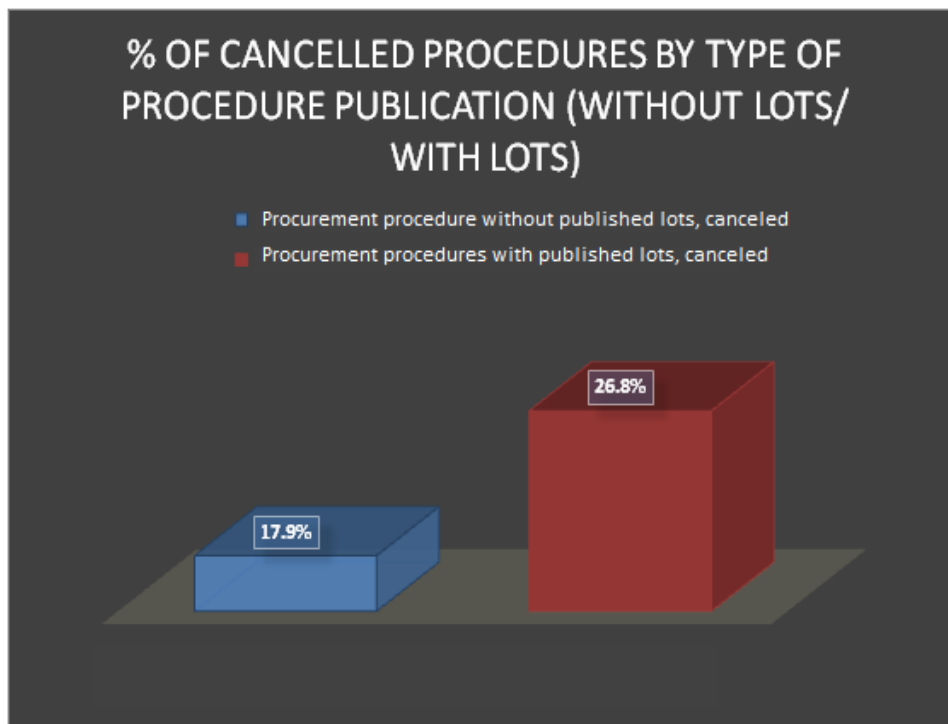


**Table 26**

Type of procedure published in the system	Number
Procurement procedure without published lots	3606
Procurement procedure without published lots, canceled	647
% which the cancelled procedures without lots occupies versus the number of published procurement procedures without lots	17.9 %
Procurement procedures with published lots	1473
Procurement procedures with published lots, canceled	395
% which the cancelled procedures with lots take up versus the number of procurement procedures with published lots	26,8 %

The following graph shows the % of the cancellation of procedures according to the manner of publication of the procedures in the system with lots/without lots for 2021:

**Graph 21**



As mentioned above, it may be noticed that canceled lots account for a higher percentage of procedures with lots published in the system.

Based on the analysis of the scope of the canceled procedures, it results that over 57% of the cancellations of the procedures with lots belong to the procedures of purchasing medicines and health service supplies. These cancelled procedures include mainly those lots, which involve procurement of quantities of small values medicines. A significant part of the cancelled procedures includes those procedures belonging to the transport service for teachers and students.

Moreover, about 52 procedures/lots are canceled before the deadline of bids opening. This constitutes about 5% of the total cancellations. These cancellations result mainly from the errors committed by the



Contracting Authorities when completing/performing the steps of the procedure in system, or due to the changing of priorities of their work.

Although the number of cancelled procedures has decreased in 2021, work should continue with the Contracting Authorities to take measures to avoid as much as possible the problems that lead to the cancellation of procurement procedures, in order to enhance the efficiency of the process.

The analysis of the data shows the results according to the definitions made in the Electronic Procurement System by the Contracting Authorities regarding the cancellations of the published competitive procedures according to the legal reasons defined in the legislation:

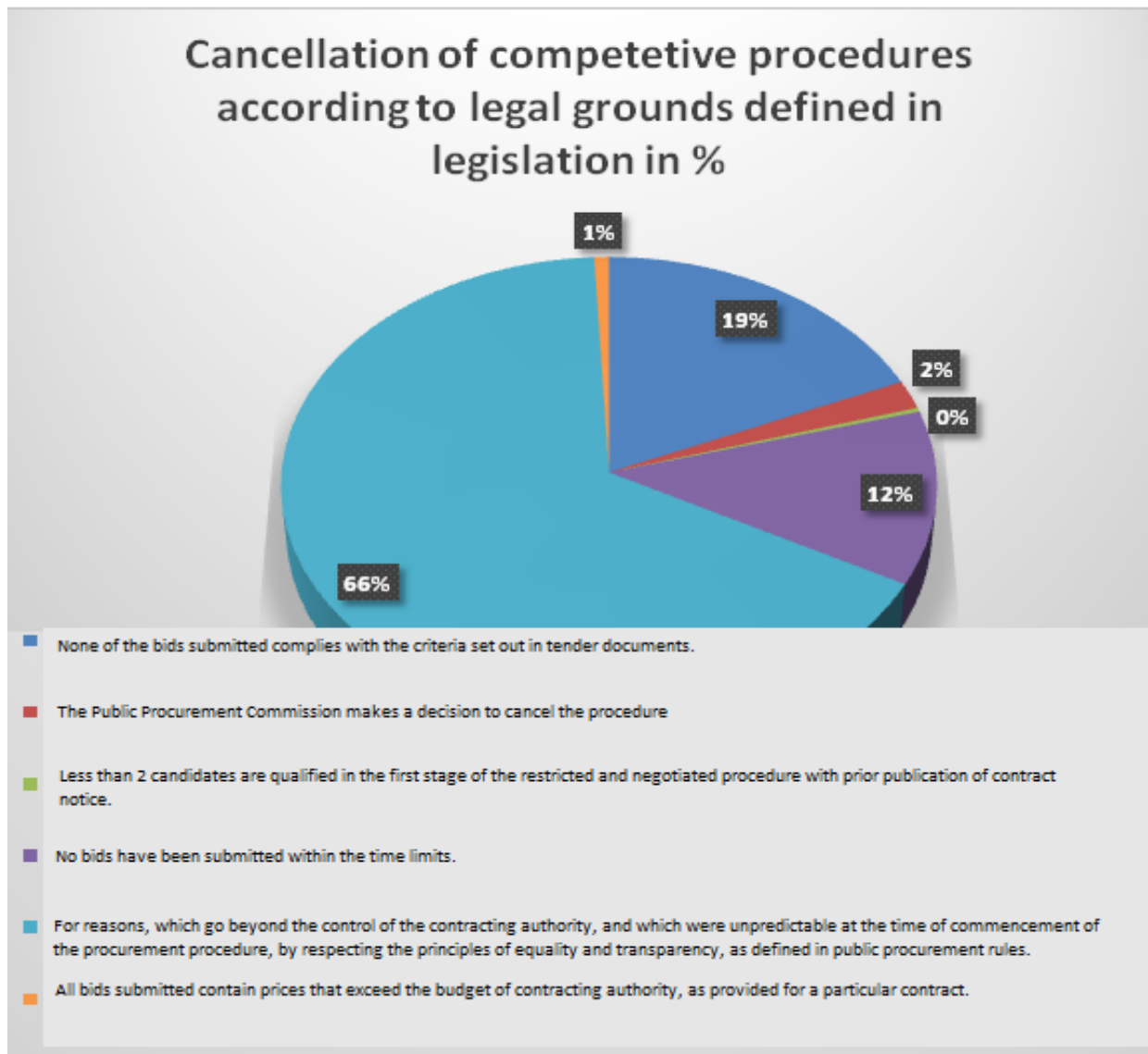
**Table 27**

<b>Reasons of the cancellation declared in the system for canceled procedures related to procurement above the monetary threshold for small value procurement procedures</b>	<b>Number of cancelled procedures</b>
None of the bids submitted complies with the criteria set out in tender documents.	191
The Public Procurement Commission makes a decision to cancel the procedure	21
Less than 2 candidates are qualified in the first stage of the restricted and negotiated procedure with prior publication of contract notice.	3
No bids have been submitted within the time limits.	128
For reasons, which go beyond the control of the contracting authority, and which were unpredictable at the time of commencement of the procurement procedure, by respecting the principles of equality and transparency, as defined in public procurement rules.	691
All bids submitted contain prices that exceed the budget of Contracting Authority, as provided for a particular contract.	8
<b>TOTAL</b>	<b>1042</b>

As it may be noted, the largest number of cancellations has occurred "For reasons, which go beyond the control of the contracting authority, and which were unpredictable at the time of commencement of the procurement procedure" with 691 cancellations, followed by 191 cancellations with the reason "None of the submitted bids complies with the criteria set out in the tender documents", and further with 128 cancellations with the reason "No bid was submitted within the time limits". As we mentioned above, many cancellations are mainly related to the procedures of purchasing medicines and health service materials.



Graph 22



#### 2.4. DATA ON THE NEGOTIATED PROCUREMENT PROCEDURES WITHOUT PRIOR PUBLICATION OF THE CONTRACT NOTICE

Negotiated procedure without prior publication of the contract notice, as provided in Article 47 of Law 162/2020 "On Public Procurement" can be used by Contracting Authorities to meet their needs only in exceptional cases, in special circumstances and only if the conditions provided in this Article are met.

This procurement procedure is conducted by electronic means in accordance with article 17 of law 162/2020 and the Decision of the Council of Ministers No. 384, dated 30 June 2021 "On the form of communication in public procurement procedures".

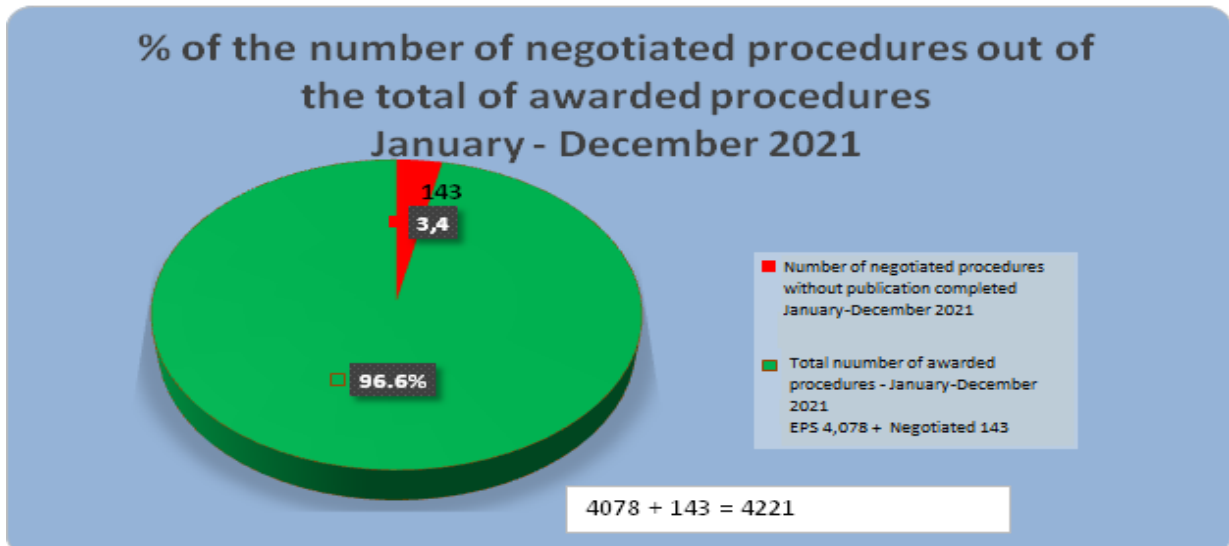
This section analyzes in detail the use of this type of procedure in 2021 versus other procedures, as well as versus other years.



Specifically, the EPS data show that the total number of negotiated procurement procedures without prior publication of the contract notice, which were conducted in 2021, is **143** or 3.4%, of the total number (other procedures + negotiated without publication) of procedures completed with winners out of 416 such accomplished in 2020.

The following graph provides comparative data about the number of procedures awarded through negotiated procedure without prior publication of the contract notice (**143 procedures**) versus the total number of procurement procedures completed with winner (**4,221 procedures**) (other procedures + negotiated without publication).

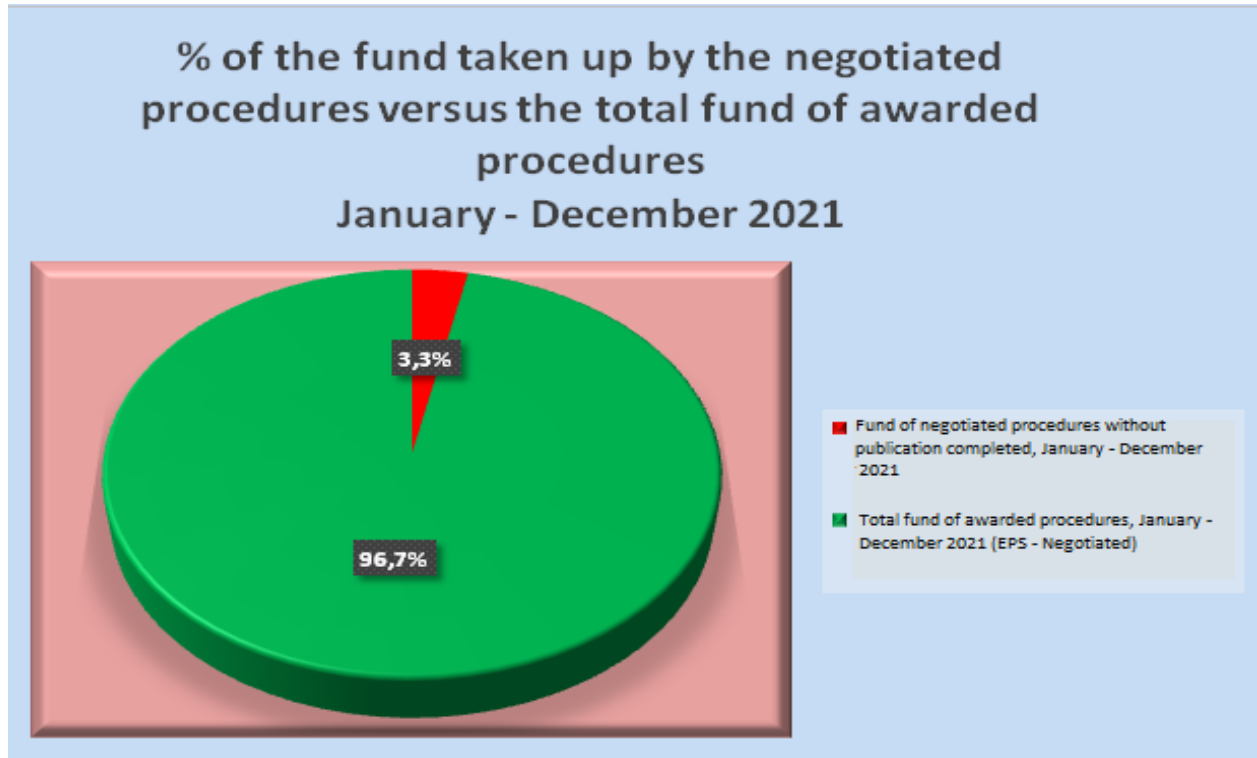
**Graphs 23**



Meanwhile, the value procured through the negotiated procedure without publication is 3.3% versus the procured value (other procedures + negotiated without publication).



Graph 24



The following table provides statistical data regarding negotiated procedures without prior publication of a contract notice for 2021 compared to 2020.

Table 28

<b>Comparing of negotiated procedures without prior publication of a contract notice 2020 vs. 2021</b>		
<b>Year</b>	<b>2020</b>	<b>2021</b>
Number of procedures	416	143
Total value of the limit fund	6,260,950,869	6,512,211,253
Total procured value	5,984,577,084	6,463,162,957

The following table provides statistical data related to negotiated procedure without prior publication of contract notice broken down by contract type in 2021.

Table 29

<b>Procurement negotiated procedures without prior publication of a contract notice January – December 2021</b>		
<b>Type of contract:</b>	<b>No.</b>	<b>Procured fund</b>
Services	46	1,516,023,836
Supplies	75	3,070,758,869
Works	22	1,876,380,252
<b>TOTAL</b>	<b>143</b>	<b>6,463,162,957</b>

The following table presents the procurement negotiated procedures without prior publication of contract notice broken down by Contracting Authorities:



Table 30

Breaking down of Negotiated Procedures without Prior Publication of Contract Notice according to the applied legislation				
Description	Number of procedures divided according to the legislation	% of the number of procedures divided according to the legislation versus the total	Limit fund divided according to the legislation	% of the Limit fund divided according to the legislation versus the total
No bids were submitted in response to two consecutive open or open simplified procedures (Article 47/1a)	3	2,2%	7,894,141	0,1%
Exclusive right or copyright (Article 47/1b)	11	7,7%	37,148,409	0,6%
Extreme need caused by unforeseeable events (Article 47/1c)	116	81,1%	4,724,903,400	72,6%
Additional deliveries by the previous supplier (Article 47/4)	13	9,0%	1,742,265,303	26,7%
<b>TOTAL</b>	<b>143</b>	<b>100,0%</b>	<b>6,512,211,253</b>	<b>100,0%</b>

Data regarding the number of contracts signed according to the negotiated procedures without prior publication conducted by months in 2021, are presented as follows:

Table 31

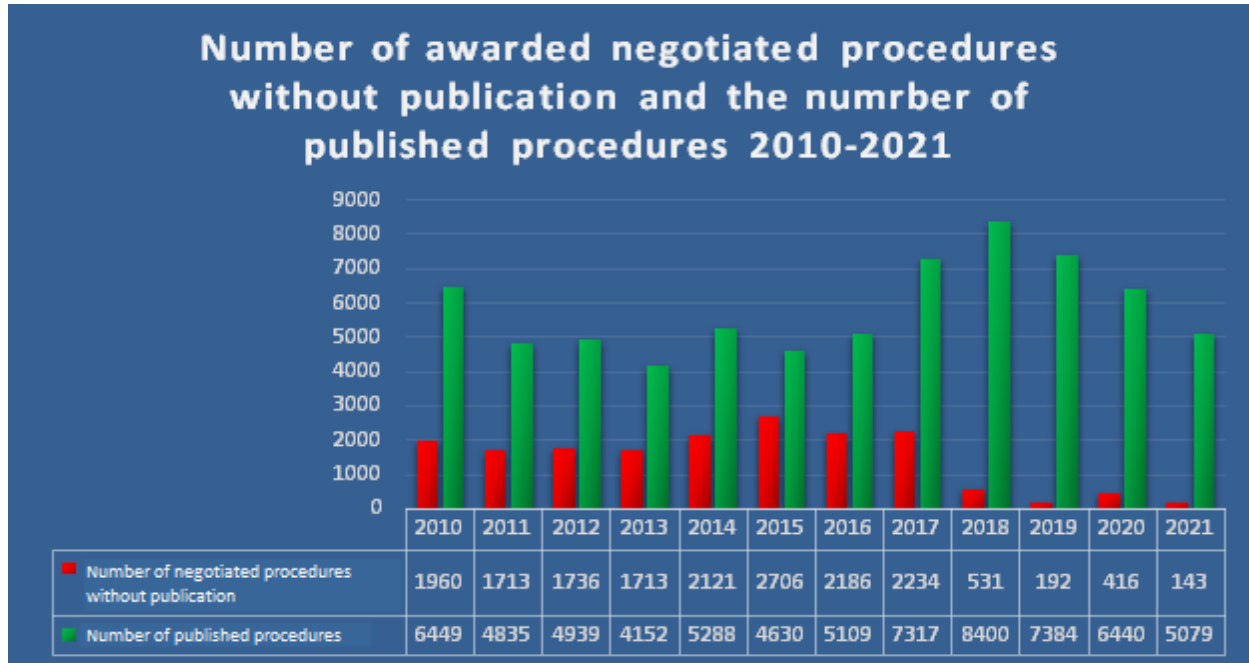
Signed contract notices for negotiated procedures without prior publication in 2021			
Month	Number of procedures	Limit fund (value in Albanian Leks without VAT)	Value of the contrast (in Albanian Leks without VAT)
January	15	24,226,583	24,072,077
February	15	45,112,568	44,539,919
March	12	125,892,509	125,297,610
April	39	4,544,568,930	4,537,098,932
May	13	69,135,295	68,529,221
June	9	103,084,266	102,030,474
July	4	114,670,902	114,091,228
August	3	27,817,447	21,744,824
September	8	79,302,262	78,708,560
October	8	137,143,684	136,339,787
November	6	1,179,242,627	1,153,400,120
December	11	62,014,180	57,310,205
<b>TOTAL 2021</b>	<b>143</b>	<b>6,512,211,253</b>	<b>6,463,162,957</b>

As it can be seen from the above data, the highest number and values of negotiated procedures without prior publication of the notice were carried out in January-April 2021.



When analyzing the historical context of data about the number of negotiated procedures without prior publication, it results that this number for the last 4 years (2018-2021) has decreased drastically compared to the previous period and 2021 has the lowest number of these types of procedures since 2010.

**Graph 25**



It is worth mentioning that the minimization of the cases of using the negotiated procedure without prior publication of the contract notice during the last 4 years is an outcome of the raised awareness of the Contracting Authorities.

This positive change has also come as a result of the computerization of the process by conducting the procedures in the EPS, starting from the creation of the register, notification of Economic Operators, bidding, evaluation, sending messages for qualification, declaration of the winner and online publication of the signed contract notice.

Conducting of this procurement procedure in the Electronic Procurement System, starting with the description in the relevant item of the Forecasts Register, where the Contracting Authority should describe the reasons, which oblige the selection of this procedure under the legal conditions, has increased the responsibility of the Contracting Authorities in this regard.

In addition, the recommendations and constant notifications of the Public Procurement Agency to take measures regarding the publication of competitive procedures in time, possibly a Framework Agreement for continuous services/supplies, have had an impact, thus practically avoiding situations where the Contracting Authorities do not find themselves without service/supplies at beginning of the year.

Regarding the data about the number of contracts signed through the negotiated procedure without prior publication, they are divided into the main categories as follows:

**Table 32**

<b>Negotiated without publication conducted in the EPS, in 2021 divided into 1. Contracts for COVID - 19, 2. Emergency works, 3. Contract with the CEC, 4. Others</b>
---



Type of procedure	No.	% vs. the total of numbers of procedures	Limit fund	% vs. the total of the limit fund	Procured fund	% vs. the total procured fund
Contracts for COVID – 19	9	6,3%	47,900,207	0,7%	46,502,640	0,7%
Emergency works contracts	9	6,3%	97,050,010	1,5%	96,651,757	1,5%
Contract with the CEC	23	16,1%	2,904,748,191	44,6%	2,898,935,599	44,8%
Other contracts	102	71,3	3,462,512,845	53,2%	3,421,072,961	53,0%
<b>TOTAL</b>	<b>143</b>	<b>100.0%</b>	<b>6,512,211,253</b>	<b>100.0%</b>	<b>6,463,162,957</b>	<b>100.0%</b>

The table above indicates there is a significant reduction during 2021 in terms of using negotiated procedures without prior publication due to the pandemic situation caused by COVID-19, and specifically these contracts take up 0.7% of the total fund spent for negotiated procedures without publication.

#### 2.5. DATA ABOUT PROCUREMENT PROCEDURES PERFORMED DURING 2021 IN THE FRAME OF THE RECONSTRUCTION PROCESS DUE TO THE EARTHQUAKE OF NOVEMBER 26, 2019

Pursuant to Normative Act No. 9, dated 16 December 2019 "On coping with the consequences of natural disasters", the responsible Contracting Authorities (implementing units) have carried out procurement procedures also in 2021 regarding the selection of winners of the Framework Agreements for the reconstruction process in the public procurement system.

The procurement procedure used through the Framework Agreement is restricted and restricted above the upper monetary threshold, because these procedures have shorter waiting times for the bids compared to the other procedures, but they are necessary in the process of reconstruction of facilities, which were damaged by the earthquake of 26 November 2019.

According to the data of the Electronic Procurement System and the Special Bulletins, which have been analyzed, it results that:

The total number of contract notices of procurement procedures published during 2021 in the Electronic Procurement System in the frame of the reconstruction process due to the Earthquake of 26 November 2019, by type of contract, including service, supplies, and works entails 145 procedures with a limit fund of 19,378,915,460 Albanian Leks without VAT.

Out of 145 published contract notices, 13 procedures with a limit fund of 2,359,430,722 Albanian Leks without VAT have been canceled, while 132 procedures with a limit fund of 17,019,484,738 Albanian Leks without VAT have continued. Given that the canceled procedures are repeated from the beginning with the same limit fund, this analysis we will deal only with the procedures that have continued.

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

**Table 33**





Notices of procedures that have continued in 2021					
Services		Supplies		Public works	
Type of procedure	Number of procedure notices	Type of procedure	Number of procedure notices	Type of procedure	Number of procedure notices
Restricted	65	Restricted	-	Restricted	64
Restricted above the upper monetary threshold	-	Restricted above the upper monetary threshold	1	Restricted above the upper monetary threshold	2
<b>TOTALI</b>	<b>65</b>	<b>TOTAL</b>	<b>1</b>	<b>TOTAL</b>	<b>66</b>

The following table presents the total limit fund for procedures that have continued by type of contracts:

**Table 34**

Total limit fund			Type of contract		
Type of procedure	No. of procedures /lots	Total limit fund	Services	Supplies	Public works
Restricted	129	13,407,988,643	707,151,792	-	12,700,836,851
Restricted above the upper monetary threshold	3	3,611,496,095	-	927,542,378	2,683,953,717
<b>TOTAL</b>	<b>132</b>	<b>17,019,484,738</b>	<b>707,151,792</b>	<b>927,542,378</b>	<b>15,384,790,568</b>

Contract notices for procurement procedures in the frame of the reconstruction process have been published in the Electronic Procurement System, but they have also been published in the Special Bulletins published for 2021.

Meanwhile, the publication of the winner notices and the signed contract notices has been carried out in writing and they have been published only in the Special Bulletins, specifically in the 140 Special Bulletins published for 2021.

Out of 132 procedures with a limit fund of 17,019,484,738 Albanian Leks that have continued, 126 procedures have been concluded until 31 December 2021 with signed contracts, while the other procedures are in the phase of submission and evaluation of bids, which will continue in 2022.

## 2.6. FRAMEWORK AGREEMENTS

Contracting Authorities have continued to use procurement procedures during 2021 for Framework Agreements, mainly for continuous supplies and services.

Specifically, the data regarding the use of this instrument are presented as follows:

**Table 35**



<b>Publication of Framework Agreements that continued - January-December 2021</b>		
Type of procedure	Number	Total limit fund procured (Albanian Leks without VAT)
Open procedure	285	10,145,319,520
Open above the upper monetary threshold	45	7,610,686,580
Request for Proposal	198	683,077,678
Simplified open	210	918,600,451
Consultancy service	6	661,971,750
Restricted (Not reconstruction)	6	770,879,530
Restricted (Reconstruction)	120	15,403,754,563
Restricted above the upper monetary threshold (Reconstruction)	3	3,611,496,095
<b>TOTAL</b>	<b>873</b>	<b>39,805,786,167</b>

The following table provides statistical data regarding the publications in the system of the Framework Agreements that have continued in 2021.

**Table 36**

<b>Framework agreements that have continued January - December 2021</b>	<b>Number of procedures (not Lots)</b>	<b>Total limit fund</b>
Services	289	7,906,878,070
Supplies	347	11,267,578,871
Public works	66	15,782,459,633
<b>TOTAL</b>	<b>702</b>	<b>34,956,916,575</b>

The following table provides statistical data regarding the publications Framework Agreements in 2021, compared to the publications of Framework Agreements in 2020.

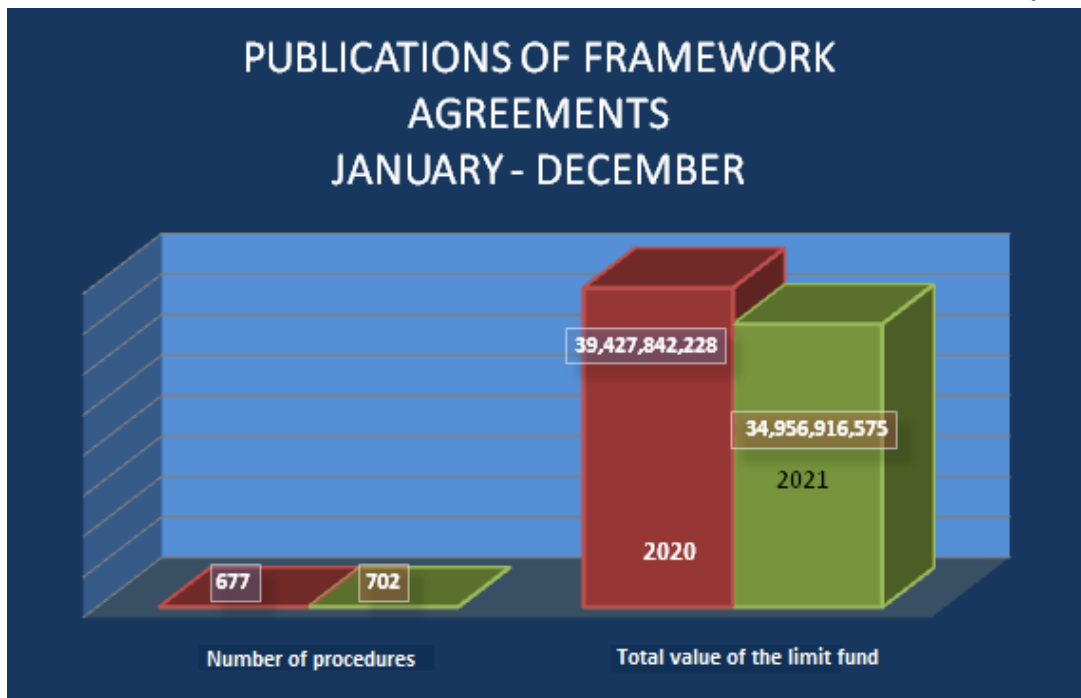
**Table 37**

<b>Comparing of publications of Framework Agreements - January - December</b>		
<b>Year</b>	<b>2020</b>	<b>2021</b>
<b>Number of procedures</b>	677	702
<b>Total value of the limit fund</b>	39,427,842,228	34,956,916,575

The following graph presents the comparative data of 2021, with the data of 2020, respectively in terms of number and value.



Graph 26



The following table provides statistical data regarding the publications Framework Agreements finalized with winner notice in the system in 2021.

Table 38

Procurement procedures - Framework Agreements concluded with winner Viti 2021						
Type of procedure	Number of procedures	Total limit fund (value in Albanian Leks)	Total offered fund (value in Albanian Leks)	% which the offered fund occupies against the procured limit fund (value in Albanian Leks)	Total saved fund	% which the saved fund occupies against the procured limit fund
Open procedure	273	11,376,727,667	10,510,221,036	92,4%	866,506,631	7,6%
Open above the upper monetary threshold	31	9,982,835,213	9,515,624,969	95,3%	467,210,244	4,7%
Request for Proposal	192	707,505,915	606,481,961	85,8%	101,023,954	14,2%
Open procedure	126	552,972,503	482,400,043	87,2%	70,572,460	12,8%
Restricted (Not reconstruction)	1	48,826,042	48,826,042	0	0	0
Restricted (Reconstruction)	117	13,224,346,439	13,125,872,103	99,3%	98,474,336	0,7%



Restricted above the upper monetary threshold (Reconstruction)	2	8,716,203,289	8,716,203,289	0	0	0
<b>TOTAL</b>	<b>742</b>	<b>44,609,417,069</b>	<b>43,005,629,444</b>	<b>96,4%</b>	<b>1,603,787,625</b>	<b>3,6%</b>

The difference between the number of published procedures and those concluded with winner notice in the system is explained by the argument that many procedures published in 2020 have continued with the winner notice or the conclusion of Framework Agreements in the following year.

Referring to what we have explained above in regard to the “Framework Agreement” procurement procedure, the “seemingly low” percentage of the saved limit fund observed in the “Open above the upper monetary threshold” procedure, the total awarded value is calculated, for statistical effects, the same as the published total limit fund. This is because the "Framework Agreements" are accompanied by a large number of call-offs according to the needs of the Contracting Authorities, where prices can be reduced even more during the call-offs. We also emphasize that not all the value of the Framework Agreement is necessarily exhausted.

The table below provides statistical data on Framework Agreements completed with winner notice in the system in 2021 compared to Framework Agreements concluded with winner notice in the system in 2020.

**Table 39**

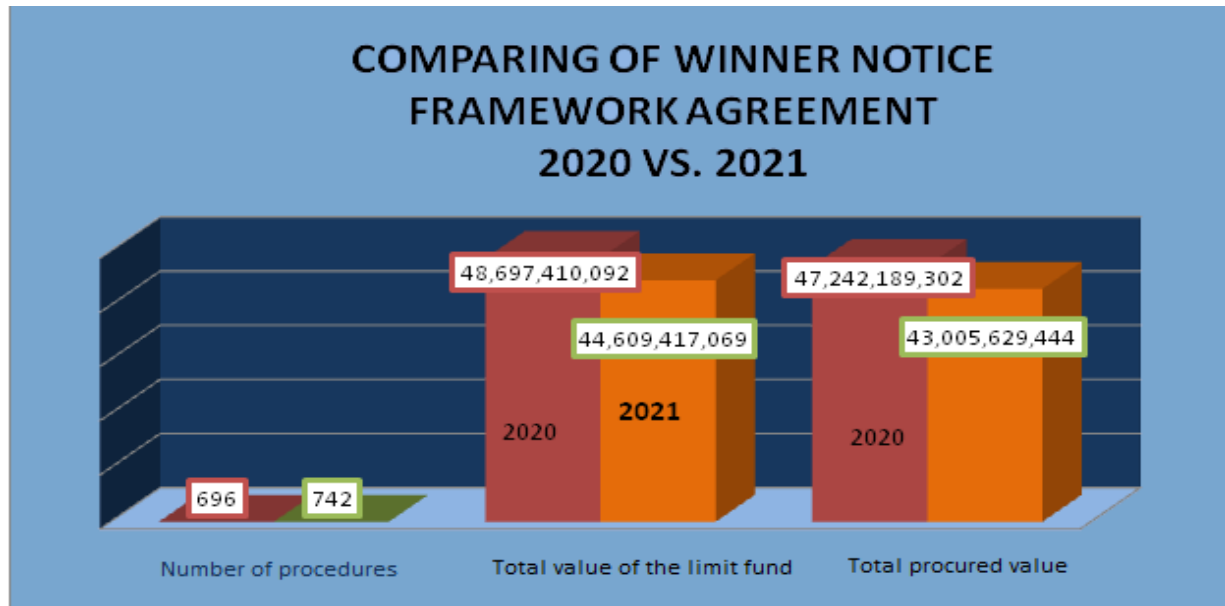
<b>Procurement procedures - Framework Agreements concluded with winner January – December</b>		
<b>Year</b>	<b>2020</b>	<b>2021</b>
Number of procedures	696	742
Total value of the limit fund	48,697,410,092	44,609,417,069
Total procured value	47,242,189,302	43,005,629,444

The data, which are presented in the above tables, show that that the total number of Framework Agreement procedures concluded with the winner notice in the Electronic Procurement System is 742 (46 Framework Agreement procedures more compared to 2020 when there were 696 procedures including earthquake procedures).

The following graph presents the comparative data of 2021, with the data of 2020, respectively in terms of number and value.



Graph 27



The following data result regarding the call-offs signed based on the Framework Agreements, applied in the Electronic Procurement System in 2021:

Table 40

Call-offs referred from the publications in the EPS			
2020		2021	
Number of call-offs	Value of contracts	Number of call-offs	Values of contrasts
803	1,586,177,832	2789	8,621,006,413

These data are a concrete indicator of the work and initiatives of the Public Procurement Agency to encourage the use of the Framework Agreement as an important instrument to meet the continuous needs of Contracting Authorities through transparent and competitive procedures, and, in particular, to eliminate the application of negotiated procedures without prior publication of the contract notice.

We hereby emphasize that an improvement was made in the EPS at the end of 2020, which enables loading of call-offs data in the Electronic Procurement System throughout the period of the Framework Agreement.

### 2.7. SMALL VALUE PROCUREMENT PROCEDURES

According to the provisions of the new procurement legislation, the Contracting Authorities use the small value procurement procedure to purchase supplies, services and works, the estimated value of which throughout the calendar year ranges from 100,000 Albanian Leks to 1,000,000 Albanian Leks without VAT.

Meanwhile, the previous legislation provided that the monetary threshold for small value procurements ranged from 100,000 Albanian Leks to 800,000 Albanian Leks. Despite the fact that the new forecasts have started to be implemented as of June 2021, this analysis presents the complete data for all small value procurement procedures, regardless of the monetary threshold as they are presented in the EPS.

The analysis of the data indicates that the number of small value procurement procedures conducted in 2021 and the respective funds are presented as follows:



**Table 41**

<b>Small Value Procurement procedures January – December 2021</b>	
Total number of Small Value Procurement procedures published in 2019	15988
The total limit fund published for Small Value Procurement procedures (value in Albanian Leks)	5,548,395,446
Total number of unfinished (canceled, etc.) procedures	3692
Total number of Small Value Procurement procedures concluded with winner notice	12249
Total limit fund procured for Small Value Procurement procedures concluded with winner notice (value in Albanian Leks)	4,348,492,512
Total awarded value in Small Value Procurement procedures concluded with winner notice (value in Albanian Leks)	3,750,454,014
% that the total awarded value occupies against the total procured limit fund of the procedures concludes with a winner	86,2%
Total saved fund (value in Albanian Leks)	598,038,498
% that the saved fund occupies against the total procured limit fund of the procedures concludes with a winner	13,8%

The number and values of small value procurement procedures conducted in 2021 and the comparison with those of 2020, are presented in the table below.

If we compare the number of Small Value Procurement procedures concluded with winner in 2021 (12249), with the respective number of 2020 (12412), it turns out that fewer procedures have been completed with winners in 2021.

**Table 42**

<b>Small Value Procurement Procedures concluded with winner Comparison of 2020 vs. 2021</b>		
<b>Year</b>	<b>2020</b>	<b>2021</b>
Number of Small Value Procurement Procedures	12412	12249
Total value of the Limit Fund	4,057,911,371	4,348,492,512
Procured value	3,468,875,376	3,750,454,014
Saved value	589,035,995	598,038,498

Another very important indicator that results from the data presented in the table is the difference between the fund, with which the procedures are published vs. the fund, with which they are awarded and, specifically, the saving is 13%. Additionally, saving in an absolute value of 598,038,498 Albanian Leks accomplished in 2021 is slightly higher than the saving of 589,035,995 Albanian Leks accomplished in 2020, although the number of procedures completed with winners in 2020 has been higher than in 2021.

These data show that improvements made to this procedure from time to time are in the EPS ensure high competitiveness and fairness, thus bringing to attention that this is the only procedure where the limit fund doesn't appear, in order to obtain from the economic operators a bid, which is as responsive as possible.

**Table 43**

<b>Cancellations of Small Value Procurement Procedures - comparing 2020 with 2021</b>
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Year	2020	2021
Number of procedures	3105	3692
Total value of the limit fund	862,380,495	1,183,870,057

Comparing of the data of 2021 with the respective ones of 2020 show that the number of “Small value procurement” procedures canceled in 2021 is 3,692 (with a limit fund of 1,183,870,057 Albanian Leks) or 23% compared to the total number of 15,988 published procedures.

This number of cancellations is higher, compared to those canceled in 2020 where there were 3,105 cancellations (with a limit fund of 862,380,495 Albanian Leks) or 20% vs. the total number of 15,580 published procedures.

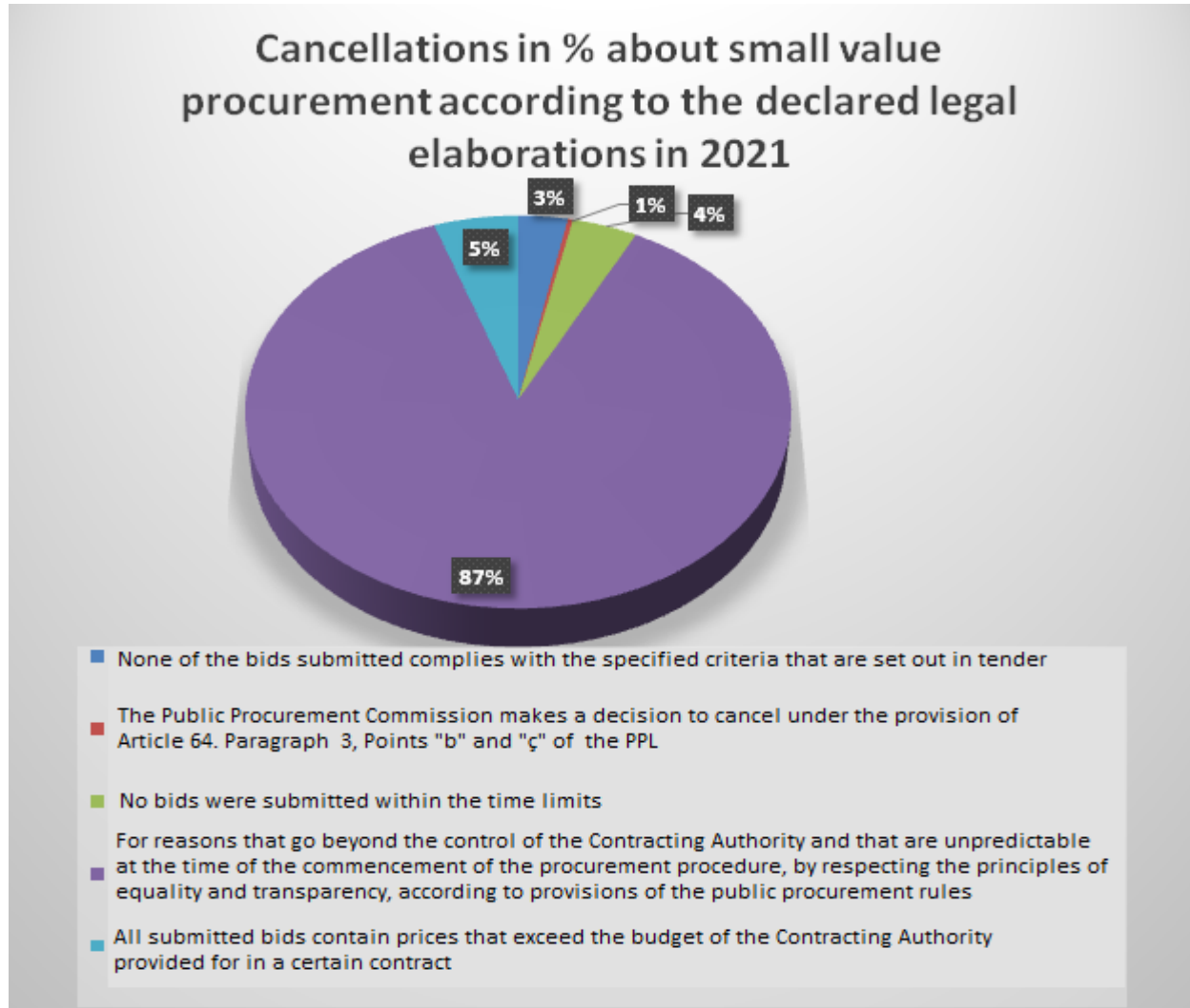
The table and graph below show the cancellations of small value procurement procedures according to the legal grounds declared (selected) in the system by the Contracting Authorities:

**Table 44**

No.	Grounds of cancellation	Number of canceled procedures
1	None of the bids submitted complies with the specified criteria that are set out in tender documents	115
2	The Public Procurement Commission makes a decision to cancel under the provision of Article 64. Paragraph 3, Points "b" and "ç" of the PPL	12
3	No bids were submitted within the time limits	152
4	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	3217
5	All submitted bids contain prices that exceed the budget of the Contracting Authority provided for in a certain contract	196
<b>Total</b>		<b>3692</b>



Graph 28



#### 2.8. STATISTICS ABOUT THE PROCEDURES CREATED IN THE ELECTRONIC SYSTEM

The total number of awarded procurement procedures, which continued, including also Small Value Procurements in the Electronic Procurement System for 2021, is 16,327, and they are divided according to the following table:

Table 45

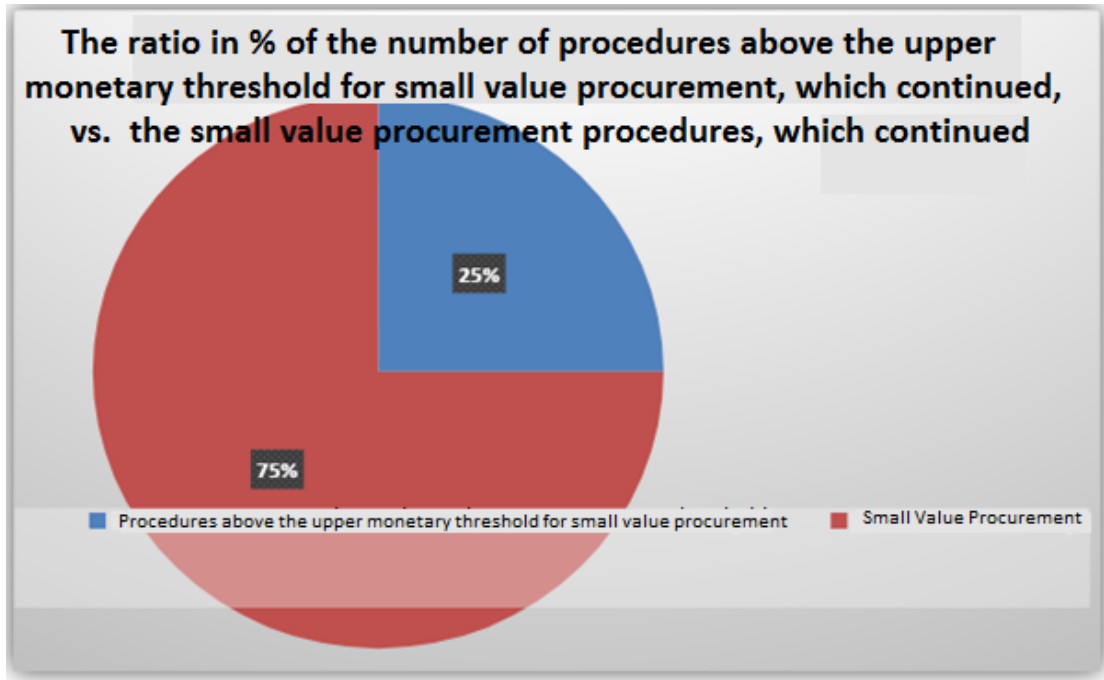
Type of procedure	Total number of electronic procedures/lots concluded with a winner	Total awarded value of procurement procedures concluded with a winner notice (value in Albanian Leks)
Competitive procurement procedures above monetary threshold for small value procedures	4078	178,422,510,498
Small Value Procurement	12249	3,750,454,014
<b>Total</b>	<b>16327</b>	<b>182,172,964,512</b>





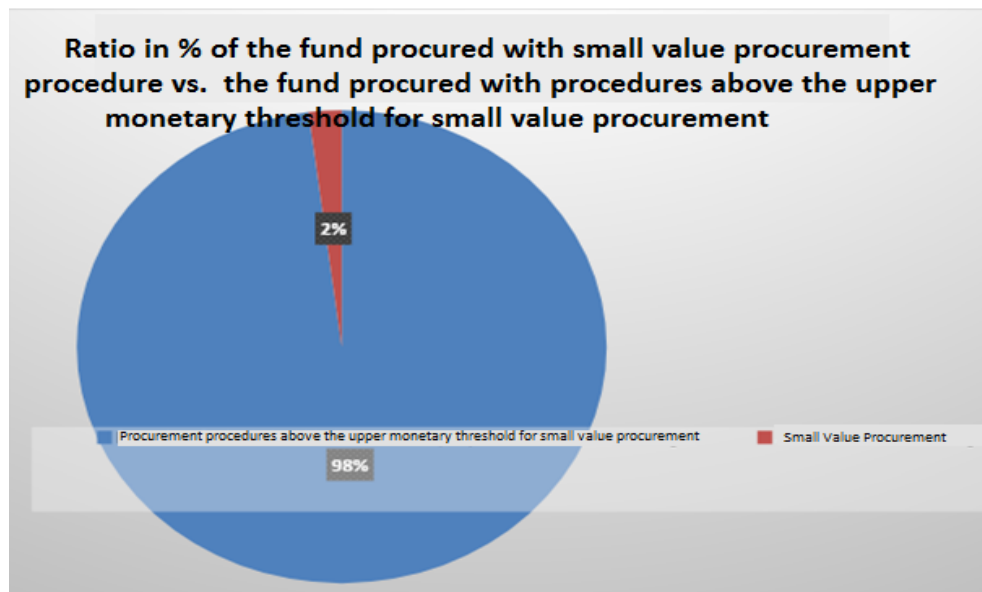
The following graph shows the ratio of the number of small value procurement vs. the procurement procedures above the monetary threshold for small value procurement where, as shown by the indicators analyzed above, the number occupied by value procurement procedures compared to other procedures is clear.

Graph 29



However, despite the fact that the Small Value Procurement procedures dominate the number ratio, it should be noted that the procurement procedures above the upper monetary threshold clearly dominate the value ratio, because the ratio is the opposite; the fund procured with a Small Procurement Procedure occupies about 2%, while the fund procured with other procedures occupies about 98%.

Graph 30





## 2.9. DYNAMIC PURCHASING SYSTEM OF INTERNATIONAL AIR TRANSPORT TICKETS

The Contracting Authorities use the simplified Dynamic Purchasing System as a way to purchase international air transport tickets. This system is open to all economic operators, which are registered in the Electronic Procurement System and which have international air transport service as object of their activity.

The Contracting Authorities have implemented the procedure as provided in the relevant PPA guidelines, taking into account all qualified economic operators in order to deliver the service.

According to the data analysis, the number of procedures for purchasing international air transport tickets conducted in 2021 and the relevant funds compared to 2020 is presented as follows:

**Table 46**

<b>Comparisons related to Dynamic Purchasing System for international air transport tickets</b>		
<b>Year</b>	<b>2020</b>	<b>2021</b>
<b>Total number of purchase procedures for international air transport tickets</b>	518	861
<b>Total number of unfinished (canceled, etc.) procedures</b>	57	124
<b>Total number of ticket purchase procedures that have been concluded with winners</b>	461	735
<b>Total awarded value in the purchase procedures for tickets concluded with a winner notice (value in Albanian Leks)</b>	59,332,420	124,328,925

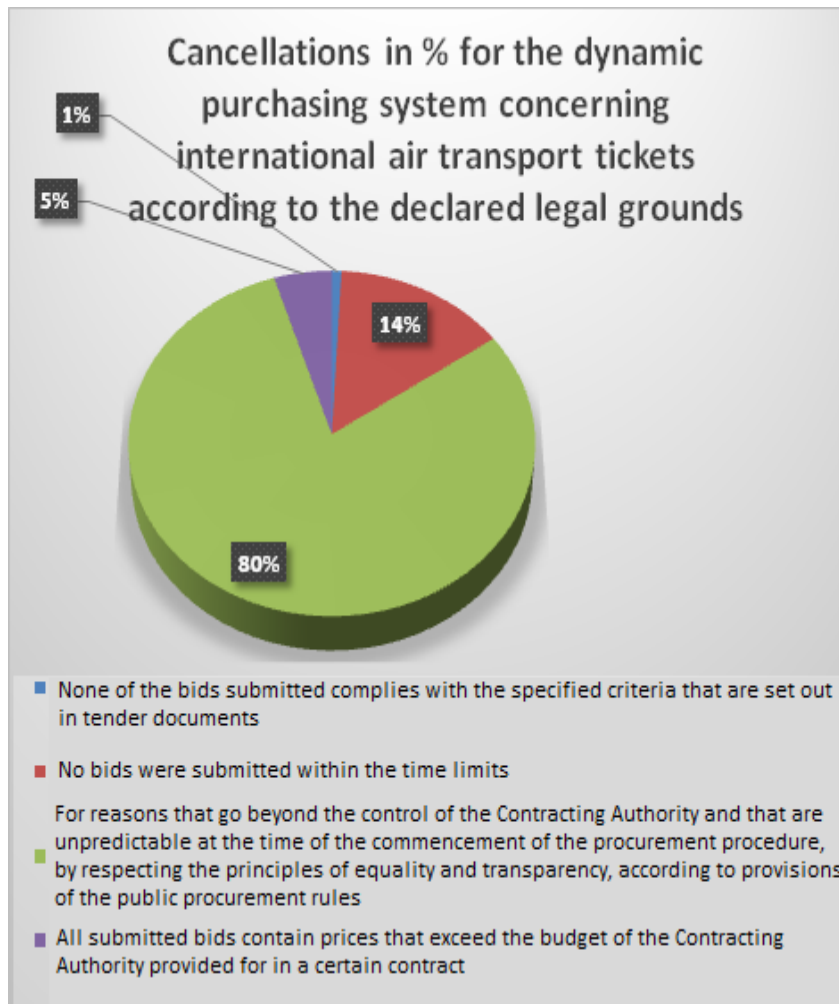
As it is noticed, the number of procedures for purchasing international air transport tickets published in 2021 is higher compared to 2020. More specifically, there are 343 more procedures (518 procedures were published in 2020).

The table and graph below provide the cancellations in % for the dynamic purchasing system concerning international air transport tickets according to the legal reasons declared (selected) in the system by the Contracting Authorities:

**Table 47**

<b>No.</b>	<b>Grounds of cancellation</b>	<b>Number of cancelled Procedures</b>
1	None of the bids submitted complies with the specified criteria that are set out in tender documents	1
2	No bids were submitted within the time limits	18
3	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	99
4	All submitted bids contain prices that exceed the budget of the Contracting Authority provided for in a certain contract	6
<b>Total</b>		124

**Graph 31**



**2.10. STATISTICS ABOUT THE CONTRACTING AUTHORITIES THAT HAVE CREATED PROCEDURES IN THE ELECTRONIC SYSTEM AND THE WINNING ECONOMIC OPERATOR**

865 active Contracting Authorities have generated small value procurement procedures in the Electronic Procurement System in 2021, whereas 415 Contracting Authorities have generated procurement procedures above the monetary threshold for small value procurements.

**Table 48**

Type of procurement procedure Published in the Electronic Procurement System	Number of Contracting Authorities
Contracting Authorities that generate only small value procurement procedures	865
Contracting Authorities that generate procedures above the monetary threshold for small value procurements	415
<b>Total</b>	<b>1,280</b>



Below are 10 contracting authorities that have published more procedures/lots with a value above the monetary threshold for small value procurement procedures in 2021:

**Table 49**

No.	Contracting Authority	Number of procedures/lots with a fund above the monetary threshold for small value procurement procedures	Number of canceled procedures/lots	Number of procedures/lots that have continued
1.	Mother Teresa University Hospital Center, Tirana	254	155	99
2.	Shkodra Municipality	210	33	177
3.	Centralized Purchasing Agency	187	61	126
4.	University Trauma Hospital	112	4	108
5.	Elbasan Municipality	94	13	91
6.	Tirana Municipality	89	7	82
7.	Durrës Municipality	85	17	68
8.	Saranda Hospital	70	0	70
9.	Ministry of Defense	67	9	58
10.	National Agency for Information Society	65	8	57

Below are the 10 authorities that have published more small value procurement procedures in 2021:

**Table 50**

No.	Contracting Authority	Number of procedures published in the system	Number of canceled procedures	Number of procedures that have continued
1	Puka Municipality	157	62	95
2	Maliq Municipality	144	42	102
3	Diplomatic Corps Service Directorate	120	30	90
4	State Information Service	105	39	66
5	Shkodra Municipality	100	16	84
6	Durrës Local Police Directorate	91	34	57
7	Tepelena Municipality	90	8	82
8	Dibra Local Police Directorate	83	16	67
9	Special Court of First Instance for Corruption and Organized Crime	81	25	56
10	Korça Municipality	77	23	54

Moreover, below are presented Statistical data for the Economic Operators that have been the winners of the procedures conducted in 2021 in the EPS:



**Table 51**

No.	Description	Number of procedures/ lots	Limit Fund in Albanian Leks without VAT	Procured Fund in Albanian Leks without VAT	% of the number vs. the total	% of the awarded value vs. the total
1	Procedures/lots won by single Economic Operators (Not Grouping of Operators) in 2021	3263	71,674,660,950	66,403,431,799	80,0%	37,2%
2	Procedures/lots won by foreign Economic Operators in 2021	11	24,415,339,570	22,264,555,578	0,3%	12,5%
3	Procedures/lots won by Grouping of Operators in 2021	804	93,065,454,939	89,754,523,121	19,7%	50,3%
	<b>Total</b>	4,078	189,155,455,459	178,422,510,498	100,0%	100,0%

The above data indicate that the highest value of procedures is won by Groupings of Operators with 50.3% of the awarded value while foreign Economic Operators have won 12.5% of the value.

Below are statistical data for the winning Economic Operators of small value procurement procedures conducted in the EPS in 2021.

**Table 52**

No.	Description	Number of Economic Operators	Number of procedures /lots	Limit Fund in Albanian Leks without VAT	Procured Fund in Albanian Leks without VAT
1	Single Economic Operators (Not Grouping of Operators) that were declared as winners in 2021	1695	12249	4,348,492,512	3,750,454,014

## 2.11. STATISTICS ABOUT BIDS GENERATED IN THE ELECTRONIC PROCUREMENT SYSTEM IN 2021

### 2.11.1 DATA ABOUT THE AVERAGE NUMBER OF SUBMITTED BIDS

The total number of bids submitted by the Economic Operators in the procedures that have been published in the system by the Contracting Authorities in 2021 is presented in the table below:

**Table 53**

Type of Procedure	Number of procedures	Total number of submitted bids	Average of bids/requests to participate
Small value procurement procedures	15988	157289	9.83
Dynamic system, tickets	861	3270	3.79
Open	1452	4220	2.89



<b>Open above the upper monetary threshold</b>	280	511	1.82
<b>Request for Proposal</b>	1340	3184	2.37
<b>Simplified Open</b>	1758	3389	1.92
<b>Restricted above the upper monetary threshold (+ reconstruction)</b>	3	15	5
<b>Restricted (+ reconstruction)</b>	142	858	6.92
<b>Consultancy Service and Design Contest</b>	98	536	5.46
<b>TOTAL</b>	<b>21922</b>	<b>173272</b>	<b>7.90</b>

As it may be seen in the table above, the small value procedures are the procedures with the highest number of submitted bids with 9.83 submitted bids, while fewer bids turn out to have been submitted to the open procedures above the upper monetary threshold with 1.82 bids.

Meanwhile, concerning the procedures above the monetary threshold for small value procurement procedures, it turns out that the largest number of bids was submitted in restricted procedures, which are mainly procedures in the frame of the reconstruction process with 6.92 bids submitted.

The following tables provide in detail the number of bids submitted in the procurement procedures above the monetary threshold for small value procurement procedures, in small value procurement procedures, as well as in the procurement procedures of the Dynamic Purchasing System of international transport tickets, namely:

The following table shows the number of bids submitted in procurement procedures above the monetary threshold for small value procedures by economic operators according to the type of procedure:

**Table 54**

Type of Procedure	Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
<b>Consultancy Service and Design Contest</b>	Services	98	536	5.46
<b>Open above the upper threshold</b>	Services	61	125	2.04
<b>Open above the upper threshold</b>	Supplies	205	306	1.49
<b>Open above the upper threshold</b>	Works	14	80	5.7
<b>Open</b>	Services	344	640	1.86
<b>Open</b>	Supplies	672	1351	2.01
<b>Open</b>	Works	436	2229	5.11
<b>Request for Proposal</b>	Services	401	908	2.26
<b>Request for Proposal</b>	Supplies	702	1574	2.24
<b>Request for Proposal</b>	Works	237	702	2.96
<b>Open simplified</b>	Services	449	912	2.03



<b>Open simplified</b>	Supplies	995	1516	1.52
<b>Open simplified</b>	Works	314	961	3.06
<b>Restricted above the upper threshold</b>	Works	2	11	5.5
<b>Restricted above the upper threshold</b>	Supplies	1	4	4
<b>Restricted</b>	Services	68	414	6.08
<b>Restricted</b>	Works	80	439	5.48
<b>Total</b>		<b>5079</b>	<b>12708</b>	<b>2.50</b>

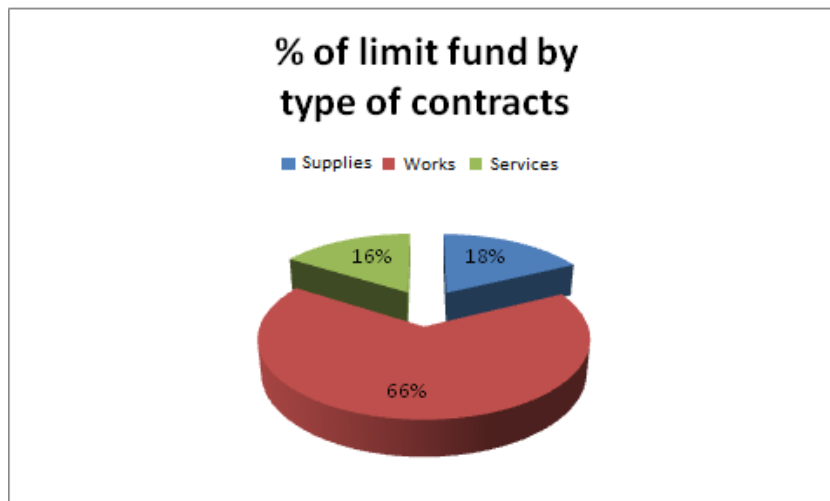
The following table shows the average submission of bids by economic operators in procurement procedures with value above the monetary threshold for small value procedures by type of contract:

**Table 55**

Type of contract	Number of procedures	Limit fund	Total number of bids submitted	Average number of bids
<b>Supplies</b>	2575	26,420,991,944	4751	1.84
<b>Works</b>	1083	98,991,980,768	4422	4.08
<b>Services</b>	1421	23,907,447,537	3535	2.48
<b>Total</b>	<b>5079</b>	<b>149,320,420,249</b>	<b>12708</b>	<b>2.50</b>

According to the data provided in the table above, the highest average of bids submitted by Economic Operators rests with the type of "Works" contracts which, as shown in the graph below, constitute the largest part of the total limit fund published (66%).

**Graph 32**



The following table shows the average bid submission by Economic Operators, by type of contract, regarding small value procurement procedures:

**Table 56**

Type of Procedure	Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
<b>Small value procurement</b>	<b>Supplies</b>	11177	129399	11.5
	<b>Services</b>	4400	24882	5.65
	<b>Works</b>	411	3008	7.31



<b>Total</b>		<b>15988</b>	<b>157289</b>	<b>9.83</b>
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The data in the table above indicate that the highest average of bids submitted by Economic Operators rests with the types of "Supplies" and "Works" contracts published in the system.

The following table shows the average bid submission by Economic Operators regarding the Dynamic Purchasing System of air transport tickets:

**Table 57**

Type of Procedure	Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
<b>Dynamic Purchasing System of air transport tickets</b>	<b>Services</b>	861	3270	3.79

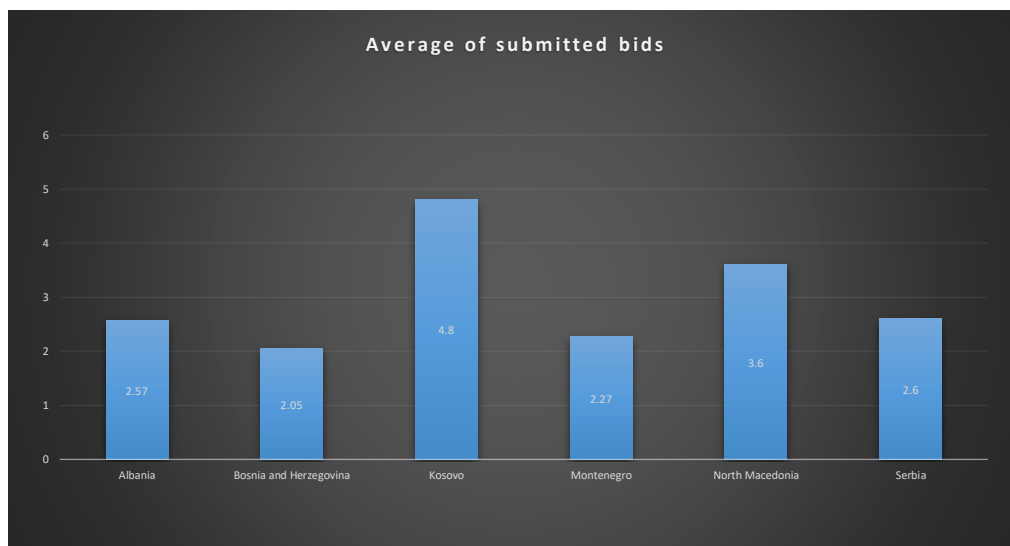
Meanwhile, the table and graph below present the data on the average number of bids in relation to other Western Balkan countries in 2020, as reported in SIGMA's Monitoring Report on Public Administration Reform in the Western Balkans and Turkey:

**Table 58**

	Albania	Bosnia and Herzegovina	Kosovo	Montenegro	Northern Macedonia	Serbia
<b>Average of bids submitted</b>	2.57	2.05	4.8	2.27	3.6	2.6

Source: SIGMA Monitoring Reports on Public Administration Reform in the Western Balkans and Turkey in 2021 and PPA Annual Report of 2020

**Graph 33**



Source: SIGMA Monitoring Reports on Public Administration Reform in the Western Balkans and Turkey in 2021 and PPA Annual Report of 2020

The above data show that Albania stands compared to other Western Balkan countries somewhere in the middle of the ranking after Kosovo, which holds the first place with an average of 4.8 bids and Northern Macedonia with 3.6. Meanwhile, Serbia and Albania are at the same level, followed by Montenegro and Bosnia and Herzegovina.





In addition, Bosnia and Herzegovina has the lowest number of bids in the region with 2.05 bids submitted.

### 2.11.2 DATA ON PROCUREMENT PROCEDURES WITH ONE SUBMITTED BID

The following table presents the data regarding the procurement procedures for which a bid has been submitted and finalized with a winner:

**Table 59**

Type of procurement procedure	Number of procedures with one bid submitted finalized with winner notice/signing of contract	Total number of procedures	% of procedures with one bid submitted vs. the total number of procedures
Consultancy Service	3	98	3%
Open above the upper monetary threshold	43	280	15%
Open	302	1452	21%
Request for Proposal	333	1340	26%
Open simplified	346	1758	32%
Restricted	2	148	1%
<b>Total</b>	<b>1029</b>	<b>5,076</b>	<b>20%</b>

The data obtained from the Electronic Procurement System shows that the number of procurement procedures above the upper monetary threshold for small value procurement procedures, with one bid submitted and finalized with the winner notice is 1,029, or 20% of the total number of published procedures. This value seems to decrease compared to the result of 2020, where the percentage of procedures completed with one bid was at the level of 23%.

The table and graph below show the data related to the procurement procedures with one bid submitted and finalized with winners compared to some of the member states of the European Union as reported in OpenTender.eu for 2020.

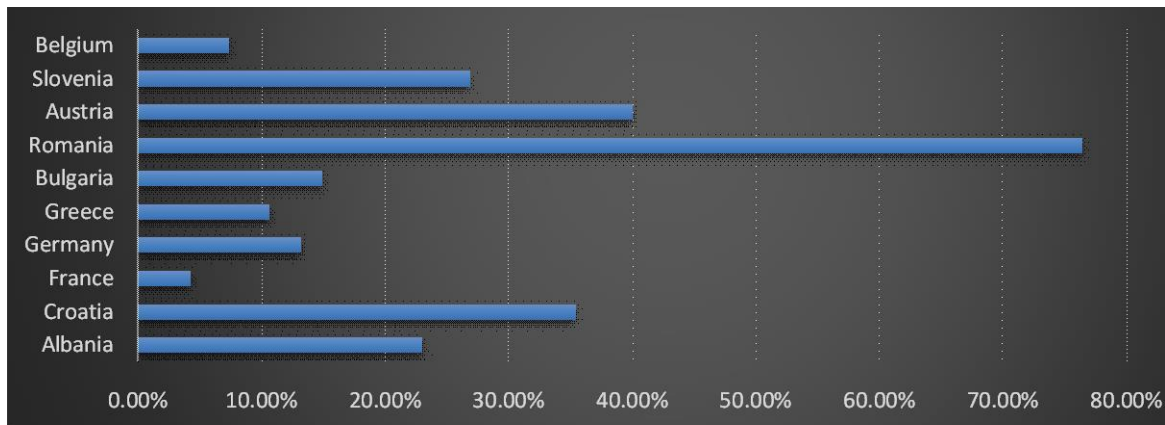
**Table 60**

State	% of Procurement Procedures with only 1 bid submitted, in 2020
Albania	23%
Croatia	35.43 %
France	4.27 %
Germany	13.21 %
Greece	10.68 %
Bulgaria	14.92%
Romania	76.44 %
Austria	40.09 %
Slovenia	26.88 %
Belgium	7.39 %

Source: OpenTender.eu and PPA Annual Report 2020



**Graph 34**



Source: OpenTender.eu and PPA Annual Report 2020

Meanwhile, in terms of small value procurement procedures, as shown in the table below, the number of procedures with a bid submitted and finalized with the winning notice is 858 or 5% of the total number of published small value procurement procedures.

**Table 61**

Type of procurement procedure	Number of procedures with one bid submitted finalized with winner notice/signing of contract	Total number of procedures	% of procedures with one bid submitted vs. the total number of procedures
Small Value Procurement	858	15988	5%
Dynamic Purchasing System of transport tickets	30	861	3%

### 2.11. STATISTICS ABOUT THE NUMBER OF CONCESSION/PPP AWARD PROCEDURES IN 2021

The Ministry of Infrastructure and Energy opened 4 (four) concession procedures during the period of January-December 2021, of which 2 (two) concession procedures were canceled, while 2 (two) other concession procedures were finalized with winners.

The number of concession/PPP procedures published to be conducted in the e-procurement system and the winner notices during 2021 are presented in the table below.

**Table 62**

Concession/PPP procedures	Number of procedures	Investment value
Contract notices	4	
Winner notices	3	167,152,917 Euro

We here clarify that one of the procedures for granting a concession/PPP) was opened in 2019 and finalized with a winner in 2021.



## 2.12. STATISTICS ABOUT PROCUREMENT IN THE FIELD OF DEFENSE AND SECURITY DURING 2021

Following the entry into force of Law 36/2020 "On procurement in the field of defense and security" and the adoption of secondary legislation, contract notices for these types of procedures were published for the first time during 2021 in the Public Notices Bulletin.

The table below shows that 14 procedures belonging to the field of defense and security were published in 2021, of which 5 procedures were canceled, 8 (eight) procedures ended with winners and one procedure is ongoing.

The number of ongoing procedures in the field of defense and security published in the Bulletin of Public Notices, as well as the winner notices for 2021, are presented in the table below.

**Table 63**

Procedures in the field of defense and security	Number of procedures
Published contract notices	14
Canceled procedures	5
Ongoing procedures	9
Winner notices	8

## 2.12. STATISTICS ABOUT PUBLIC AUCTION PROCEDURES CONDUCTED DURING 2021

Public auction procedures were announced in the Public Notices Bulletin during 2021. These are procedures, which are conducted only in writing.

Specifically, the data related to this procedure are presented as follows:

**Table 64**

Public auction procedures	Number	Value bid in Albanian Leks
Auction winner notices	99	214,753,616
Signed contract notices of auctions	30	88,508,925

The winner notices of the auction procedures distributed by months are presented as follows:

**Table 65**

Winner notices of auctions during January-December 2021		
Month	Number of procedures	Bid value in Albanian Leks
January	3	1,049,920
February	14	11,768,136
March	6	923,730
April	8	4,052,608
May	8	55,555,600
June	6	5,316,117
July	3	435,090
August	13	81,063,525
September	11	39,262,395
October	3	214,973
November	9	8,806,629
December	15	6,304,893
<b>Total</b>	<b>99</b>	<b>214,753,616</b>

Signed contract notices of auction procedures distributed by months are presented as follows:



Table 66

Signed contract notices of auctions during January-December 2021		
Month	Number of procedures	Contracted value
January	3	5,781,312
February	2	1,258,123
March	4	2,454,000
April	3	445,650
May	1	1,430,000
June	2	279,000
July	0	-
August	0	-
September	4	65,228,960
October	3	8,382,300
November	0	-
December	8	3,249,580
<b>Total</b>	<b>30</b>	<b>88,508,925</b>

When analyzing the data presented in the above tables, it should be taken into account the fact that in many cases it turned out that an entity that was declared the winner in several lots of auction procedures, signed a contract, hence the number of concluded contracts is smaller than the number of winner notices.

### 3. LEGISLATIVE INITIATIVES OF THE PUBLIC PROCUREMENT AGENCY IN 2021

#### 3.1. ADOPTED ACTS

Upon the approval of the new Law No. 162/2020 "On Public Procurement", which entered into force on 31 March, the main commitment of the PPA during 2021 has been to draft the secondary legislation pursuant to this law.

PPA has worked to finalize a series of acts, which complement the new regulatory framework in the field of public procurement:

- Public procurement rules approved by the Decision of the Council of Ministers No. 285, dated 19 May 2021;
- Rules on the communication method, approved by the Decision of the Council of Ministers No. 384, dated 30 June 2021;
- Decision of the Council of Ministers No. 457, dated 30 July 2021 "On the approval of the Common Procurement Vocabulary";
- Decision of the Council of Ministers No. 768, dated 15 December 2021 "On determining the types of social services and other specific services, types of special services, for which the right of organizations to participate in public procurement procedures can be reserved, as well as detailed rules about their procurement";
- Standard Tender Documents for each type of procurement procedure provided by law and each type of contract;



- Guidelines and recommendations in view of good implementation of public procurement legislation and guiding of the contracting authorities/entities in regard to the action approach under the conditions of entry into force of the new Public Procurement Law.

In addition, PPA has worked closely with the Ministry of Defense to draft Standard Tender Documents for procurement in the field of defense and security upon the approval of Law 36/2020 "On procurement in the field of defense and security", as well as procurement rules in this field.

The following section provides an overview of the process followed in regard to the finalization of these acts and the innovations that their adoption brings.

- ✓ Finalization of the drafts and the approval of the public procurement rules drafted pursuant to the new Public Procurement Law No. 162/2020 has been one of the main goals of the PPA activity in 2021.

In the first quarter of the year, the work focused on reviewing and discussing the draft public procurement rules, prepared by a local expert hired by OECD/SIGMA.

Initially, the draft was discussed from the point of view of European legislation, taking into account the suggestions and comments provided during the public consultation process for the PPL on issues pertaining to secondary legislation, the reflection of comments submitted to the PPA by various institutions, and issues for which problems were identified during the procurement process.

Subsequently, a public consultation process was launched, where the draft Decision of the Council of Ministers was published on 23 March 2021 on the official website of the PPA and comments and suggestions were received until 02 April 2021 at the e-mail address opened specifically for this purpose.

In April, the draft decision was passed for opinion to the Line Ministries, which provided their comments and suggestions, part of which are incorporated in the draft.

Public Procurement Rules were approved upon the Decision of the Council of Ministers No. 285, dated 19 May 2021, the aim of which was to achieve the objectives, as follows:

- Completion and improvement of the public procurement regulatory framework in Albania in alignment with European legislation by addressing various problems encountered in practice during the procurement process and requests for amendments by different institutions according to the respective areas of competence.
- Detailed rules regarding the procurement process, from its planning up to the execution of the contract, the setups engaged and their responsibilities in this process, administrative review procedures, investigative procedures and those of contract supervision.

Meanwhile, the main innovations brought by the public procurement rules are mainly related to:

- New monetary thresholds, with lower values for international procedures and increased value for simplified procurement procedures;
- New publications, the aim of which is to increase transparency of the process and encourage the participation of operators in procurement procedures;
- Obligation to publish in the Electronic Procurement System the minutes of the explanation of the technical specifications and special suitability criteria in order to enhance the transparency and



- accountability of the authorities when drafting these requirements with the main purpose of promoting the participation of Economic Operators in the public procurement procedures;
  - Rules applicable in the process of preliminary market research;
  - The content of the Summary Self-Declaration Form, which provides all the requirements that can be given in the form of self-declaration by bidders, in order to qualify them in the procedure;
  - Special requirements according to the types of contracts, where it is worth noting that a period of 5 years is provided in the case of works contracts to prove the accomplishment of similar experiences. Additionally, technical capacities related to the number of manpower and technical means and equipment for all three types of contracts will be self-declared by bidders at the time of tendering, while the self-declaration is proved with accompanying documentation for the winning entity, before signing the contract;
  - More simplified criteria applicable to the Simplified Procurement Procedure aiming at promoting small and medium business participation in these procedures;
  - Provisions on procurement procedures, including new procedures, according to the PPL;
  - Rules of the administrative review process, where it is worth noting that unlike previous legislation, the standstill period and the appeal time limits available to economic operators start from the publication of the winner notice;
  - Rules on the contract execution and it's the first time that the investigative procedure is elaborated by the PPA in this regard, thus providing new concepts such as the Contract Execution Plan, provisions on the responsible setups assigned with the oversight process by the authority and the respective responsibilities;
  - Rules on the reliance of Economic Operators on the economic and financial capacities and technical or professional ability of other entities;
  - New rules provided for small value procurements, such as rejection of bids in case they are reduced by more than 50% of the estimated limit fund and the right of Economic Operators to complain about these procedures.
- ✓ After the approval of the public procurement rules, the work continued with the drafting of the Decision of the Council of Ministers "On the form of communication in public procurement procedures", which was approved upon Decision No. 384, dated 30 June 2021.

As a rule, communication and exchange of information is carried out under the provisions of the PPL, according to which all communication and exchange of information pursuant to this Law is carried out by using electronic means of communication. Therefore, the general rule is that procurement procedures are carried out by electronic means.

Communication and exchange of information may be exceptionally carried out in writing, as provided in the public procurement rules. The cases when communication can be carried out in writing are determined upon a decision of the Council of Ministers.

In this sense, the adoption of this Decision came as a necessity, which defines the concrete cases of using communication in writing.

- ✓ For the first time, Law 162/2020 provides for the Common Procurement Vocabulary, as a unifying system of nomenclatures of supplies, services and works applied in public procurement. In this



context, the work continued to draft the decision "On the approval of the Common Procurement Vocabulary", with the support of the expertise of OECD/SIGMA, which was approved upon the Decision of the Council of Ministers No. 457, dated 30 July 2021.

The use of the vocabulary of the codes by the Contracting Authority/entity and economic operators leads to the improvement of the procurement process through the unification of designations and technical specifications.

According to this Decision, the Common Procurement Vocabulary is the unique classification system of nomenclatures of supplies, services and works that is applied in public procurement procedures and ensures consistency with existing nomenclatures of supplies, services and works.

All contracting authorities and entities, which will undertake procurement procedures, must respect the provisions of this Decision by selecting in the Electronic Procurement System the respective code/codes corresponding to the specific object to be procured consisting of supplies/works/ services.

- ✓ Pursuant to the provisions of the new Public Procurement Law, a more simplified legal regime is applied in the case of the procurement of social services and other specific services, as well as in the case of services, for which the right of organizations to participate in public procurement procedures can be reserved. On this basis, a draft decision was written with the support of SIGMA experts. It defines the types of these services, with the respective codes and rules for their procurement and it was approved upon the Decision of the Council of Ministers No. 768, dated 15 December 2021.

As part of the process of consulting the draft decision, PPA published it on its official website and it stayed published there for 3 (three) weeks in order to receive comments and suggestions, both from the Contracting Authorities or Entities, as well as from Economic Operators in the capacity of non-profit organizations.

Likewise, in the framework of this consultation process, comments and suggestions for improving the draft were received from the EU Delegation in Albania and the Ministry of Health and Social Protection.

The Decision aims to supplement the legal framework of public procurement for social services and other specific services in the Republic of Albania, based on Directive 2014/24, 2014/25 and 89/665 EEC, of the European Union.

The types and rules about the procurement of these services are defined by this Decision of the Council of Ministers by confronting the provisions of the legislation in force with the annexes of the Directive, which define these services.

Regarding the procurement of this type of services and based on the provisions of the above directives, the PPL determines the obligation of the Contracting Authority or Entity to make public its intention to award a public contract for these types of services through contract notice, periodic or prior information notice or notice of the existence of the qualification system, but not the obligation to select one of the procurement procedures provided by law by taking into account the specificity of these types of services and their providers.



In this sense, the Decision has provided for a specific facilitated procurement procedure for these types of services, according to the respective monetary threshold, in accordance with EU Directives.

- ✓ Based on the practical implementation of the new public procurement rules approved in May of this year, PPA collected and analyzed over a period of several months, various ambiguities and problems, which are sent to it by Contracting authorities, Economic Operators, various associations, as well as what had been found in the frame of the assistance provided to the authorities during the phase of drafting the tender documents. For this purpose, work focused on a number of additions and amendments to the public procurement rules, which were approved upon the Decision of the Council of Ministers No. 710, dated 24 November 2021.

### **3.2. STANDARD TENDER DOCUMENTS**

#### **3.2.1. Standard Tender Documents for Public Procurement**

PPA has drafted and approved the Standard Tender Documents (STD) for each type of procurement procedure defined by law and each type of contract in view of exercising its duties, according to the provisions of the PPL, and pursuant to Paragraph 2 of the Decision of the Council of Ministers no. 285, dated 19 May 2021 "On the approval of public procurement rules".

Upon the entry into force of the Decision of the Council of Ministers as of June, PPA was fully committed to timely draft and approve the STD sets, which will be used by Contracting Authorities/Entities when conducting procurement procedures.

For this purpose, a working group was set up to draft the respective sets. It is worth mentioning that, in this process, PPA has also had the support provided by the European Bank for Reconstruction and Development.

The aim of the approved STD sets is to supplement the public procurement regulatory framework in alignment also with the European legislation, namely Directives 2014/24 and 2014/25.

Each of the sets is structured in four sections, namely:

- Section I, which contains guidelines for Economic Operators, which can't be modified by the Contracting Authority or Economic Operators;
- Section II, which contains the annexes, which should be completed by the Economic Operator and submitted as part of its bid, as well as the annexes that should be completed by the Contracting Authority in accordance with the type of procedure to be procured. This section elaborates the content of the forms, part of the Standard Tender Documents;
- Section III, which contains the Terms and Conditions of Contract to be applied to all contracts, the Contract Security Form, as well as forms to be signed by both parties, such as draft framework agreements, according to their types;
- Section IV, which contains the standard forms used by Economic Operators in the complaint process to the Contracting Authority and the Public Procurement Commission (hereinafter "PPC"), as well as the notices that must be completed by the Contracting Authority at the end of the procurement process.





The information reflected in the STD, respectively, in the notices and guidelines for Economic Operators, all relevant forms and general and special conditions of the contract are in accordance with the provisions that are set out in the respective articles of the public procurement rules, Chapter V.

Moreover, PPA has cooperated with the PPC to draft the Standard Complaint Form and the Depositions Submission Form by the interested Economic Operators to the Contracting Authority and the Public Procurement Commission, forms, which have become part of the STD set.

PPA has approved upon the respective decisions 29 sets of Standard Tender Documents, according to the type of contract including supplies, works or service, for the procurement procedures as hereunder provided:

- "Open procedure", approved upon Decision No. 02, dated 09 June 2021;
- "Simplified open procedure", approved upon Decision No. 03, dated 09 June 2021;
- "Consultancy service", approved upon Decision No. 04, dated 11 June 2021;
- "Negotiated without prior publication of the contract notice", approved upon Decision No. 05, dated 17 June 2021;
- "Restricted procedure", approved upon Decision No. 06, dated 23 June 2021;
- "Competitive dialogue", approved upon Decision No. 11, dated 02 July 2021;
- "Negotiated with prior publication of the notice", approved upon Decision No. 07, dated 25 June 2021;
- "Negotiated competitive", approved upon Decision No. 09, dated 25 July 2021;
- "Partnership for innovation", approved upon Decision No. 10, dated 02 July 2021;
- "Design contest", approved upon Decision No. 08 dated 25 June 2021.

### **3.2.2. Standard Tender Documents of procurement in the field of defense and security**

Upon the approval of Law 36/2020 "On procurement in the field of defense and security", as well as upon the entry into force of procurement rules in the field of defense and security, PPA based on the specificities of procurement in this field has worked closely with the Ministry of Defense to draft Standard Tender Documents for procurements in this field.

The opinion of the Classified Information Security Directorate was obtained during this process, as it is an institution with competencies defined in the specific law. After receiving some suggestions from this institution, PPA finalized the final draft of STD sets for procurement in the field of defense and security for any type of procurement procedure provided by law.

The relevant sets of tender documents in this field were approved by the PPA upon Decision No. 1 dated 07 April 2021, respectively for:

- Restricted procedure;
- Negotiated procedure with prior publication of contract notice;
- Negotiated procedure without with prior publication of contract notice;
- Competitive dialogue procedure.



### 3.3. PPA GUIDELINES, RECOMMENDATIONS AND NOTICES

In addition to guidelines and recommendations related to specific issues regarding the improvement of the public procurement system, PPA has worked intensively during this year to issue the necessary acts to assist the Contracting Authorities/Entities and Economic Operators to get familiarized and to properly implement the new regulatory framework.

Additionally, continuous notices have been issued to guide the Contracting Authorities/Entities about the manner of proceeding during the transitional period of the entry into force of the new Procurement Law, at a time when the bylaws and Standard Tender Documents had not yet been put in place.

Specifically, **7 (seven) guidelines, 4 (four) recommendations and 24 (twenty-four) notices** have been drafted.

**Table 67**

<b>Guidelines</b>	<b>Recommendations</b>	<b>Notices</b>
<b>7</b>	<b>4</b>	<b>24</b>

PPA aimed to assist and clarify Contracting Authorities/Entities step by step through these guidelines, recommendations and notices taking into consideration the implementation of new public procurement legislation.

In this context it's important to hereby mention the following guidelines:

- Guideline No. 01, dated 07 February 2021 "On an amendment to Guideline No. 6, dated 16 January 2018 "On the use of the Framework Agreement and its conducting by electronic means", as amended, which became necessary after the improvements of the Electronic Procurement System (EPS) in terms of steps to be taken when generating the winner notice and the signed call-offs.
- Guideline No. 02, dated 09 June 2021 "On providing advice and assistance to Contracting Authorities/Entities when drafting the tender documents". Upon the entry into force of the new Public Procurement Law and the procurement rules, PPA drafted the relevant guideline in the frame of proper implementation of public procurement legislation, timely implementation of the Forecasts Register of public procurement procedures, providing advice and assistance to Contracting Authorities/Entities undertaking a procurement procedure, providing guidance about sending through the EPS the minutes of the explanation and approval of technical specifications and suitability criteria. A template was drafted for this report in order to assist the Contracting Authorities/Entities.
- Guideline No. 03, dated 18 June 2021 "On the use of the Dynamic Purchasing System to procure international air transport tickets and its conducting by electronic means", which describe the new legal references in the process of procurement of international air transport tickets.
- Guideline No. 04, dated 18 June 2021 "On drafting the Forecasts Register of Public Procurement Procedures and the Realizations Register of Public Procurement Procedures and their generation in the Electronic Procurement System", which described the new legal provisions approved in the procurement rules public regarding the Forecasts Register of Public Procurement Procedures and its implementation.



- Guideline No. 05, dated 25 June 2021 "On the use of Small Value Procurement Procedure and its conducting by electronic means", which described the new legal changes in the conducting of this procedure. The new Public Procurement Law provides for the possibility of appeal for this type of procurement procedure to the Contracting Authority/Entity with shortened time limits, 2 days, based on the fact that this is a simplified procurement procedure, which has also short time limits in terms of publication. For this purpose, the manual accompanying this Guideline provided for a detailed procedure regarding the actions to be taken by the Contracting Authorities/Entities in the event of a complaint. This Guideline lays down for the first time the rejection of bids by the Contracting Authorities/Entities in case the bids have been reduced by more than 50% of the estimated limit fund. This was set forth in order to increase the bidding responsibility of the Economic Operators.
- Guideline No. 06, dated 16 July 2021 "On the use of the negotiated procedure without prior publication of the contract notice and its conducting by electronic means"; PPA has guided the Contracting Authorities/Entities by means of this Guideline in regard to the cases of its use, under the new legal provisions set out in Article 47 of the PPL, mainly related to the following:
  - o Contemplation of Transparency voluntary notice;
  - o Contemplation for the first time of the right to appeal in this procedure.
- Guideline No. 07, dated 30 July 2021 "On the manner of conducting the procurement procedure by electronic means", which describes the actions to be followed in the EPS by each of the functions, respectively in the role of the Administrator of the CA, the role of the authorized officer of the Procurement Unit, the role of the member of Bid Evaluation Committee when conducting procurement procedures in the Electronic Procurement System..

Meanwhile, in order to enhance the performance regarding the management of funds and needs by the Contracting Authorities/Entities, as well as to ensure the full functioning of the public procurement system, the recommendations and constant notifications of the PPA have consisted mainly of the following:

- When the Contracting Authorities estimate the value of procurement for works contracts, as well as when Economic Operators submit the price analysis, they should take into account the laws and bylaws, which determine the minimum hourly wage and which are in force at the time of the procedure, specifically, Decision of the Council of Ministers No. 1025, dated 16 December 2020, "On setting the minimum wage at the national level";
- As a result of PPA findings when monitoring the procurement procedures for works, supplies and services published in the Electronic Procurement System by various Contracting Authorities, and based on the most frequent problems identified when providing assistance for the procurement procedures, the Contracting Authorities/Entities have been guided in relation to the implementation of the new legal provisions of public procurement in regard to drafting the tender documents;
- Recommendations and constant notifications on the adoption of the new public procurement law, public procurement rules, as well as other bylaws, including PPA guidelines or Standard Tender Documents adopted during this time by bringing to attention the innovations and changes that these acts bring;



- Recommendations and constant notifications on the legislation applicable during the transitional period for new and ongoing procedures;
- Guidance about the way of proceeding for the call-offs concluded under the Framework Agreement, after the changes made in the EPS for this purpose;
- Upon the entry into force of the new public procurement rules and in the frame of its role in terms of monitoring contracts, PPA has provided recommendation to the Contracting Authorities/Entities regarding the template of the Contract Execution Plan and the manner of proceeding when drafting and sending it to the PPA. In addition, after analyzing the problems identified by the reported contracts and contracts in the institutions, which were inspected, PPA has given a number of recommendations in order to minimize these problems when executing these contracts.



## 4. PPA ADVISORY AND ASSISTING ACTIVITY

### 4.1. ASSISTING ACTIVITY FOR CONTRACTING AUTHORITIES

PPA has continued to work on providing assistance for published procedures in the frame of fulfilling the functional tasks related to the assistance and advice for Contracting Authorities in relation to tender documents. It has responded in a timely manner to the needs of contracting authorities for preliminary assistance by sending the relevant recommendations to the responsible Contracting Authorities in order to guarantee the proper implementation of applicable legislation, minimize cases that affect competition and limit the participation of Economic Operators in procurement procedures, and to enhance efficiency of the procurement of public funds.

In the frame of this process, a total of **3,186** procurement procedures out of **5,079** procedures published in the Electronic Procurement System were assisted during **January-December 2021**. **117** were assisted upon the preliminary request of the Contracting Authorities before publication and **3,069** after their publication in the EPS. 3,069 procedures, which have been assisted by PPA after publication, constitute **60.4%** of the published procedures. **209** out the procedures assisted after their publication in the EPS were canceled whereas **2,860** procedures continued the procurement process.

According to the assisted procedures, which have continued the process, it turns out that:

- 41% of assisted procedures are procedures published by central government institutions,
- 38% of assisted procedures are procedures published by local institutions,
- 14% of assisted procedures are procedures published by joint stock companies,
- 7% of assisted procedures are procedures published by independent institutions.

The percentage of assisted procedures by the sector, compared to 2020, is presented in the table below:

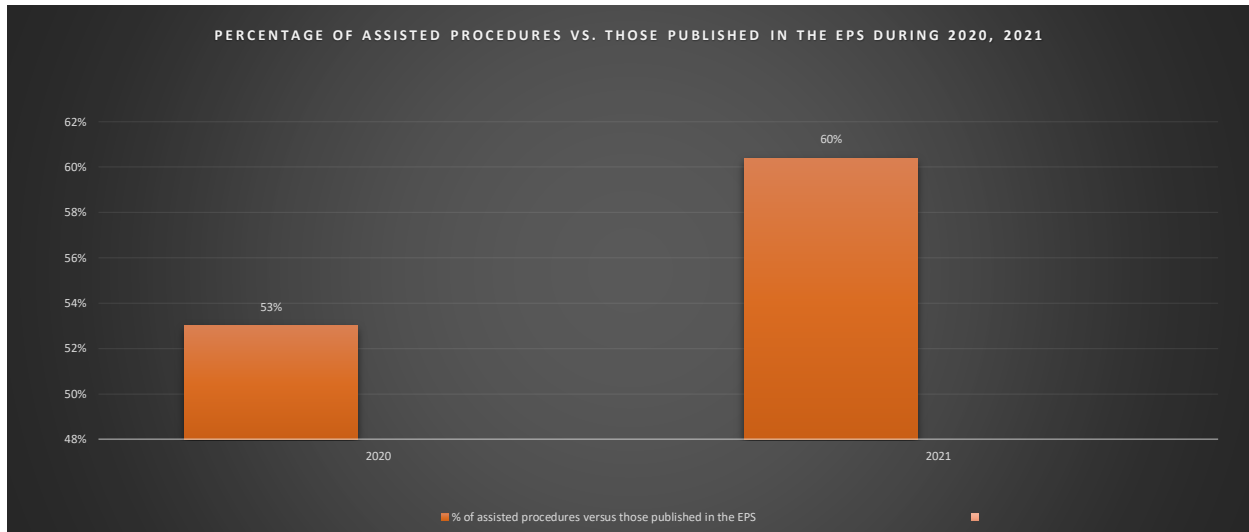
**Table 68**

Procedures	2020	2021
% of assisted procedures versus those published in the EPS	53%	60,4 %

As it may be noted, the Coordination Sector has assisted a higher percentage of procedures that have been published in the EPS during 2021.

The graphical representation of the above data is as follows:

**Graph 35**



Below are some of the indicators, which are considered as important indicators to evaluate the outcome of this ongoing assistance.

### 1. Analysis of data regarding procedures that result without problems, versus assisted procedures

#### a) Data analysis compared to 2020

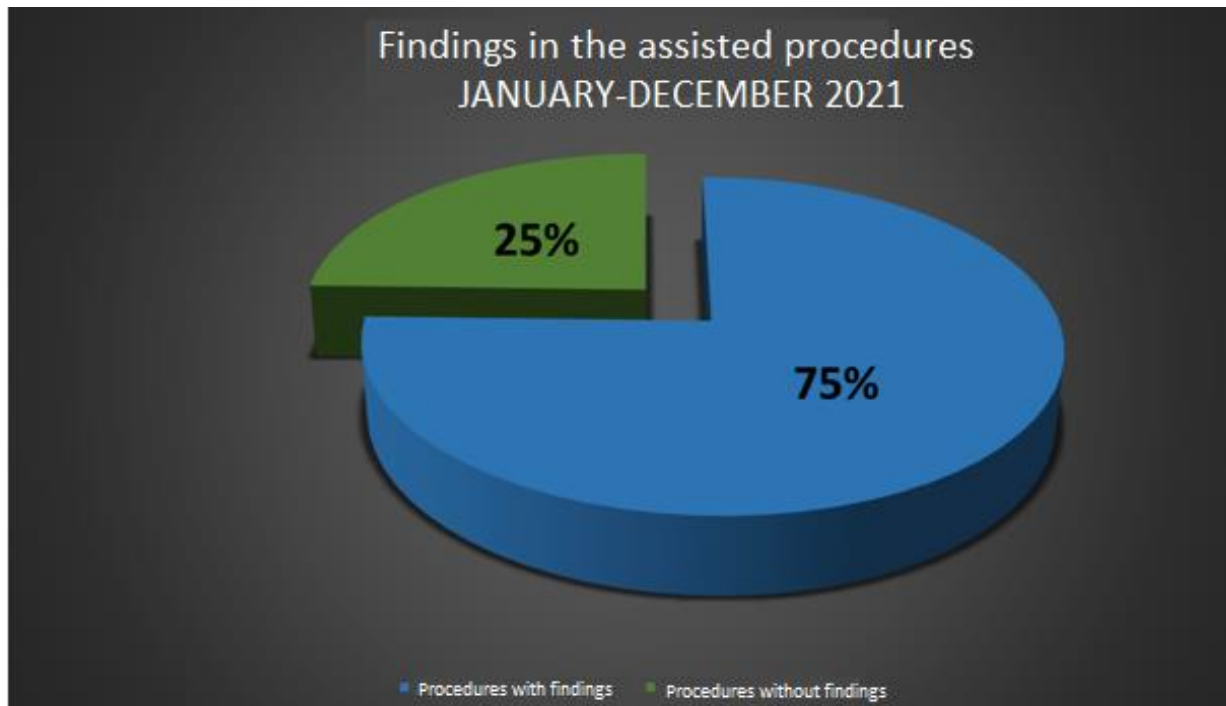
Of the 2,860 procedures that were assisted after the publication in the EPS, during January-December 2021:

- 25% of the assisted procedures have generally resulted to be in compliance with the applicable public procurement legislation or with specific areas where the execution of the scope of the contract being procured extends its activity;
- 75% of the assisted procedures have resulted in findings about 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 this data is as follows:



Graph 36



The analyzed data show that there is an increase in the percentage of the number of procedures that result without findings, i.e., with criteria that are considered in accordance with public procurement legislation in 2021 compared to 2020. Specifically, the percentage of procedures without findings vs. the assisted procedures is at the level of 25% and those with findings, at the level of 75%, while these percentages were respectively at the levels of 20% and 80% in 2020.

In order to enhance the performance of Contracting Authorities when drafting criteria of procurement procedures, the new legal changes set out the obligation of Contracting Authorities to responsibly draft the minutes of elaborating the technical specifications and specific criteria by detailing each of them, as well as the publication of this minutes together with the Standard Tender Documents, thus making it accessible to anyone who is interested.

The analysis of data for the period before the entry into force of the new legal package and after its entry into force show that the publication by the Contracting Authorities of the minutes of the elaboration of technical specifications and special suitability criteria has had a positive impact on increasing the number of procedures without findings for the period of June-December 2021 where procedures without findings account for 29.4% of assisted procedures, while these procedures account for 16.4% of assisted procedures for the period of January-May 2021.

#### **b) Data analysis according to the typology of Contracting Authorities.**

The analysis of the ratio of procedures, which have resulted to be in compliance with the legislation in force and those, which have resulted in findings, versus the assisted procedures, broken down according to the typology of the Contracting Authorities, indicates the following:

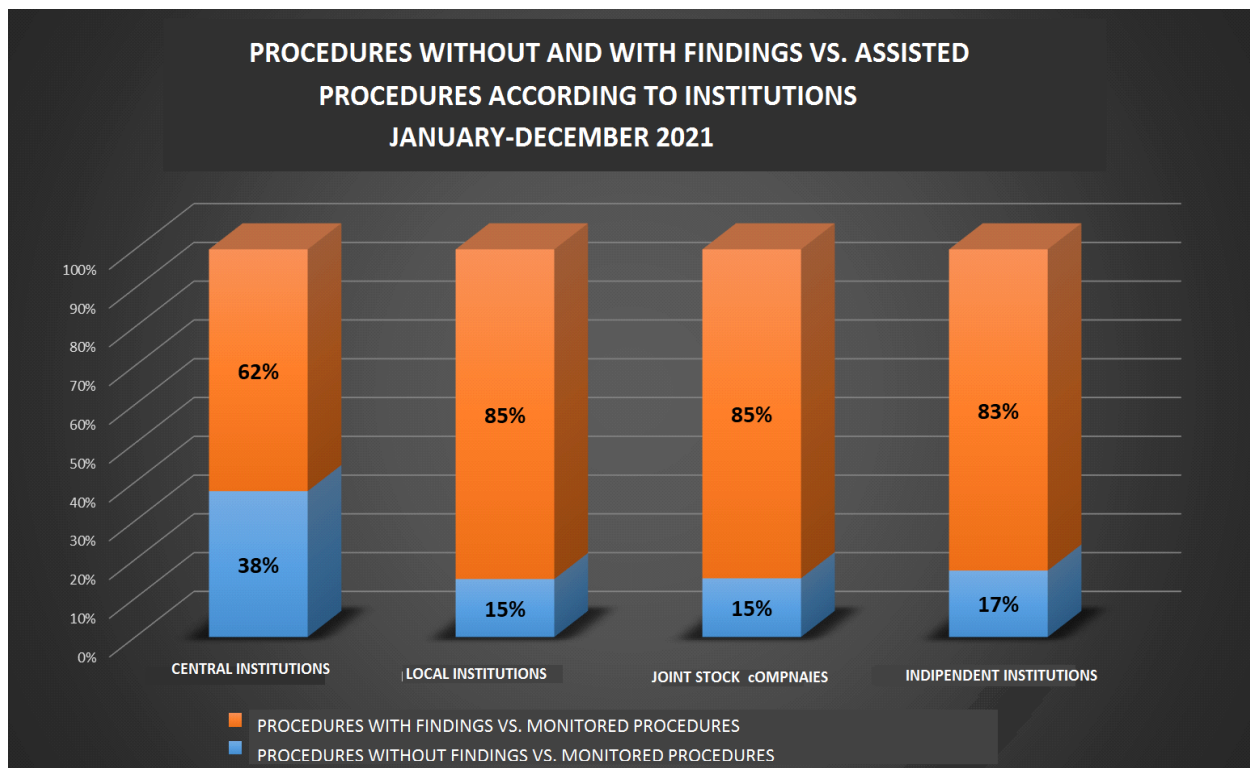


- In the case of central institutions and their subordinate institutions, 38% of assisted procedures don't have any findings, whereas 62% of them have findings;
- In the case of independent institutions, 17% of the assisted procedures don't have any findings, whereas 83% of them have findings;
- In the case of joint stock companies with state capital, 15% of the assisted procedures don't have any findings, whereas 85% of them have findings;
- In the case of local institutions and their subordinate institutions, 15% of the assisted procedures don't have any findings, whereas 85% of them have findings.

According to the above data, it turns out that the percentage of procedures without problems is at a higher level in the central institutions and in the institutions subordinated to them, namely 38% of assisted procedures, whereas the local institutions and the institutions subordinated to them and joint stock companies have a lower level of procedures without problems, practically 15% of assisted procedures.

The graphical representation of this data is as follows:

**Graph 37**



## 2. Analysis of data related to the reaction/reflection of the Contracting Authorities vis-à-vis the PPA recommendations

### a) Analysis of data compared to 2020

The analysis of the level of reaction of the Contracting Authorities vis-à-vis the recommendations provided by the PPA in relation to the problems identified when drafting the Standard Tender Documents, in particular the special suitability criteria, which directly affect the participation/competition in





procurement show the following outcomes during the period of January-December 2021 regarding the assisted procedures, for which PPA has sent recommendations:

- Contracting Authorities have reflected on PPA recommendations in 73% of cases;
- Contracting Authorities failed to react or reflect on the PPA recommendations in 27% of cases.

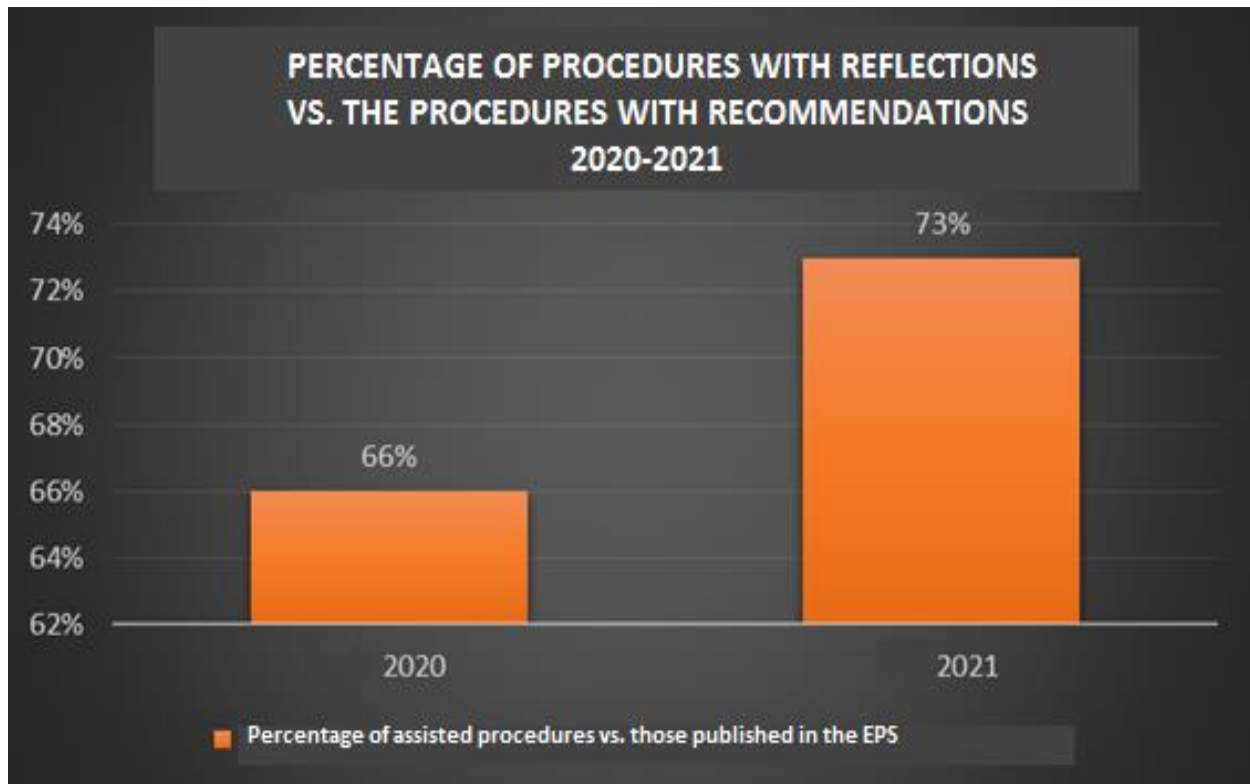
In a comparative perspective regarding 2020, where the percentage of reaction has been at the level of 66% and the percentage of failure to reflect at the level of 34%, it turns out that there is an increase of 7% of the level of reaction of Contracting Authorities in 2021 vis-à-vis the recommendations provided by the PPA regarding the drafting of tender documents.

Comparative data for 2020-2021 regarding the number of procedures, for which recommendations were sent by PPA, and the number of procedures, for which CAs have reflected on the recommendations, as well as the graphical presentation of the level of reaction on the recommendations of APP, are given below:

**Table 69**

Procedures	2020	2021
Procedures, for which recommendations have been sent by the PPA	1767	2157
Procedures, for which CAs have reflected on the recommendations	1165	1579
% of procedures with reactions versus procedures with recommendations	66%	73%

**Graph 38**



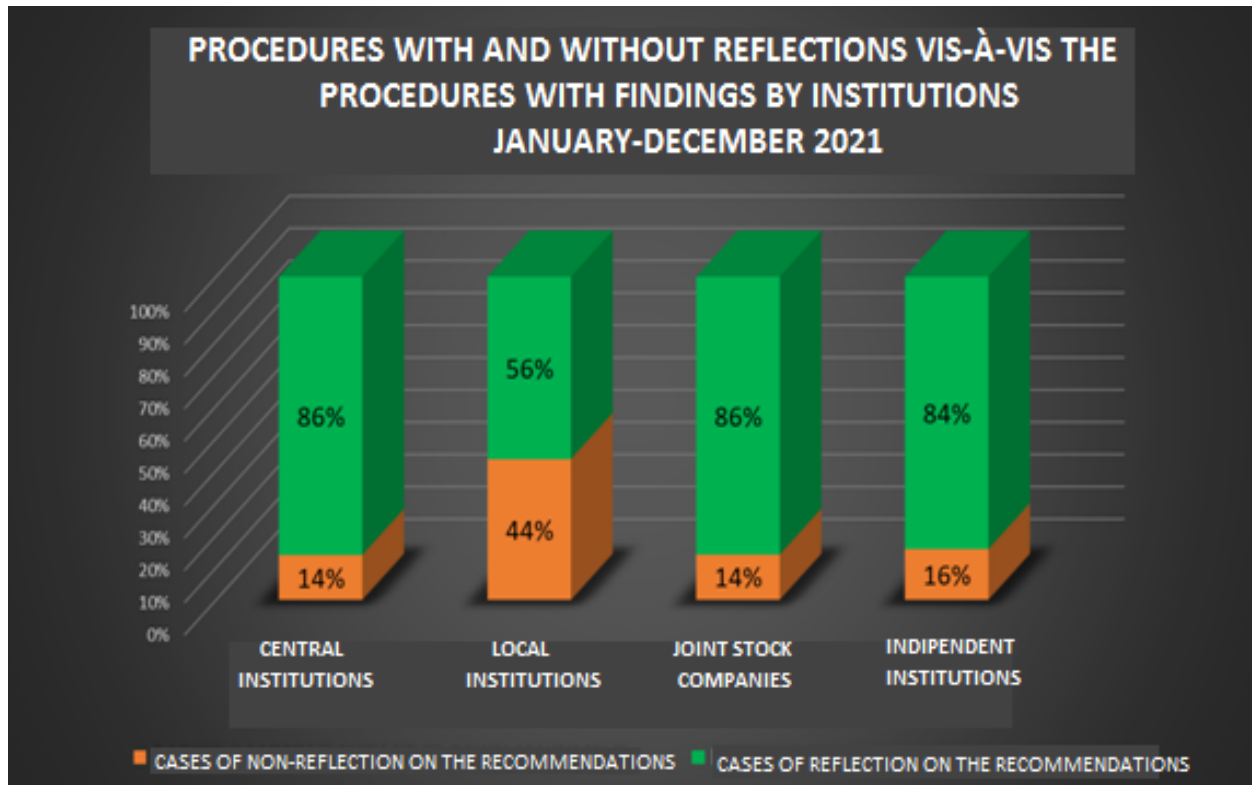


The above graph shows that the highest percentage of reaction rests with 2021, namely 73% of the procedures, for which recommendations were sent by the PPA. Meanwhile, the average reaction in the 4-year period (2018-2021) is 67% of the procedures, for which recommendations have been sent.

**b) Data analysis according to the typology of Contracting Authorities**

The following graph presents the ratio between reactions and non-reactions of institutions, according to their typology, vis-à-vis the recommendations sent by PPA.

**Graph 39**

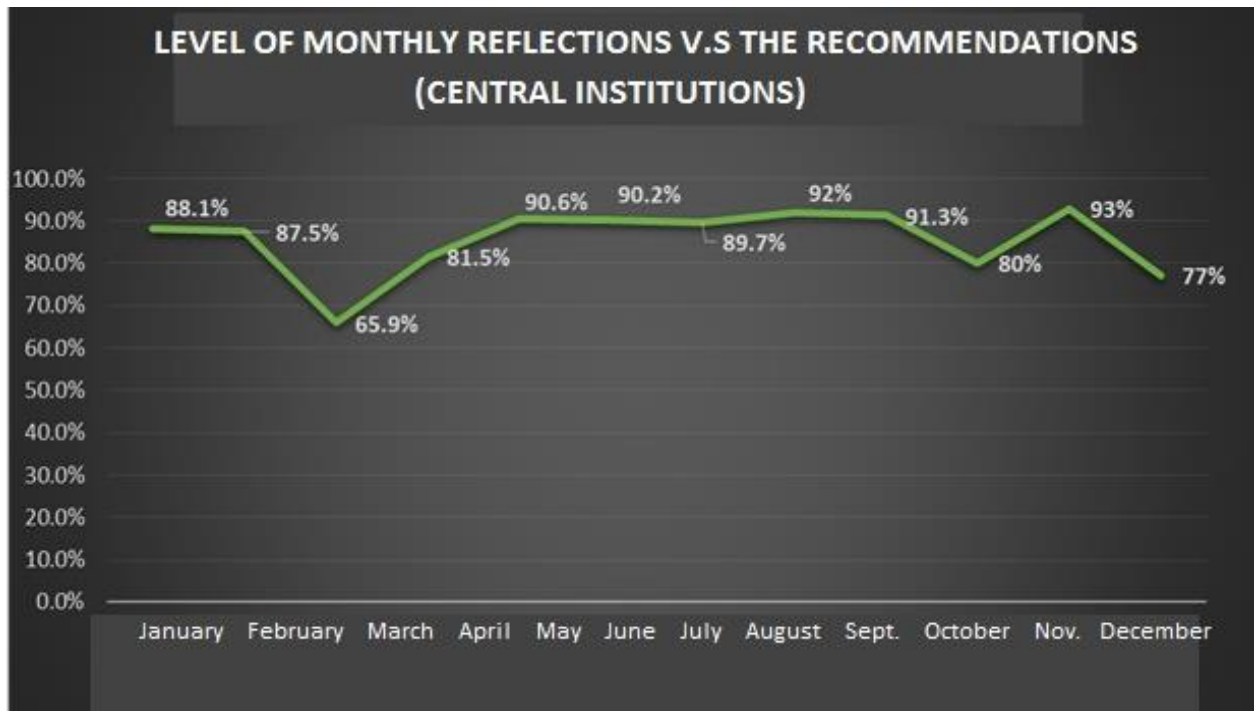


The graph indicates that the ratio between reactions and non-reactions is different for different typologies of institutions. In this sense, it turns out that central institutions, including their subordinate institutions, as well as joint stock companies have the highest percentage of reactions vis-à-vis the PPA recommendations, specifically 86% of procedures with findings, while local government institutions have the lower percentage of reactions on PPA recommendations, namely, 56% of procedures with findings.

**Monthly graphical presentation of the level of reaction of central institutions on PPA recommendations during 2021 is presented as follows:**



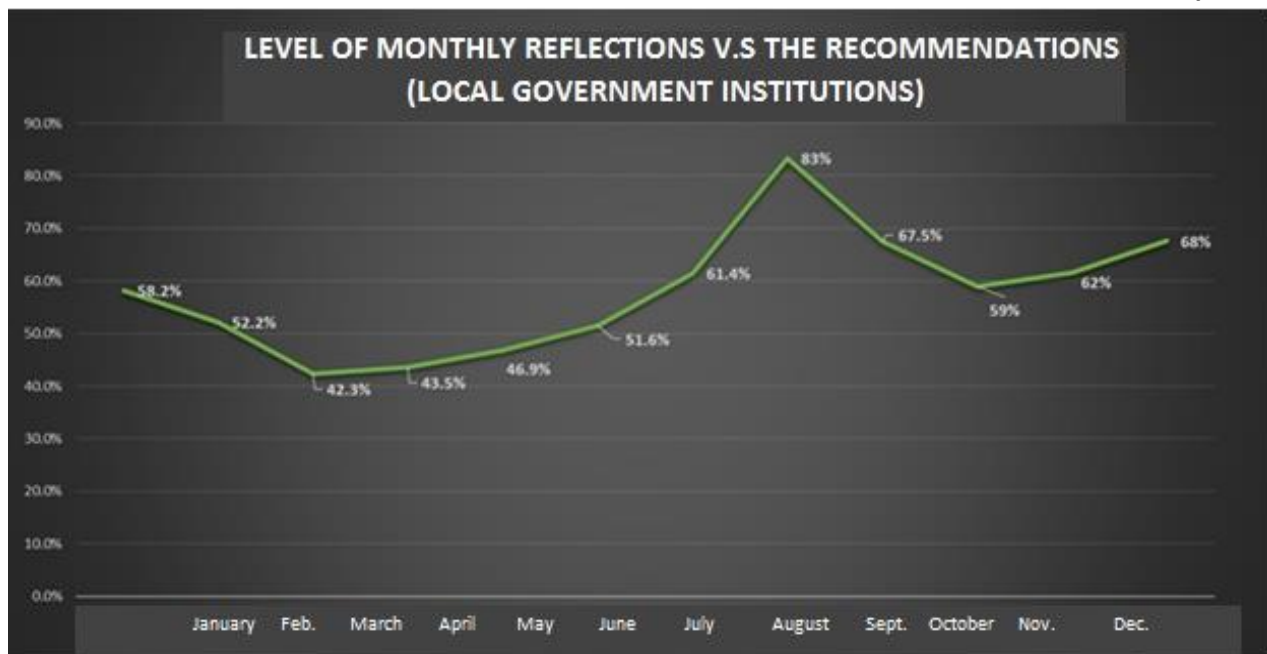
Graph 40



The graph above shows that the Central Institutions have high levels of reactions vis-à-vis the recommendations of the PPA, where the highest point of reactions is November, namely 93%, while lowest point of reactions is in March, at the level of 65.9 %.

Graphic presentation of the level of local institutions reaction vis-à-vis the recommendations of the PPA in 2021 are presented as follows:

Graph 41





The above graph indicates that the highest point of reactions of local institutions was recorded in August with 83%, while the month with the lowest percentage of reactions is March with at 42.3%.

#### 4.2. CASES REVIEWED TO PROVIDE OPINIONS, ADVICE OR GUIDANCE

The Public Procurement Agency has reviewed a considerable number of cases pursuant to the duties set forth by the legislation in the field of public procurement, Concession/PPP and public auctions. These cases had to do with giving opinions, advice or guidance in support of the Contracting Authorities, giving opinions on various draft decisions, reviewing the proposals of Contracting Authorities or even the proposals of economic operators about the exclusion of different entities from the right to win public contracts in the field of public procurement, concessions /PPP and public auctions.

The Public Procurement Agency has assisted the Contracting Authorities by reviewing the requests, which the latter have submitted in paper form and electronically.

The problems, for which assistance was provided, had to do with various issues and uncertainties faced during the procurement process, such as the following:

- The manner of proceeding at the time when the new Public Procurement Law entered into force while the bylaws were not approved yet;
- The manner of proceeding regarding the provision of security service with private guards, which is transferred to Illyrian Guard Joints-stock Company since 2019, and in some cases the latter doesn't deliver this service, thus leading to situations when Contracting Authorities haven't covered their needs for this service not only at the beginning of the year, but also continuously after the end of the contracts that they have signed;
- Using of negotiated procedure without publication due to the failure of the Centralized Purchasing Agency to conduct the competitive procedures in time or due to the failure of the Public Procurement Commission to make a final decision;
- Implementation of the Framework Agreement;
- Complaints addressed to the PPA regarding inaccuracies and violations of the PPL by the CAs for procurement procedures conducted by the latter and especially for those of small value.
- Cases of modification of contracts.

The Public Procurement Agency has communicated during 2021 with various institutions including mainly the following:

- i. Various Contracting Authorities and economic operators, which have asked for opinions or clarifications on issues in the field of public procurement and public auction;
- ii. Central government institutions (Ministries), in the framework of providing opinions on draft decisions or draft laws in the field of public procurement/public concessions/Public Private Partnerships and public auctions, which are submitted for approval to the Council of Ministers;
- iii. The Public Procurement Commission, which has asked, among other things, through its decisions the Public Procurement Agency to initiate an administrative investigation for some specific procurement procedures, and, in particular, those where the confidentiality of the process has been violated in the sense of Article 25 of Law No. 9643/2006 (in force at the time of submission of the request).



- iv. Prosecution Institutions, in relation to various information requested by them on procurement procedures carried out by different contracting authorities, various legal studios, which based on the right to information have requested the availability of documents procurement procedures or requested information on certain procurement procedures, visual media outlets or various journalists, etc.
- v. Various economic operators, which have applied to be provided with certificates to reflect their situation, as operators which have not been excluded upon a PPA decision from participating in public procurement procedures. It is worth mentioning that the introduction of this service in the e-Albania platform has enabled applying for obtaining the certificates through this platform.
- vi. The Classified Information Security Directorate at the Prime Minister's Office regarding the verification required for certain Economic Operators if there has been a decision of the PPA to exclude them.
- vii. Economic operators, which 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.

A total number of **675 cases** have been submitted by various institutions in 2021 in writing asking for opinion, clarification or information on issues related to the public procurement process, concessions/PPPs, and public auctions.

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

Referring to the number of electronic requests during 2021, it turns out that about **600** such requests have been reviewed. It is noticed that year after year Contracting Authorities and Economic Operators keep increasingly choosing to address the PPA electronically due to the practicality of handling each request. Rapid responses of the PPA to any request related to lack of clarity that the authorities have when they conduct the procurement procedures, or difficulties that economic operators encounter during the procurement process has resulted in the increase of their number in 2021 compared to 2020, when 430 requests were submitted.

Electronic communication is mainly focused on the following:

- Explanations about the submission of electronic fiscalization certificates by Economic Operators;
- Drafting of suitability criteria;
- Implementation of the Framework Agreement;
- Implementation of the new Public Procurement Law No. 162, dated 23 December 2020, which entered into force on 31 March 2021, and in this context, most questions focused on the publication of procurement procedures concerning the implementation of the applicable law;
- Appeal time limit for small value procurement procedures, after new legal changes;
- The application of new legal provisions adopted, in particular as regards the process of cancellation of a procedure and the obligation to publish the contract notice in the procurement procedures above the upper monetary threshold in an official EU Journal;
- Actions of the Complaints Review Committee in the EPS;



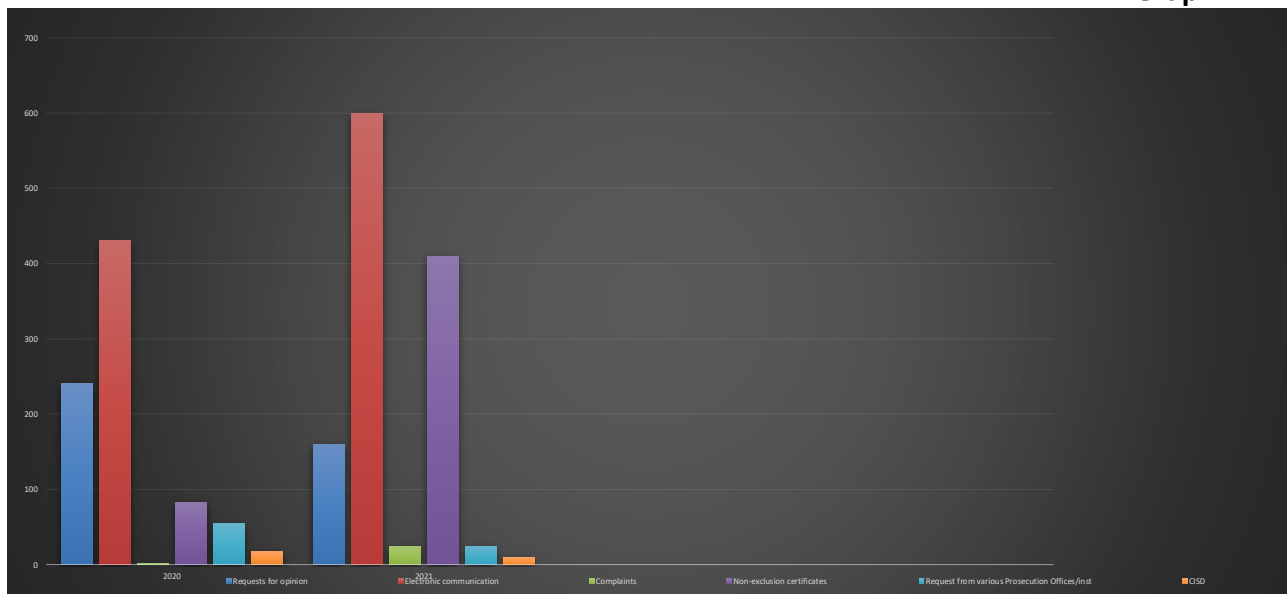
- Transitional provisions to be applied under the conditions when public procurement rules have not yet been adopted;
- Standard Tender Documents that will be used by the CAs, after the approval of the Decision of the Council of Ministers 285/2021;
- Clarifications about the procedures for procurements up to 100,000 Albanian Leks.
- Clarifications about the practical implementation by the Contracting Authorities of Article 26 “Summary Form of Self-declaration” of the public procurement rules.
- Clarifications about the evaluation process of fuel as an item
- Explanations about the changes approved by the Decision of the Council of Ministers 710/2021.
- On the continuation of the publication of procurement procedures for 2022.
- On the publication of the winner notice and the deadlines for the appeal.

These data are presented in a table form as follows:

**Table 70**

Cases reviewed in 2021	
Type of request	Number
Requests for opinion/clarification/communication with other institutions in writing.	160
Requests for opinion/clarification/communication with other institutions electronically.	600
Request for opinion about submitted draft laws/draft decisions	22
Verifications required by CISD	10
Certificates issued to Economic Operators that are not in a process of exclusion	410
Requests submitted by various Prosecution Offices of Judicial Districts/Special Anti-Corruption Structure SPAK/different institutions.	25
Denunciations from Economic Operators.	24
Wrongly addressed letters/forwarded by PPA to relevant institutions.	24

**Graph 42**





## 5. EXCLUSION OF ECONOMIC OPERATORS

One of the main tasks of the Public Procurement Agency entails also the reviewing of the cases of exclusion of economic operators from the right to get public funds. These cases are identified during the process of verification or review of reports of audit bodies performed by the Public Procurement Agency, or as a result of the proposals of the Contracting Authorities, economic operators, other audit bodies in the course of carrying out 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 specified period of time.

A considerable number of the requests, which have been filed during this year, and which will be analyzed below, have been incomplete in the sense of the legal conditions, which are required by Article 13/3 of the Public Procurement Law (in force at the time of submission of the request) or Article 78 of the current PPL, for the exclusion of an economic operator from the right to receive public funds.

**80 cases about the exclusion of economic operators** were reviewed by the Public Procurement Agency during 2021, while there were no requests for exclusion of economic operators from participation in Concessions/Public Private Partnership procedures or from public auctions.

They are presented in a table form as follows:

**Table 71**

<b>Cases reviewed about the exclusion of economic operators</b>	
Cases identified by PPA when monitoring the contract execution/when verifying the implementation of procedures.	<b>4</b>
Proposals initiated by Economic Operators	<b>15</b>
Enforcement of the decision made by the Court	<b>1</b>
Proposals initiated by the Contracting Authorities	<b>52</b>
Proposals initiated by the Public Procurement Commission	<b>4</b>
Proposals initiated by Supreme Audit Institution/ Financial Inspection	<b>4</b>
<b>TOTAL</b>	<b>80</b>

**Of the 80 cases proposed** for exclusion from participation in public procurement:

- 15 cases refer to misinformation and submission of documents with false data according to the provisions of Article 13/3/a of Law 9643/2006 (in force at the time of submission of the request) and 33 cases according to the provisions of article 78 of the current PPL, **48 in total cases;**
- 9 cases refer to failure to fulfill contractual obligations, according to the provisions of Article 13/3/ç of Law 9643/2006 (in force at the time of submission of the request) and **21 cases** according to the provisions of Article 78/1/b of the current PPL, **30 cases in total;**
- 2 cases refer to corrupt actions, according to the provisions of Article 13/3/b of Law 9643/2006 (in force at the time of submitting the request).

They are presented in a table form as follows:

**Table 72**

<b>Cases reviewed about the exclusion of economic operators</b>	
Proposals for misinformation and submission of documents with false data	<b>48</b>
Proposals for failure to fulfill contract obligations	<b>30</b>
Proposals for corrupt actions defined in Article 26, Paragraph 1, Point "a" of Law 9643/2006	<b>2</b>
<b>TOTAL</b>	<b>80</b>

Out of **80** requests reviewed, administrative proceedings have been initiated for exclusion from participation in procurement procedures for **53** economic operators, while the ruling of the High Court has been enforced for **1** case by including the economic operator in the list of excluded operators.

Meanwhile, **26 requests** were found to be incomplete in terms of their legal arguments and documentary evidence, or it has resulted after the verifications performed that they were not under the conditions provided by the legal provisions on initiating administrative proceedings by the PPA.

**Table 73**

<b>Reviewing of requests for exclusion</b>	
Administrative proceedings initiated	53 requests
Administrative proceedings not initiated	26 requests
Enforcement of the ruling of the Court of Appeal	1 case

### 5.1. DECISIONS TO EXCLUDE ECONOMIC OPERATORS

The decision to exclude **twenty-four (24) economic operators** from the right to participate in procurements **was made** at the end of the administrative proceeding initiated **for fifty-three (53) of them** under the provisions of Article 13/3 of the Public Procurement Law (in force at the time of submission of the request) and article 78/1 of the current PPL.

Of these,

- **Fifteen (15) economic operators** have been excluded from participation in public procurement due to misinformation and submission of tender documents containing false data, respectively:
  - Eleven (11) economic operators have been excluded due to misinformation grounds;
  - Four (4) economic operators have been excluded due to submission of documentation with false data.
- **9 economic operators** have been excluded due to failure to fulfill contract obligations of the PPL.

**Table 74**

<b>Exclusions and the legal basis</b>	
Excluded due to misinforming for qualification purposes (Article 13/3/a of Law 9643/2006/Article 78 of PPL)	11 economic operators
Excluded for submission of documentation with false information for qualification purposes (Article 13/3/a of Law 9643/2006/Article 78 of PPL)	4 economic operators
Excluded for failing to meet contractual obligations (Article 13/3/ç of Law 9643/2006/Article 78/1/b of PPL)	9 economic operators





- It is worth mentioning that the following has been found in cases of exclusion of economic operators **under the conditions of misinformation for qualification purposes**:
  - Misinformation through the submission of the criminal record in the tender, where the company has declared that it has not been convicted for criminal offenses, under Article 45/1 of the PPL, while the verifications have shown that the partner/administrator have been criminally convicted;
  - Misinformation regarding the submission of the self-declaration in the tender showing that the last control performed by National Food Authority found that the operator exercises its activity in accordance with legal requirements, while according to the verifications it has resulted that the operator in question doesn't exercise its activity in the address it has provided;
  - Misinformation regarding the use of the catalog by the economic operator, the use of which has not been confirmed by the manufacturing company;
  - Misinformation in the submitted declaration that the concluded contracts have been executed to the extent of 70%;
  - Misinformation in the declaration delivered under Annex 11;
  - Misinformation in the declaration delivered for the technical specifications.
- The following may be mentioned as **cases when documents with false data are found**:
  - The certificate submitted for the payment of social insurance contributions, while the verification has found that the economic operator hasn't paid the insurance obligations;
  - The engineer hasn't confirmed signing of the engagement agreement with the economic operator, which is presented as part of the bid;
  - Submission of a test report with false data, which after verifications performed at the PHI, the latter confirmed that it has not issued it;
  - The evaluation form presented in the tender contained false data, because the percentage of works carried out as a member of the grouping of economic operators expressed in this form is not confirmed.
- Concerning cases of **failure to fulfill contractual obligations**, it turns out that the exclusion decisions made in these cases were about failure to fulfill the contractual obligations during the contracts signed mainly at the conclusion of small value procurement procedures, but also for failure to execute the contracts signed after the conducting a competitive procurement procedure.

## 5.2. DECISIONS ABOUT NON-EXCLUSION OF ECONOMIC OPERATORS

It was decided not to exclude **six (6) economic operators**, because the conditions provided for in Article 13/3 of the Public Procurement Law 9643/2000 (in force at the time of submission of the request), or Article 78/1/a of the current Law were not met.

Data about non-exclusion decisions are presented in a table form as follows:

Table 75

<b>Decisions about non-exclusion from participation in public procurements</b>
--



Decisions on non-exclusion, based on the provisions of Article 13/3/a of the Public Procurement Law ( <i>for misinformation and submission of documents with false data for qualification purposes</i> )	4 cases
Decisions on non-exclusion, based on the provisions of Article 78/1/a of Law 162/2020 ( <i>for misinformation and submission of documents with false data for qualification purposes</i> )	2 cases

### 5.3. SUSPENSION OF ADMINISTRATIVE PROCEEDINGS

During the administrative proceedings initiated under the Code of Administrative Procedures for the exclusion of economic operators, it was decided to suspend the proceedings for seven (7) economic operators due to the court process.

The decision to suspend the administrative proceeding was made under the conditions when it turned out that the case, for which the proceeding was initiated, was the subject of a lawsuit filed with the Court by these economic operators.

The data on administrative proceedings, which are suspended due to the court process, are presented in a table form below:

**Table 76**

<b>Administrative proceedings that remain suspended due to the continuation of the court process in 2020</b>	<b>7</b>
--	----------

Meanwhile, seventeen (17) other proceedings, for which the final decision of the Court is expected, continue to remain suspended due to the continuation of the court process from 2015 to 2020.

The data on administrative proceedings, which are suspended due to the court process, are presented in a table form below.

In tabular form, we present data on administrative proceedings, which are suspended due to the court process, we present below:

**Table 77**

Administrative proceedings that remain suspended in 2021	<b>7</b>
Administrative proceedings in total suspended over the years 2015-2020	<b>17</b>

#### ✓ **Requests that are incomplete and in process**

PPA has not initiated administrative proceeding for **26 economic operators**, because the request submitted by the proposers (Economic Operators/Contracting Authorities) is considered as a request with incomplete documentation and unsubstantiated to initiate administrative proceedings, or it has been found, after the verifications, that conditions for initiating administrative proceedings have not been met under the provisions of Article 13/3 of Law 9643/2006 in force at the time of submitting the request.

Moreover, administrative proceedings initiated are **still in process by the PPA for seventeen (17) economic operators**.

- In summary, reviewing of all requests for exclusion of economic operators from the right to receive public funds during 2021 is presented in a table form below:

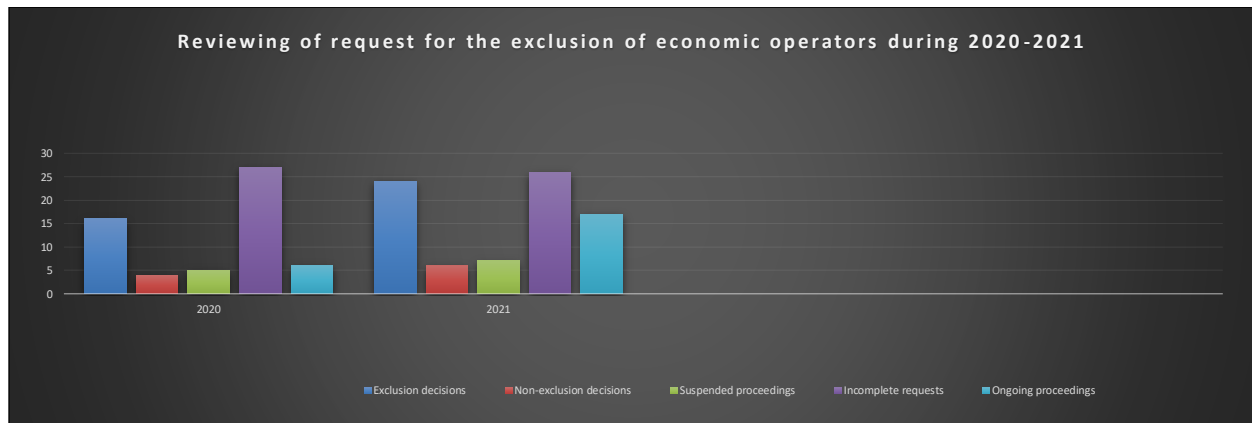
**Table 78**



Reviewing of cases for exclusion reviewed by the Public Procurement Agency during 2021	
Decision	Number
Exclusion decisions	24
Non-exclusion decisions	6
Suspended administrative proceedings	7
Administrative proceeding in process	17
Incomplete requests	26
<b>TOTAL</b>	<b>80</b>

Reviewing of requests for exclusion of economic operators and decisions made at the end of the initiated proceedings has increased during 2021 Compared to 2020 and this is presented in the graph below:

**Graph 43**



Meanwhile, when comparing it over the years for the period 2018-2021, it results that there is an increase during this year, both of the requests and the decisions made on the exclusion of economic operators.

**Table 79**

Requests for exclusion during 2018	Requests for exclusion during 2019	Requests for exclusion during 2020	Requests for exclusion during 2021
55	50	62	80

**Table 80**

Exclusion decisions during 2018	Exclusion decisions during 2019	Exclusion decisions during 2020	Exclusion decisions during 2021
17	20	16	24



## 6. INDICATORS OF THE PROCEDURES VERIFICATION

Pursuant to the tasks assigned to PPA by the public procurement legislation, its activity focuses on the administrative investigation by verifying the legal compliance of public procurement procedures, after the phase of signing the procurement contract or cancellation of the procedure.

The verification process is initiated on the following grounds:

- *Ex post*, upon the initiative of the PPA;
- Complaint by third parties;
- Indications from the reports of audit bodies, Public Procurement Commission, etc.;
- Cases found by the publication in the Electronic Procurement System or the Public Notices Bulletin.

### 6.1. VERIFICATION OF THE LEGAL COMPLIANCE

Verification of the legal compliance of procurement procedures, which are carried out by different Contracting Authorities is an ongoing process of PPA's activity. The aim of this process is to raise the awareness of contracting authorities regarding a rigorous implementation of public procurement legislation in the procurement procedures conducted by them.

Public Procurement Agency, in its capacity as a regulator of the public procurement system in the country, focuses the investigative process on the identification of problems related to the enforcement of legal requirements.

The aim of the Public Procurement Agency verification process is not only to identify irregularities and problems, penalize those responsible persons, who have committed actions against the procurement legal provisions, but also to analyze the situation and make relevant recommendations to avoid these actions in the future.

Likewise, the analysis of the conclusions, which have been reached at the end of the verification, may serve as a basis for issuing generalizing recommendations, which help all Contracting Authorities, and serve as a basis for possible improvements of the public procurement legislation.

Regarding the verification of the legal compliance during 2021, the Contracting Authorities subject to verification, the verified procedures and the administrative measures (fines, disciplinary action) imposed by the PPA, at the end of the verifications, are presented in the table below:

**Table 81**

<b>Contracting Authorities, subject to verification</b> <i>(It should be taken into account that some Contracting Authorities have been subject to verification more than once at different timings of the year for two different procurement procedures)</i>	<b>68</b>
<b>Verified procurement procedures</b>	<b>137</b>
<b>Fine</b>	<b>102</b> staff members of the Contracting Authorities, subject to verification
<b>Proposal for disciplinary action</b>	<b>145</b> staff members of the Contracting Authorities, subject to verification

PPA has proceeded as follows regarding the verification activity in detail during 2021:



- *Verification of procedures where the administrative investigation is initiated ex post.*

The implementation of the Verification Plan launched at the end of 2020 has been completed during this period, with a focus on **27 Contracting Authorities** and the inclusion of procurement procedures of the type "Open", "Request for proposal" and "Small value procurement procedure".

Specifically, *28 procurement procedures* were verified in the frame of this plan. The documentation collected in the file for each stage of the procedure was reviewed. 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.

The procedures included in this plan have been the subject of complaints filed by the Economic Operators with the PPA in writing or by e-mail. These complaints demanded administrative investigation by submitting arguments for violations and irregularities committed by the relevant authorities when conducting the procedures.

After identifying the violations/shortcomings, as well as reviewing and analyzing the objections submitted by the Contracting Authorities, PPA continued with the preparation and making of final decisions. PPA has made the relevant decisions, in the framework of this verification plan, according to the provisions of the PPL.

The Notice with Protocol No. 7459/4, dated 25 May 2021 was drafted and published on the official website of the PPA at the end of the verification of all procurement procedures included in the Plan. The Notice took into account all the violations and shortcomings identified in the verified procedures and called the attention of all Contracting Authorities to follow the recommendations provided in this notice, with the aim of carrying out a good implementation of legal provisions on procurement.

In addition, a verification plan was approved at the end of November focusing on **16 Contracting Authorities**. The recommendation of the Supreme Audit Institution was taken into account when drafting this verification plan regarding the inclusion of procedures, for which the Contracting Authorities failed to react to the recommendations provided by the PPA during the phase of publishing the tender documents.

To this end, it was considered to include in the plan was for verification the procurement procedures conducted by the Contracting Authorities, for which the PPA had identified problems related to the qualification criteria, but it turned out that the relevant authorities failed to react/reflect on these recommendations.

The intention of this process is to identify how it has affected the procedure, the drafting of criteria, for which recommendations have been provided and the relevant Contracting Authorities have failed to reflect on them.

This plan also includes procedures reported by economic operators, whose claims serve as indications for verifying the legal compliance.

The selection of procedures was mainly based on the nature of the contract, including all three types: works, supplies and services, and the value of the limit fund.



A total of **16 procurement procedures** are included in this plan, as follows:

- 12 "Open" procurement procedures.
- 3 "Request for proposal" procurement procedures.
- 1 "Open simplified" procedure.
- *Direct verification of procedures reported by economic operators.*

During this year, PPA has simultaneously continued, in most cases, with the verification of procurement procedures directly after the submission of reports by Economic Operators both, electronically and in writing, when the procedure has been completed with the signing of a contract. The complaint was submitted to the Co-Government Portal for 2 of the procedures in question.

In more specific terms, the administrative investigation has been completed and PPA has made the relevant decisions and has taken measures for 7 Contracting Authorities regarding legal compliance in 8 procurement procedures, of which 6 were small value procurements and 2 "Request for proposal".

In addition to verifying all the documentation collected in the file, the allegations of the complainants for these procedures were also reviewed. At the end of the verification, the PPA has made the relevant decisions.

The procedures reported by the economic operators belong mainly to small value procurements, as the previous Public Procurement Law, which was in force at the time when they were conducted, did not foresee an appeal process. Moreover, these types of procedures are considered as simplified ones in terms of their conducting and in terms of the limit fund, and as such the participation of operators in them is relatively high, and consequently there is competition between them.

Meanwhile, information was requested from 7 Contracting Authorities, which is in the process of review, regarding the claims submitted to the Co-Government Portal for procedures conducted by these authorities. The scope of these procedures consists in the procurement of international air transport tickets.

- *Verification of procedures transferred by other institutions to PPA for jurisdiction grounds.*

During this year, the Public Procurement Commission (PPC) has proposed to PPA in several cases the initiation of administrative investigation based on the decisions it has made when reviewing the complaints of economic operators in various procurement procedures.

In more concrete terms, 9 contracting authorities were subject to verification for 9 procurement procedures, of which 3 are "Open" type procedures, 4 are "Request for proposal", 1 is "Restricted", and 1 procedure is "Simplified open" procedure.

The cases that were submitted by the PPC were mainly related to findings regarding the failure of the Contracting Authorities to comply with the appeal deadlines, operations in the Electronic Procurement System, conflict of interest and allegations of breach of confidentiality of the process, as provided for by the Public Procurement Law. Regarding these findings, the Contracting Authorities, which have conducted the procurement procedures, were asked to send information about the performed operations and the probative documentation related to these operations.



After completing the review of information and relevant documentation, PPA has come up with legal treatment and reasoning, which has resulted from this review.

Meanwhile, PPA is in the verification process regarding the findings of the PPC for another Contracting Authority concerning an open procurement procedure, for which the relevant information was requested, after the proposal of this institution.

- *Verification of procurement procedures, the scope of which consists in the management of hospital waste.*

A joint working group was set up in July with the Anti-Corruption Department at the Prime Minister's Office in the frame of monitoring the activity of the Contracting Authorities regarding the execution and supervision of contracts of hospital waste management during 2020-2021. This group included also PPA specialists to assess the legal compliance of the procurement procedures, which were conducted to conclude the contracts in question.

In this context, verification was performed against 10 hospital institutions, in the capacity of Contracting Authorities, for 10 procurement procedures, at the end of which the identified findings and relevant recommendations were prepared on the basis of these findings.

Data on verifications performed by PPA during 2021 is presented in a table form, as follows:

**Table 82**

<b>Contracting Authorities, subject to verification</b>	<b>41</b> <i>(It should be taken into account that some Contracting Authorities have been subject to verification for several procedures or more than once)</i>		
<b>Decisions made by the Public Procurement Agency, with penalties</b>	<b>33</b>		
<b>Reprimand and general orientation/investigation dismissed</b>	<b>9</b>		
<b>Verified procurement procedures (Total)</b> <b>44</b>	<b>Public works procedures</b> <b>8</b>	<b>Supplies procedures</b> <b>26</b>	<b>Service procedures</b> <b>10</b>

**Table 83**

Type of procurement procedure	Number
Open procedure	6
Restricted procedure	1
Request for proposal procedure	12
Simplified open procedure	1
Small value procurement procedure	24
<b>TOTAL</b>	<b>44</b>

Additionally, the verifications performed in the framework of the control for hospital waste management, during 2021 are provided in a table form as follows:

**Table 84**



<b>Contracting Authorities, subject to verification</b>	<b>10</b>
<b>Verified procurement procedures</b>	<b>10</b>

**Table 85**

<b>Type of procurement procedure</b>	<b>Number</b>
Open procedure	5
Request for proposal procedure	5
<b>TOTALI</b>	<b>10</b>

Total data on verifications performed during 2021:

**Table 86**

<b>Contracting Authorities, subject to verification</b> <i>(It should be taken into account that some Contracting Authorities have been subject to verification for several procedures)</i>	<b>50</b>
<b>Verified procurement procedures</b>	<b>54</b>

## **6.2. REVIEW OF THE AUDIT BODIES REPORTS/VERIFICATION OF AUDIT REPORTS INDICATIONS**

The work of PPA related to the audit bodies' reports was carried out in two different ways during 2021, given that the new Law No. 162/2020 has entered into force since 31 March 2021. It brings changes of the jurisdiction of the PPA in this regard, namely:

- (i) PPA has reviewed the audit bodies' reports within its jurisdiction for the period of 01 January-31 March 2021, based on Law no. 9643/2006 "On Public Procurement," as amended.
- (ii) Meanwhile, as of March 31, 2021, based on Law No. 162/2020, the findings, which were discovered by the conducted audits and presented to the institution, have served as indications for verification, in the frame of cooperation with audit bodies, as provided in this Law.

On this basis, PPA has cooperated with audit institutions in the country during this year, such as: Albanian Supreme Audit Institution, Directorate of Financial Inspection in the Ministry of Finance and Economy, and Internal Audits of institutions, taking into account the findings of audited procurements, included in the final reports sent to the PPA, by these institutions. In addition, the findings identified for a procurement procedure were sent in one case for review by the Ministry of Justice in the capacity of National Anti-Corruption Coordinator.

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

The right of the auditees/persons identified as responsible by the audit bodies to submit to the PPA their objections to the findings included in the relevant reports has been respected during the verification of the findings of each audit report.

While the reports in question have been voluminous and with a large number of findings, PPA has made a final decision, after careful review, analysis and evaluation of each finding included in the report by the audit institution, as well as objections, clarifications and documentation submitted by the auditees.





During this year, the findings contained in **11 audit reports** were verified, where the subject-matter of audit consisted in **18 Contracting Authorities**. At the end of the verification, the PPA has made decisions on penalizing actions.

Meanwhile, the findings included in the reports of 4 audits, which were carried in 4 Contracting Authorities, are in the process of verification.

The data on the number of reports with the findings reviewed, according to audit bodies, are presented in a table form, as follows:

**Table 87**

<b>Audit Institution</b>	<b>Number of reports</b>
Supreme Audit Institution	5
Internal Audits of Institutions	4
Financial Inspection Directorate	1
Ministry of Justice in the capacity of National Coordinator of Anti-Corruption	1
<b>TOTAL</b>	<b>11</b>

Out the audit reports in total, PPA has verified the findings for **83 procurement procedures/objects/audit cases**, findings related to **additional contracts**, as well as **general findings** related to the requirements of public procurement legislation. PPA has verified for one of the reports in question the findings identified in 8 Contracting Authorities regarding the transport service for teachers and students, provided by these authorities during 2019-2020.

The data on the types of procurement procedures addressed in the reports of audit bodies, the findings of which are addressed by the PPA, are presented in a table form as follows:

**Table 88**

<b>Type of procurement procedure/ audit object</b>	<b>Number</b>
Open procedure	26
Request for proposal	22
Negotiated without prior publication of the contract notice	3
Small value procurement procedure	21
Objects realized without procurement procedure	11 (cases)
<b>TOTAL</b>	<b>83</b>

### **6.3. FINDINGS AND PROBLEMS IDENTIFIED DURING THE VERIFICATION PROCESS**

Various shortcomings and public procurement legislation violations, which were committed by the contracting authorities that have conducted procurement procedures subject to verification, were found during the verification process, and a main summary of them is provided below.

1. Failure to implement the procedural legal aspects in regard to receiving supplies or services, which are not exempted by this law.
2. The following was found regarding the organization of the procurement procedure in a number of cases:



- Failure to specify the responsible person/s and failure to reporting it to the PPA, as defined in the public procurement rules. Meanwhile, the person responsible for procurement has the duty to continuously monitor the progress of the procurement process, according to the obligations assigned by the Decision of the Council of Ministers about this role.
- Failure to appoint the field specialist of procurement procedures, mainly for public works has also been found.
- A number of procurement objects require special knowledge and especially the drafting of suitability requirements that are specific to these objects. In this way, the specialist of the field helps to draft these requirements in accordance with the object of the procurement, without including the participation of other members of the unit, who don't have the appropriate knowledge about the field of the object to be procured and often become subject to administrative measures due to drafting special qualification requirements against the PPL and the legislation of the field.
- PPA has pointed out that the person responsible for procurement and the specialist of the field have defined tasks when conducting the procedure, which are divided to make the implementation of the procedure and the control of the legality of the process by the audit structures easier and more efficient.
- It has resulted in a number of small value procurement procedures that the Contracting Authority has set up two commissions to conduct the procedure, the Procurement Unit and the Bid Evaluation Committee. Whereas, according to the public procurement legislation, the Head of the Contracting Authority or the person authorized by him, sets up at the beginning of each calendar year a small value procurement committee consisting of three (3) members, who are responsible for the conducting of small value procurement procedures. Every step of the procurement procedure (drafting the invitation to bid, evaluation of the submitted bids, etc.) is performed by the small value procurement committee, except for the cases when drafting the technical specifications/terms of reference, the calculation of the fund limit or drafting special qualification requirements, special setups are assigned in advance.
- Appointing as members of the Bid Evaluation Committee the persons who have participated in the preparation of the tender documents, contrary to the public procurement rules, according to which, the persons responsible for drafting the tender documents can't be appointed members of the Bid Evaluation Committee.

**3. Findings about drafting of technical specifications were as follows:**

- Lack of elaboration and documentation of technical specifications, according to the procurement rules, which require the elaboration of technical specifications prepared for the procurement procedure and their documentation with minutes.
- The Contracting Authorities have specified in a number of small value procurement procedures with "Purchase of toners" as their object, that the toners have to be original and manufactured by the same company that produced the device, without including the words "or equivalent", something which is contrary to the PPL. In this way, the CAs refer only to the companies, which manufacture the equipment, for which toners are required, thus limiting the participation and competition of economic operators.



- It has also turned out that the authority requested that the goods be manufactured by the European Community, without arguing the necessity of this requirement. The latter may limit the participation of operators who have quality goods, but produced from other countries.
4. The most frequent deficiencies identified regarding the calculation of the limit fund belong mainly to:
- Lack of technical price analysis for the items of the bill of quantity that are not provided in the official manuals, or failure to document the price references of their constituent sub-items.
  - Inconsistency of the prices of the items of the bill of quantity with those calculated when drafting the technical analyzes or relevant manuals. There are arithmetic errors (quantity multiplied by price/unit) for some of the items of works.
  - It has been found in a number of items of the bill of quantity for works that the name of the item and the price used by the Contracting Authority fails to match with the name and price of the relevant technical manual.
  - In some cases, there was a lack of elaboration and documentation of the calculation of the limit fund, contrary to the requirements of procurement legislation. The authorities must document, based on them, the manner of the calculation of the limit fund and price indicators.
  - Although according to the minutes, the authorities referred to the ways provided in the procurement rules for the calculation of the limit fund, the respective prices were not recorded in these minutes, as well as the previous contracts/invoices were not recorded in cases when the calculation was based on previous contracts.
5. Regarding the special suitability requirements of the verified procedures, it has been found that their drafting is not done in accordance with the procurement legislation and the legislation of the respective field. Additionally, although recommendations were given by the PPA for some of them during the phase of waiting for bids, these recommendations were not taken into consideration.

In more specific terms, the authorities request the following in an unreasoned manner:

- Categories of licenses, which are not related to the works belonging to the object of the contract;
- Number of employees without drafting technical analysis where to plan for the workforce and tools/machinery needed to carry out each item of works according to the deadlines provided in the schedule of works and to determine, based on relevant analysis, the minimum number of necessary employees for the execution of works belonging to the object of the contract;
- Requests for tools and equipment, which are not justified according to their number and type and according to the works belonging to the object of the contract. In addition, in some cases it is required that the lease contract (when the vehicle is rented) be drafted or specify the object of the procurement. PPA has clarified that the important thing for the contracting authority is that economic operators have the necessary funds to accomplish the object of procurement and, in this sense, the specification in the lease contract of the concrete procurement object, fails to serve this purpose;
- Request for technical staff (engineers) without elaborating their necessity and the required number according to the concrete needs of the procurement object. What's more, it has been found that there has been a request of the Contracting Authority to include the staff of economic



- operators in the payroll for a relatively long period of time before the procedure, without justifying this need;
- Request for ISO certificates, without specifying their updated versions at the time of the conducting of the procedure. It is also specified by the authorities that in the case of a grouping of operators, each of them must have the required certificates, while referring to the provisions of the procurement rules, each member of the grouping of economic operators must have the technical capacity according to the nature of works it has undertaken to execute under the cooperation agreement;
  - Request for certificates or authorization from manufacturers, who may not be competitors in the procurement procedure. PPA has brought to attention its recommendation "On the drafting the qualification criteria of procurement procedures for supplies, works, services". When drafting the suitability criteria related to the certificates, which the manufacturer must possess, the Contracting Authorities are recommended take into account, among other things, the fact that the economic operators participating in a procurement procedure may not necessarily be producers of the supplies while they get the supplies/services from the latter or the distributors authorized by them;
  - Request to submit the balance sheets accompanied by an act of expertise performed by the chartered accountant, while failing to specify that the balance sheets can be submitted in this way if the bidding companies are under the conditions provided in Article 41, Point "c" of Law No. 10091, dated 05 March 2009 "On legal audit, organization of the profession of chartered accountant and certified accountant", as amended;
  - Request to present the certificate of origin at the time of bidding. The PPA clarified that the certificate of origin should not be required at the stage of submission of bids by the participating Economic Operators, as it is usually a document accompanying the supplies and, therefore, the authority may request the submission of the certificate of origin for the procured supplies, at the time of their delivery.
  - Failure to determine the specific document to be presented by the Economic Operators to fulfill the suitability criteria is an identified shortcoming, which creates problems or confusion both in terms of the fulfillment of the criteria by the bidding economic operators, as well as during the evaluation of the bids.
6. Failure to fill in the forms about the state of conflict of interest by the persons involved in the procurement processes, according to the respective roles, remains a shortcoming. Although, in most cases, the authorities bring the completed statements at the time when they send the complaints, with the excuse that they have been forgotten or not photocopied together with the other documentation of the procedure, it isn't convincing that these statements were completed at the required time.
7. Shortcomings were found in the verified procedures concerning bidding and the evaluation process. These shortcomings belonged to the documentation required by the authorities in regard to the fulfillment of the suitability criteria, thus resulting in a qualification contrary to the PPL and these criteria. Meanwhile, Contracting Authorities should consider a bid to be valid only if the documentation submitted by the Economic Operators complies with all the suitability criteria.



It also turned out that the Economic Operators submitted photocopied documentation, without notarizing it, or without the seal of the issuing institution.

Although with shortcomings in the documentation, the Contracting Authorities have qualified and declared the Economic Operators as winners.

There have also been cases in which the authorities have identified non-compliance with the qualification criteria, while some of the grounds for disqualification didn't stand, although the operators in question remain disqualified for other grounds.

What's more, it was found that the same position wasn't held when evaluating the economic operators in the same procedure and in different procedures, which were conducted by the Contracting Authority, with the same members of the Bid Evaluation Committee.

8. In a number of verified procedures, it has been found that the verification of the documentation in written form of the winning economic operator has not been recorded before the conclusion of the contract or the manner of submitting the documentation has not been specified, i.e., whether the documentation is original or a notarized photocopy of the original.

Regarding small value procurements, it has been identified that there is improper drafting of the request in the invitation to tender for the submission of documentation of the Economic Operator ranked in the first place. In some cases, the minimum time limit of 24 hours provided in the guideline is not respected, while in others it is required that the winning operator has to go to the Contracting Authority bringing simultaneously the required documents and the supplies to be delivered according to the object of procurement.

Moreover, it has been found in these types of procedures that the authorities usually set a very short delivery time, without elaborating this need.

While, regarding the evaluation process in these types of procedures, the identified shortcoming consists in the refusal/disqualification for failure to have the procurement object in the field of activity of the operator, while the verification on the website of the National Business Center didn't confirm such a thing. In addition, Contracting Authorities have disqualified operators because of abnormally low bids, although the provisions of the PPL on abnormally low bids do not apply in the small value procurement procedures.

#### 6.4. ADMINISTRATIVE ACTIONS AND REPORTING

##### 6.4.1. Administrative actions

- **Based on the administrative investigations conducted** during this year, the Public Procurement Agency concluded with **decisions on penalties in 33 cases**, in conformity with legal provisions.

The Contracting Authority was reprimanded in 2 procedures in order to avoid the same situations in the future, while in 6 other procedures it was confirmed that no administrative violations had been committed



by the relevant Contracting Authorities. Additionally, administrative investigation was dismissed for one Contracting Authority, because there have been no violations of legal provisions of procurement, which are penalized with administrative measures under the PPL.

**Statistical data** about the administrative actions imposed by Public Procurement Agency, at the conclusion of the verification process, are presented as follows:

**Table 89**

Fine	Proposal for disciplinary action
For <b>44 staff members</b> of the Contracting Authorities, subject to verification	For <b>111 staff members</b> of the Contracting Authorities, subject to verification

**Data by the number of Contracting Authorities** based on the role of the person in the verified procurement procedure:

**Table 90**

Penalizations with fine	
Role of the official	Number
Head of the Contracting Authority	1 Contracting Authority
Member of the Limit Fund Calculation Committee	1 Contracting Authority
Member of the Procurement Unit/Field Specialist /Person authorized for operations in the system	8 Contracting Authorities
Member of the Bid Evaluation Committee	7 Contracting Authorities

**Table 91**

Proposal for disciplinary action	
Role of the official	Number
Head of the Contracting Authority	2 Contracting Authorities
Member of the Limit Fund Calculation/Technical Specifications Committee	8 Contracting Authorities
Member of the Procurement Unit/ Person responsible for procurement/ Person authorized for operations in the system	5 Contracting Authorities
Member of the Bid Evaluation Committee	3 Contracting Authorities
Member of the Complaints Review Committee	1 Contracting Authority
Member of the Small Value Procurement Committee	21 Contracting Authorities

- For all reports of audit bodies, whose findings have been verified by PPA during this period, it has been concluded to impose administrative measures, under the legal provisions, for **18 Contracting Authorities**.

**The statistical data** about the administrative actions taken by the Public Procurement Agency, at the conclusion of the review of the reports of the audit bodies, are presented below:

**Table 92**

Fine	Proposal for disciplinary action



58 staff members of the Contracting Authorities, subject to verification	34 staff members of the Contracting Authorities, subject to verification
--	--

Data by the number of Contracting Authorities based on the role of the person in the audited procurement procedure are as follows:

**Table 93**

Penalization with fine	
Role of the official	Number
Head of the Contracting Authority	2 Contracting Authorities
Member of the Limit Fund Calculation Committee	1 Contracting Authority
Member of the working group for preparation of tender documents (technical specifications, qualification criteria)/member of the procurement unit / field specialist	4 Contracting Authorities
Member of the Bid Evaluation Committee	6 Contracting Authorities

**Table 94**

Proposal for disciplinary action	
Role of the official	Number
Head of the Contracting Authority	9 Contracting Authorities
Member of the Committee for drafting technical specifications and calculating the limit fund	1 Contracting Authority
Member of Procurement Unit	2 Contracting Authorities
Member of the Small Value Procurement Committee	3 Contracting Authorities
Member of the Bid Evaluation Committee	3 Contracting Authorities

#### 6.4.2. REPORTING OF MEASURES

Under the public procurement regulatory framework, the Contracting Authorities have the obligation to report to the Public Procurement Agency about the actions, which are taken by the latter to enforce the measures imposed by the latter in its decisions on the investigation of administrative procedures and decisions on the verification of findings as a result of indications from final audit reports.

It is worth noting that, in most cases, the Contracting Authorities sent information on the actions taken to implement the PPA decisions, although in a number of cases PPA had to repeat the request for information.

##### Reporting of fines

- a) The information regarding the decisions made by the Public Procurement Agency **at the conclusion of the administrative investigations carried out by it** to penalize liable persons with fines, is as follows:
  - PPA was informed about the execution of fines imposed in **4 decisions**;
  - **3 decisions** were challenged to the court;
  - Liable persons have been notified for **1 decision**.



b) The result according to the information about the decisions made by the Public Procurement Agency **at the conclusion of the review of the audit reports findings** to penalize persons with fines, is as follows:

- PPA was informed about the execution of fines imposed in **3 decisions**;
- **1 decision** was challenged to the court;
- The liable persons and the persons waiting for information have been notified by the Contracting Authorities for **3 decisions**.

#### **Reporting of proposals about disciplinary actions**

a) The information regarding the decisions, which the Public Procurement Agency has made **at the conclusion of the administrative investigations as carried out by it** for disciplinary action against the responsible persons, is as follows:

- The disciplinary action including advise/reprimand/warning/ written reprimand/fine equal to 1/16 of salary/written warning was imposed on the responsible persons **in 25 Contracting Authorities**
- **1 Contracting Authority** decided not to initiate disciplinary proceedings, but nevertheless the three persons against whom the PPA has proposed imposing the disciplinary action have been verbally reprimanded;
- **1 Contracting Authority** decided to terminate the disciplinary proceedings;
- **1 decision** was challenged in court;
- Waiting for information from **1 Contracting Authority**.

b) The information regarding the decisions, which the Public Procurement Agency has made **at the conclusion of the review of the audit reports findings** in terms of proposing disciplinary action against the responsible persons, is as follows:

- The disciplinary action including oral reprimand/written reprimand/warning was imposed **in 4 Contracting Authorities**;
- **1 decision** was challenged in court;
- PPA was informed that disciplinary measure can't be enforced in **1 Contracting Authority**, because the person has left the institution;
- Public Procurement Agency is waiting for information from **one (1) Contracting Authority**.

**Table 95**

<b>Public Procurement Agency decisions on fine penalties</b>	<b>Total 15 decisions</b>
Challenged to the Court	4 decisions
Information for execution	7 decisions
Penalized persons have been notified/Waiting information from the Contracting Authorities	4 decisions

**Table 96**





Public Procurement Agency decisions about proposals regarding disciplinary actions	36 decisions (considering that there are decisions that contain simultaneously administrative fines and proposal for disciplinary action)
Imposing of the disciplinary action including advise/reprimand/warning/ written reprimand/fine equal to 1/16 of salary/written warning.	29 Contracting Authorities
Notification was provided about the decision not to initiate the disciplinary proceedings/the decision to terminate the disciplinary proceedings	2 Contracting Authorities
Notification about unenforceable action was provided	1 Contracting Authority
Challenged to the Court	2 Contracting Authorities
Waiting for information from the Contracting Authorities	2 Contracting Authorities

## 7. PUBLICATION OF DECISION-MAKING

The form with the relevant data about each decision was published, in the frame of the transparency program, on the official website of the Public Procurement Agency for all interested parties after the decision has been made. The form contains the respective information including the following: the number and the date of the decision, the Contracting Authority, which is subject to the verification, the number and type of verified procedures, summary of key findings and actions imposed by the Public Procurement Agency under the Public Procurement Law

## 8. REPRESENTATION OF THE PUBLIC PROCUREMENT AGENCY IN COURT HEARINGS

The Public Procurement Agency was represented in court during this year as a defendant, mainly in cases filed against it by the Contracting Authorities' officials who have been penalized with a fine at the end of the verification process that has been conducted by the Public Procurement Agency or after reviewing the audit reports. The Public Procurement Agency has been also taken to the court by the economic operators, against which a decision has been made to exclude them from participation in public procurements.

Table 97

Court hearings attended by the Public Procurement Agency according to Court instance	
Court Instance	Number
Administrative Court of First Instance, Tirana	52
Court hearings in the districts	7
<b>TOTAL</b>	<b>59</b>

Table 98

Court hearings attended by the Public Procurement Agency in the Court of First Instance, Tirana, by type of lawsuit
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Type of lawsuit	Number
Lawsuit against Public Procurement Agency decisions on the exclusion of economic operators	18
Against PPA decisions to penalize officials	30
Work relationship	1
Request for suspension of the initiation of an administrative investigation for the exclusion of an economic operator	3
<b>TOTAL</b>	<b>52</b>

If we analyze the decisions made by the Public Procurement Agency on the exclusion of an Economic Operator during 2021 (**24** decisions), we find that **eighteen (18)** of them were appealed to the Administrative Court of First Instance

Table 99

Exclusion decisions	Appealed to Administrative Court of First Instance
<b>24</b>	<b>18</b>

Out of **18** appeals, the Administrative Court of First Instance has ruled as follows:

- Lawsuit dismissed in **eight (8)** cases
- Lawsuit granted in **seven (7)** cases;
- Lawsuit partially granted in **one (1)** case by reducing the extent of the exclusion period;
- **Three (3)** cases are still in process.

Table 100

Court cases against the Public Procurement Agency decisions on the exclusion of economic operators by Court decision	
Court decision	Number
Lawsuit dismissed	8
Lawsuit granted	7
Lawsuit partially granted	1
In process	3

- Out of 18 appeals filed with the Administrative Court of First Instance, court bond was requested for 9 of them. It should be noted that, out of these **9 appeals** filed with the Administrative Court of First Instance, the latter has reviewed the request to rule on granting the security measure of court bond or ruling on a temporary execution in **4 cases**, thus leading to the suspension of the execution of the decision of the Public Procurement Agency on the exclusion of economic operators until a final decision is made.

Table 101

Accept the appeal to grant the court bond/rule on temporary execution	Refuse the appeal to grant the court bond/rule on temporary execution
<b>4</b>	<b>5</b>

Finally, we emphasize that, due to the conclusion of the trial in the first instance, where the Administrative Court of First Instance has ruled to grant the request of the plaintiff for delivering a decision with temporary execution or it has ruled to reduce the penalty imposed on the Economic Operator, PPA has



continued with the execution of the delivered ruling. To this end, PPA has continued with **5** relevant rulings.

A ruling was delivered in **four (4)** cases to suspend the decision made to exclude the Economic Operator until a final decision is reached by the Court on this case, whereas in one **(1) case** it was ruled to reduce the duration of exclusion, until the end of trial by the Court of Appeal.

Additionally, there have been Court hearings, the scope of which consisted in the request to dismiss the initiation of administrative proceedings for the exclusion of an Economic Operator.

The data are presented in a table form as follows:

**Table 102**

Request to suspend the initiation of the administrative investigation for the exclusion of Economic Operators	
Request granted	Lawsuit rejected
1	2

- **Court cases against the decisions of the Public Procurement Agency on penalizing the officials of the Contracting Authorities**

Regarding the Court cases against the decisions of the Public Procurement Agency on penalizing the officials at the conclusion of the monitoring process or review of audit reports, the Court has ruled as follows:

**Table 103**

Court cases against the decisions on fines according to Court Decisions	
Court Decision	Number
Lawsuit dismissed	14
Lawsuit granted	4
Lawsuit partially granted	2
Case dismissed	1
In process	9
<b>TOTAL</b>	<b>30</b>

- In conclusion, we emphasize that out of a total of **thirty-nine (39)** court cases, which have ended with a decision, **twenty-one (21)** decisions are final, while **eighteen (18)** of them are **appealable**. Out of the appealable decisions, PPA has exercised the right to appeal for **6** of them (*as decisions that have granted the lawsuit*) at the Administrative Court of Appeal Tirana.

They are presented in the table form as follows:

**Table 104**

Final	Appealable
21	18

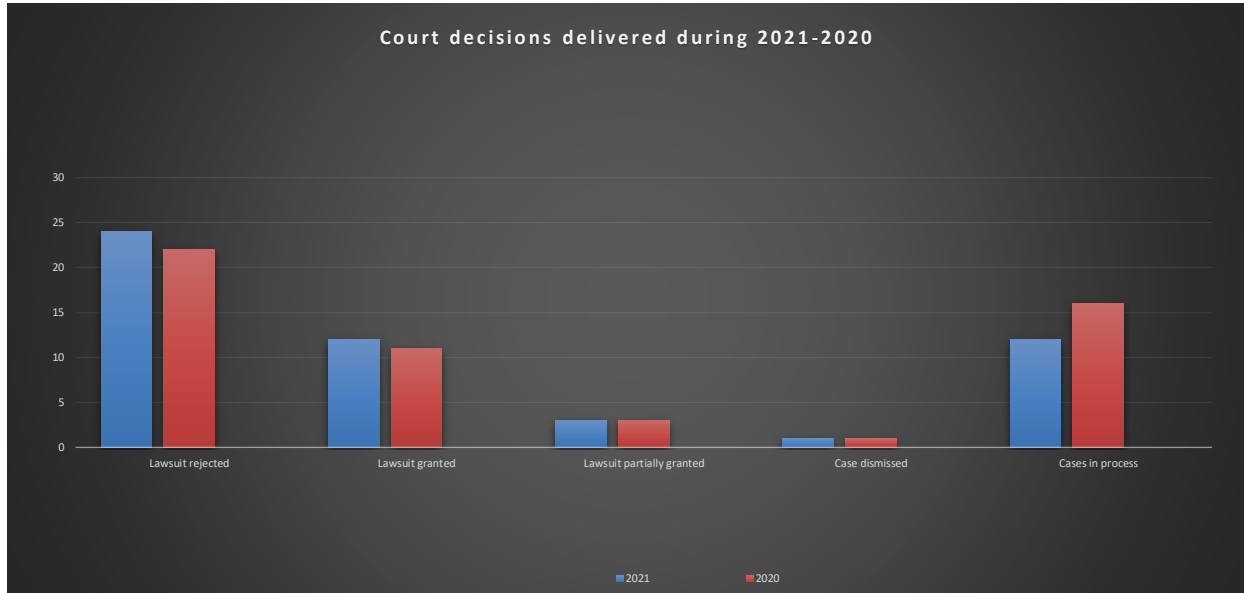
In total, out of 52 court cases that were attended in the first instance during this year, it turns out according to the following graph that, in most cases, the Court has ruled to reject the lawsuit, thus upholding the decision made by the PPA concerning the exclusion of the Economic Operator, as well as



the penalization of the liable persons of the Contracting Authorities, which have been found to have committed violations of the Law and the public procurement rules.

On the other hand, during this year it turns out that there is a lower number of lawsuits in total filed with the Court of first instance compared to the data of 2020, but a slight increase in terms of cases where the Court has ruled in favor of APP.

**Graphs 43**



➤ In the case of summons to appear as litigants in the District Administrative Courts, the Public Procurement Agency has sent a request to them to declare lack of jurisdiction, under Law 49/2012 “On the organization and functioning of administrative courts and adjudication of administrative disputes”.

More specifically, the Public Procurement Agency received summonses to attend **seven (7) court hearings in the districts**, to which the request has been sent to declare lack of territorial jurisdiction and the transfer of cases for trial to the Administrative Court of First Instance in Tirana.

**Table 105**

Court cases in the districts according to Courts ruling	
Court ruling	Number
Grant the request to declare lack of jurisdiction	5
In process	2
<b>TOTAL</b>	<b>7</b>

- **48 cases** continue to be pending during this year in the Administrative Court of Appeal in Tirana, where the PPA is in the capacity of the defendant or in the capacity of a third party.

During this year, this Court has made **two (2)** decisions as follows: a) reject the appeal and b) uphold the decision made by the Court of First Instance.

- In addition to court cases before the administrative courts, as analyzed above, the PPA is a party in **26 cases in the High Court**, which are carried forward from previous years.



## 9. MONITORING OF THE CONTRACTS EXECUTION

Law 162/2020 provides for the first time a special chapter for the execution of contracts, thus providing, among other things, a mechanism for monitoring the contract execution by the CA, which means the appointment of a person or group with the task of following up the contract, as well as the obligation for the CA to draft in cooperation with the winning operator a plan for the contract execution, which serves as a basis for continuous monitoring of the contract until its completion.

In addition, the new legislation provides the obligation of CAs to report the action plans to the PPA and any other action, as well as the progress of contract execution, including various sanctions against EO, its termination, if it's the case, and its successful execution.

In order to guide the CAs regarding the proper implementation of the legislation in this regard, PPA has issued continuous guidelines and recommendations.

### 9.1. DATA ABOUT THE CONTRACTS EXECUTION

The Public Procurement Agency has reviewed, in the framework of the process of reporting the progress of contract execution, the standard reporting forms sent to it electronically by the Contracting Authorities (to the address [monitorimi.kontratat@app.gov.al](mailto:monitorimi.kontratat@app.gov.al)) and in a written form, as well as the final quality reports of the contract execution sent by the Centralized Purchasing Agency in addition to any other practice.

In addition, the contracts execution plans submitted by the CAs have been reviewed and verified pursuant to the new public procurement legislation.

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

➤ The data on the total number of signed contracts/FAs, during 2021 (January-December) (according to the information released in the Electronic Procurement System), broken down by type of contracts (service, supplies, works) are provided below:

- The total number of contracts/FAs signed during 2021 is 4,328, of which:
- **1,294** are contracts/FAs of *Services* type;
- **1,992** are contracts/FAs of the *Supply* type.
- **1,042** are contracts/FAs of the *Public works* type.

The number of signed contracts/FAs, broken down by type of contract, conducted in the Electronic Procurement System in 2021, is presented below in a table and graphic form.

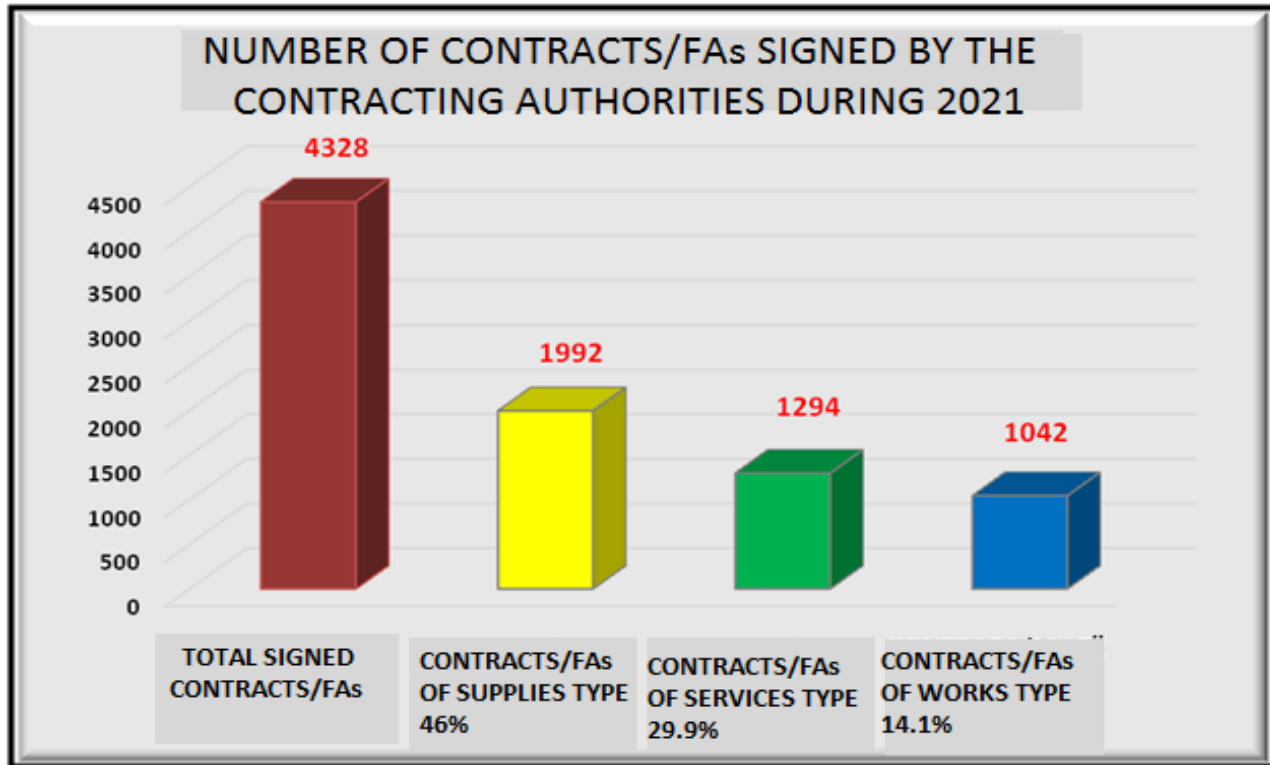
Table 106

Contracts/FAs signed by the Contracting Authorities during 2021		
Type of contract/FA	Number of contracts/FAs signed in 2021	Number of contracts/FAs signed in 2021, in (%)
Services	1294	29,9%



<b>Supplies</b>	1992	46%
<b>Works</b>	1042	24,1%
<b>Total</b>	<b>4328</b>	<b>100%</b>

Graph 44



Number of signed contracts/FA S for 2021, according to the type of procedures, is presented as follows:

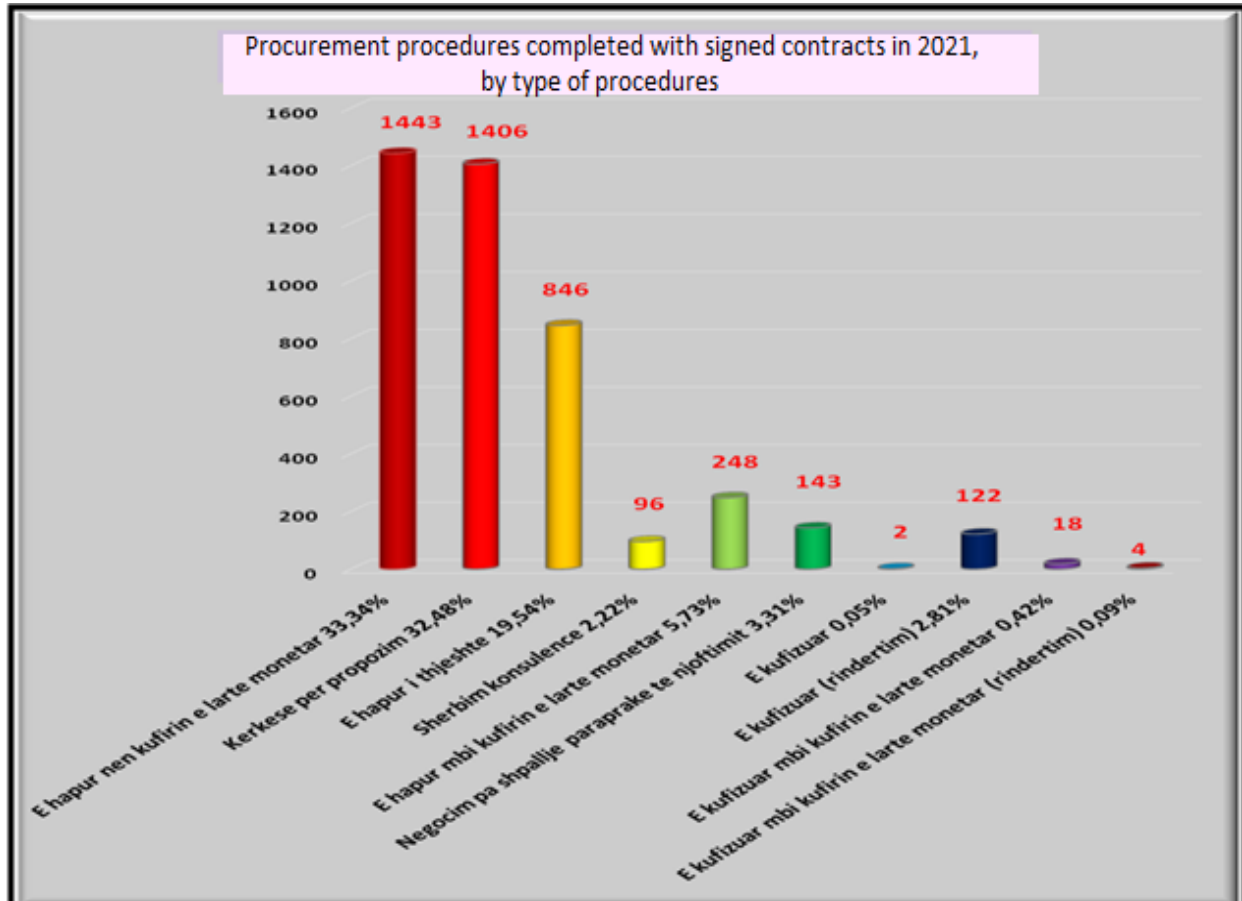
Table 107

Contracts/FA S signed in 2021, by type of procedures			
Type of contract / FA	Type of procurement procedure	Number of procedures developed and completed with contracts / FA in 2021	Percentage (%) of procedures conducted and completed with contracts / FA in 2021
Service/Supplies/ Works	Open	1443	33.34%
	Request for proposal	1406	32.48%
	Open simplified	846	19.54%
	Consultancy service	96	2.22%
	Open above the upper monetary threshold	248	5.73%
	Negotiated without prior publication of the contract notice	143	3.31%
	Restricted	2	0.05%
	Restricted (Reconstruction)	122	2.81%



	Restricted above the upper monetary threshold	18	0.42%
	Restricted above the upper monetary threshold (Reconstruction)	4	0.1%
<b>Total</b>		<b>4328</b>	<b>100%</b>

Graph 45



Translation of the chart:

Albanian	English
E hapur nën kufirin e lartë monetar 33.34%	Open under the upper monetary threshold 33.34%
Kërkesë për propozim 32.48%	Request for proposal 32.48%
E hapur e thjeshtë 19.54%	Open simplified 19.54%
Shërbim konsulence 2.22%	Consultancy service 2.22%
E hapur mbi kufirin e lartë monetar 5.73%	Open above the upper monetary threshold 5.73%
Negocim pa shpallje paraprake të njoftimit 3.31%	Negotiated without prior publication of the contract notice 3.31%
E kufizuar	Restricted
E kufizuar (rindërtim) 2.81%	Restricted (Reconstruction) 2.81%
E kufizuar mbi kufirin e lartë monetar 0.42%	Restricted above the upper monetary threshold 0.42%
E kufizuar mbi kufirin e lartë monetar (rindërtim) 0.09%	Restricted above the upper monetary threshold (Reconstruction) 0.09%

- **Data on execution progress reports and execution plans of contracts/FAs, reported by CAs according to the type of contract in 2021.**

From the moment of entry into force of Law No. 162/2020, dated 23 December 2020 "On Public Procurement", Decision of the Council of Ministers No. 285, dated 19 May 2021 "On the adoption of public



procurement rules", as well as pursuant to Guideline No. 8, dated 01 September 2021 "On the drafting of the contract execution plan", until the drafting of this act, **196** CAs, have sent **833** contract/FA execution plans signed in 2021, after the period of entry into force of the aw and the aforementioned Decision of the Council of Ministers.

The table below provides data on the number of contract/FA execution plans submitted by CAs.

**Table 108**

<b>Contract/FA execution plans submitted by Contracting Authorities during 2021</b>	
<b>Number of contract/FA execution plans sent in 2021</b>	<b>Number of contracting authorities</b>
<b>833</b>	<b>196</b>

In addition to sending the contract execution plan, CAs at the end of the contract execution send to the PPA reports, in which they present in a summarized form, whether the contracts have ended with or without problems.

Out of the total of **4,328** contracts/FAs signed during 2021, **171** CAs have reported for **1,619** contracts or for 37.4%, of the signed contracts/FA-s.

CAs have failed to report for **2,709** contracts/FAs or for **62.6%** of the number of contracts/FAs signed in 2021.

**Clarification:** *The time limit of the execution of a part of the total number of contracts/FAs signed in 2021 expires beyond 2021. As stated above, and based on the experiences of previous years, it was found that CAs continue to report throughout the following calendar year.*

Out of the total of **1,619** contracts/FAs reported by **171** CAs, it results that:

- **1,157** or **71.46%** are contracts/FAs of **Supplies** type, reported by **129** CAs.
- **312** or **19.27%**, are contracts/FAs of **Service** type, reported by **83** CAs.
- **150** or approximately **9.27%**, are contracts/FA of the **Public works** type, reported by **53** CAs.

The table and graph below provide data on the reported number of contracts/FAs and the number of Contracting Authorities that have reported for 2021, broken down by type of contract (*service/supplies/works*).

**Table 109**

<b>Contracts/FAs reported by Contracting Authorities by type of contracts/FAs, in 2021</b>			
<b>Type of contract/FA</b>	<b>Number of reported contracts/FAs (including contracts/FAs signed in 2021)</b>	<b>Number in (%) of reported contracts/FAs</b>	<b>Number of contracting authorities that have reported</b>
<b>Supplies</b>	1157	71,46%	129
<b>Services</b>	312	19,27%	83
<b>Public works</b>	150	9,27%	53
<b>TOTAL</b>	<b>1619</b>	<b>100%</b>	<b>171</b>





Graph 46



Out of the total of **1,619** contracts reported by **171** CAs during 2021, it results that:

- 144 of them are *Framework Agreements*, reported by **37** CAs.
- **69** of them are *Call-offs*, reported by **14** CAs.

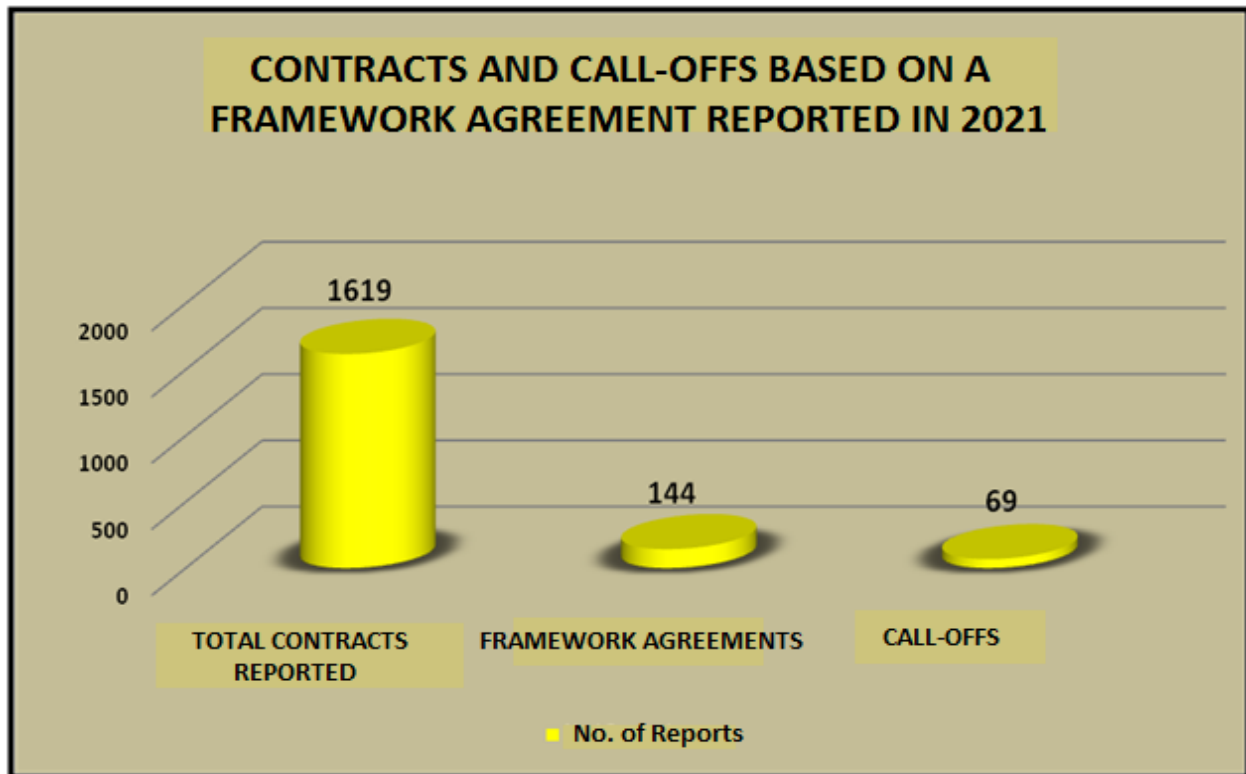
The table and graph below provide data on the number of Framework Agreements and Call-offs reported by CAs, in 2021.

Table 109

Framework Agreements and Call-offs reported by contracting authorities in 2021		
Type of contracts	Number of contracts, FAs and Call-offs	Number of Contracting Authorities
Total contracts reported	1619	171
Framework Agreements reported	144	37
Call-offs reported	69	14



Graph 47



➤ **Challenges identified by the CAs during the execution of contracts when analyzing the standard forms of reporting the progress of contract execution**

According to the analysis of the standard reporting forms of contract execution, carried out by the PPA, it turns out that 25 CAs have reported for 30 contracts/FAs with problems during their execution.

In more specific terms:

Table 110

Contracts/FAs reported with problems in 2021			
Number of contracts/FAs reported	Total number of contracts/FAs reported	Number of reported contracts/FAs with problems	Percentage of reported contracts with problems
Total contracts/FAs reported	1619	30	2%

We emphasize that failure of the CAs to report the date of full payment of the financial obligation continues to remain one of the most frequently encountered problems in the standard reporting forms of contract execution.

As stated above, in each case when deficiencies have been found in the standard forms sent by the Contracting Authorities, there has been repeated communication in writing and electronically (*via official email*) with the relevant CAs (about **110** communications), where additional information was requested



on the progress of the contracts execution, filling in the respective shortcomings of the forms, as well as their resubmission after full payment of the financial obligation.

➤ **Problems identified by the analysis of contract execution plans.**

The Contract Execution Plan is a document foreseen for the first time by the new Procurement Law and, consequently, its drafting by the Contracting Authorities and submission to the PPA has started in the second half of 2021.

In this sense, problems were found when reviewing the execution plans sent to the PPA. These problems are mainly related to deficiencies or inaccuracies in completing the data. In addition, a number of CAs require assistance on how to complete the contract execution plan form.

Whenever deficiencies have been identified in the above standard forms, PPA has communicated in writing and electronically (with relevant CAs (*about 220 communications*), where they were asked to fill in the gaps identified for each respective section of forms and they were assisted, as appropriate, on how to complete the contract execution plan.

## **10. STRATEGIC OBJECTIVES, THEIR IMPLEMENTATION AND MONITORING**

### **10.1. MONITORING OF THE NATIONAL PUBLIC PROCUREMENT STRATEGY FOR 2020-2023**

During 2021, PPA, as the main institution for coordinating and monitoring the implementation of the National Public Procurement Strategy (NPPS) 2020-2023, has worked closely with institutions, which are responsible for reporting the progress of the activities and the foreseen performance indicators.

In this context, the monitoring structure of the National Public Procurement Strategy has been set up, overseen by the Steering Committee, which is chaired by the Director General of the PPA, followed by the Policy Goal Groups and the Technical Secretariat of the PPA, which ensures the smooth running of the work. This structure was approved at the first meeting of the SC on 14 July 2021. Drafting of the monitoring report for 2020 and the first half of 2021 was also discussed in this meeting and the commitment of institutions responsible for implementing the foreseen measures was required.

In this context, the Technical Secretariat of PPA has communicated with representatives of institutions, part of the monitoring structure, to send information for 2020 and the first half of 2021 in order to draft relevant reports.

Based on the information received from the relevant institutions, the Technical Secretariat has drafted monitoring reports for these two periods, which were approved at the meeting of the Steering Committee held on 23 December 2021.

The data presented in the monitoring report of 2020 indicate that out of the total of 19 activities planned to start in 2020, 7 of them (37%) were fully accomplished, while 10 (53%) are in process and have been partially accomplished, and 2 (10%) have failed to be accomplished. Meanwhile, data on 7 of them were extracted from 10 performance indicators. These indicators show that 6% of them have been accomplished, while no baseline value has been set for one indicator (KPI 9). Meanwhile, for 3 other indicators (KPI 2, KPI 5 and KPI 7), it was not possible to extract data.



The data presented in the monitoring report for the first half of 2021 show that out of the total of 30 activities foreseen to be accomplished during this period, 7 of them (23%) could be fully accomplished, while 19 (63%) are in process and have been partially accomplished, 3 (10%) have not been realized, and for 1 activity (3%) there is no information.

Meanwhile, the situation regarding key performance indicators (KPIs) for the first half of 2021, the situation is as follows:

- KPI 1 “Better quality of obtained goods, works and services” - at 3.2% (implementability 100%);
- KPI 2 “Promote the participation of SMEs in public procurement procedures” - not measured;
- KPI 3 “Promote market competitiveness” - 3.61% (implementability 100%);
- KPI 4 “Improve Procurement Planning” - 0.27% (implementability 100%)
- KPT 5 “Increase the environmental and social benefits of services provided by public authorities
- ” - not measured;
- KPI 6 “Enhance efficiency in contract award” - 14.14% (implementability 100%);
- KPI 7 “Improve long-term public works and services” – It has not been measured;
- KPI 8 “Enhance transparency for concession and PPP contracts” - 100% (implementability 100%);
- KPI 9 “Standardization of services provided by public bodies” - 2.6% (not implemented);
- KPT 10 “Enhance the efficiency of the complaints system by increasing the speed of decision-making” - 2.1%, 11.3%, 7.4%, 9.3%, 4.1% and 3.7% (implementability 100% on a monthly basis).

Regarding what is stated above, we hereby clarify that, data about 7 performance indicators out of 10 of them for the first half of 2021, have been extracted. Concerning these indicators, it turns out that 6% of them have been achieved, while the indicator KPI 9 hasn't been achieved. Meanwhile, data extraction was not possible for 3 other indicators (KPI 2, KPI 5 and KPI 7).

The contributing institutions were asked at the meeting of the Steering Committee to cooperate and take measures in regard to reporting the activities and unreported performance indicators. In more specific terms, the Ministry of Defense was asked to play an active role in the organization of joint capacity building activities for procurement in the field of defense and security. Meanwhile, PPA said that it will hold more intensive meetings with the Ministry of Finance and Economy, in order to guarantee a more fruitful cooperation and in order to address the problems encountered in the reporting of activities and performance indicators of the strategy and not only.

## 10.2. CROSS-CUTTING STRATEGIES

Public Procurement is also an important part of the three main cross-cutting Strategies of the Albanian Government, namely, (i) Public Financial Management Strategy, (ii) the Cross-cutting Strategy against Corruption and (iii) Public Administration Reform Strategy.

In this context, PPA has cooperated closely with the institutions involved in these strategies and especially the Ministry of Justice and the Ministry of Finance and Economy as coordinating institutions, reporting regularly on the implementation of the measures provided in these documents.

It should be noted that, in terms of implementation of measures and accomplishment of the performance indicators according to these strategies, the situation is very positive for 2021 as follows:



(ii) PPA has accomplished all the indicators provided in the anti-corruption strategy for this year, as follows:

- A.2.a: Percentage of modified elements in the Annual Procurement Plans - 16.1% out of 20% foreseen;
- A.2.b: Percentage of contracts awarded through negotiated procedures without prior publication of the contract notice - 3.4 out of 10% foreseen;
- A.2.c: Percentage of contracts modified during the year- 0.8% out of 10% foreseen.

Accomplishment of the above indicators is directly related to the transparency of the procurement process, good planning of procurement procedures and efficiency of spending the public funds and execution of contracts.

(iii) In addition, all activities foreseen in the Public Financial Management Strategy have been accomplished and the indicator foreseen for this Strategy has been fulfilled, specifically:

- Percentage in value of procedures concluded with winners in the first half of the year compared to the total fund estimated for this period in the Forecasts Register has reached 60.2% in 2021, thus marking an increase compared to the previous year when this was 47.4%.

In principle, the high rate of implementability of the procedures foreseen in the Forecasts Register is a very important indicator related to the well-planned procurement procedures by the Contracting Authorities and the increase of efficiency in the spending of public funds.

(iv) Public Administration Reform is a reform undertaken at the regional level where all the countries of the Western Balkans and Turkey are committed to implementing the key principles of Public Administration set out by OECD/SIGMA. The fulfillment of these principles and relevant indicators is continuously monitored by SIGMA and the European Union in the framework of the European integration process for these countries.

Thus, SIGMA Monitoring Report on Public Administration Reform in the Western Balkans and Turkey for 2021 has provided a high evaluation for public procurement in Albania in the respective indicators, thus receiving maximum evaluation in 3 of them.

The table and graph below present in a comparative was the evaluation of the five indicators related to public procurement in the six Western Balkan countries.

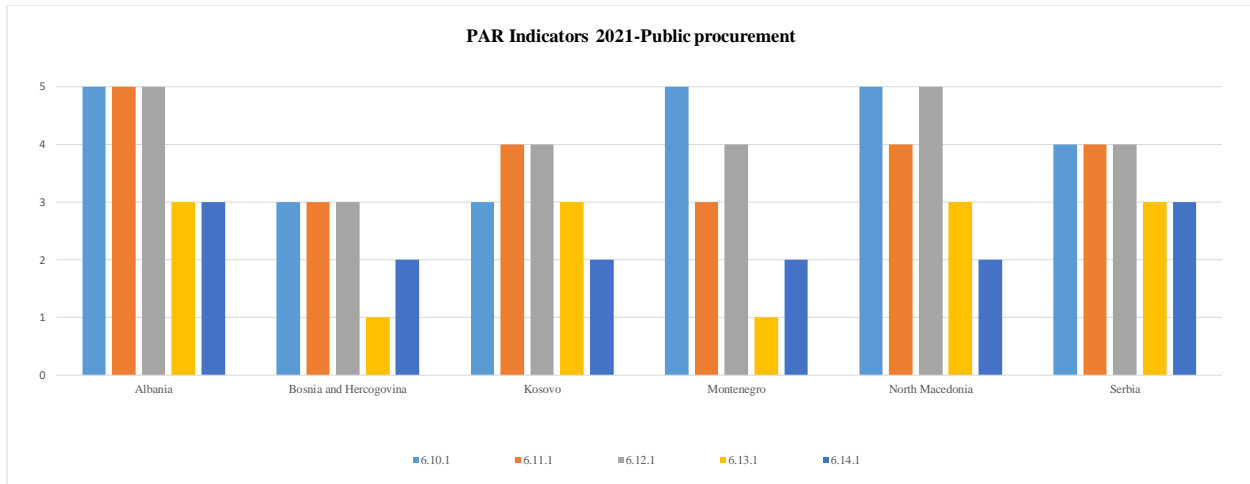
**Table 111**



PAR 2021 Indicators - Western Balkans						
Indicator	Evaluation 1-5					
	Albania	Bosnia and Herzegovina	Kosovo	Montenegro	Northern Macedonia	Serbia
6.10.1 - Quality of legal framework for public procurement and concessions/PPP	5	3	3	5	5	4
6.11.1 - Institutional and administrative capacity at central level to develop, implement and monitor public procurement policies effectively and efficiently	5	3	4	3	4	4
6.12.1 - Independence, time limits and competence of the complaints review system	5	3	4	4	5	4
6.13.1 - Efficiency, non-discrimination, transparency and equal treatment practiced in public procurement operations	3	1	3	1	3	3
6.14.1 - Availability and quality of support for Contracting Authorities and Economic Operators to strengthen the professionalism of procurement operations	3	2	2	2	2	3

Source: SIGMA Monitoring Reports on Public Administration Reform in the Western Balkans and Turkey for 2021

Graph 48



Source: SIGMA Monitoring Reports on Public Administration Reform in the Western Balkans and Turkey for 2021

As it can be seen from the above values, Albania has a very good rating compared to other countries.

Thus, Albania is the only country rated with maximum evaluation in terms of institutional capacity at the central level in regard to effectively and efficiently drafting, implementation and monitoring policies in the field of procurement.

Such an evaluation is directly related to the extraordinary work of the Public Procurement Agency (i) in drafting strategic objectives in the field of procurement in order to guarantee an efficient and sustainable procurement system; (ii) drafting and approving of the new legal framework in the field of procurement; and (iii) continuous monitoring of policy implementation and proper implementation of procurement legislation.

Meanwhile, in terms of the quality of the legal framework in the field of procurement, Albania stands at the same level with Northern Macedonia and Montenegro, thus receiving the maximum rating for this indicator.

What's more, Albania is on the same level with Northern Macedonia in terms of the complaints review system, thus being evaluated with a maximum rating for this indicator.

Regarding the other 2 indicators, Albania has reached an average level according to the SIGMA rating, thus equaling Serbia, but having a higher rating than Montenegro and Bosnia and Herzegovina in both indicators.

Positive assessment of Albania in this report is an indication of the extraordinary work undertaken by the PPA in terms of improving the procurement system in Albania.



## 11. EUROPEAN INTEGRATION AND COOPERATION WITH OTHER NATIONAL AND INTERNATIONAL INSTITUTIONS

### 11.1. EUROPEAN INTEGRATION

Fulfillment of 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.

In this context, PPA, in the capacity of chair for the work regarding Chapter V of the *acquis*: "Public Procurement" has taken all necessary measures to coordinate activities in terms of fulfilling the obligations arising from this chapter.

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

Intensive work has been done in this context, during 2021, as analyzed above, to complete the legal framework in the field of procurement through drafting and approving a series of bylaws for the implementation of the new Public Procurement Law.

These acts not only ensure the implementation of the provisions of the new Public Procurement Law, but also increase the degree of compliance of Albanian legislation in this area with the relevant *acquis* of the European Union and European best practices.

What is stated above has been assessed by the European Commission in the Progress Report for 2021, according to which, "Albania is moderately prepared and has made good progress in terms of public procurement, especially through the adoption of the new Public Procurement Law and the Public Procurement National Strategy after extensive public consultation." Additionally, this Report states that the recommendations provided in 2020 have been implemented to a large extent.

A considerable approximation of Directive 2014/24/EU and Directive 2014/25/EU has been achieved regarding the compliance of the legislation in the field of public procurement with the EU directives, through the adoption of the new Public Procurement Law in 2020, the rules for public procurement in May 2021, STDs, Guidelines, Decision of the Council of Ministers on forms of communication, Decision of the Council of Ministers on CPV codes and the Decision of the Council of Ministers on social services and other specific services.

In addition, the new Public Procurement Law and the procurement rules provide for an increase of the level of compliance and approximation with Directives 89/665/EEC and 92/13/EEC, regarding the process of reviewing complaints, invalidity of contracts and indemnifications.

The completion of the legal framework in the field of procurement marks also the fulfillment of one of the main recommendations made by the European Commission in the 2021 Report.

Enhancement of the degree of compliance of Albanian legislation with the relevant *acquis* of the European Union in the field of public procurement is a very important step in the frame of the expected opening of negotiations, given that Chapter 5, Public Procurement according to the new methodology of the





European Commission has become part of the first group of chapters that are opened for negotiation and progress in this group is a prerequisite for the opening of negotiations in other groups and chapters.

### **11.2. PUBLIC PROCUREMENT AGENCY COOPERATION WITH INTERNATIONAL ORGANIZATIONS**

During this year, PPA has continued its close cooperation with OECD/SIGMA in the frame of new legal initiatives, regarding the field of public procurement in Albania.

In more specific terms, SIGMA has continued to be a great help during the process of drafting the secondary legislation in the field of public procurement by providing comments and suggestions from its experts through continuous electronic communications and organization of meetings.

The PPA has also worked closely with SIGMA during the process of drafting SIGMA Monitoring Report on Public Administration Reform in the Western Balkans and Turkey. Regarding public procurement, Albania has received a very good evaluation where it has been evaluated with a maximum score of 5 for 3 indicators and with a score of 3 for 2 other indicators, thus marking a significant improvement compared to the evaluation of 2017.

PPA has had a very good cooperation with the OSCE Office in Tirana, which has provided its assistance when drafting the guide for professionalization of public procurement in Albania and the detailed training plan for this purpose. The OSCE has also assisted in the Corruption Risk Mapping (CRM), which is a comprehensive in-depth assessment of procurement procedures for targeted sectors to identify the root causes of corruption practices, analyze gaps and recommend opportunities to improve the current policy framework such as operational management procedures

It is also worth mentioning the assistance of the OSCE in regard to organizing information sessions for the Contracting Authorities in the frame of the entry into force of the new Public Procurement Law and the adoption of new secondary legislation, in order to familiarize them with the new legal framework and innovations brought by him.

The PPA has also cooperated with the EBRD when drafting the Standard Tender Documents following the entry into force of the new Public Procurement Law.

Meanwhile, the PPA continues to work closely with other international institutions such as the World Bank on issues related to the field of public procurement. Likewise, the World Bank has cooperated with the PPA in regard to including green procurement criteria in public procurement procedures, as well as in regard to drafting a procurement guideline for cases of civil emergencies and natural disasters.

### **11.3. PUBLIC PROCUREMENT AGENCY COOPERATION WITH OTHER ORGANIZATIONS IN ALBANIA**

The PPA has continued its cooperation during this year with institutions, with which it has cooperation agreements in place, such as National Food Authority, Competition Authority, State Inspectorate of Labor and Social Services. This cooperation has continued through the exchange of respective information about winning economic operators of procurement procedures and verification of the fact whether these operators exercise their activity by applying the requirements of the legislation in force, according to the respective fields, which each of these institutions covers.

Furthermore, it is worth mentioning that PPA has signed during this year two Memorandums of Understanding, respectively with:



- The Institute of European Studies at the University of Tirana in order to enhance cooperation between the parties in areas of common interest;
- HIDAACI, in order to increase the integrity of officials in public procurement and their awareness for the development of procurement procedures in an independent manner and uninfluenced by private interests.
- ❖ Following the commitment undertaken by the Cooperation Agreement with NFA, PPA has sent information to this institution every three months on the winners of procurement procedures, which have food products as an object. Thanks to the exchange of information between the two institutions, it has turned out that there were cases when two economic operators listed as winners in procurement procedures for food products didn't meet the conditions for carrying out their activity and work is ongoing for their further verification.

What's more, PPA has forwarded to the NFA, in the framework of this cooperation, a problem identified in the course of carrying out its functional duties, thus requesting the intensification of inspections against economic operators declared winners in procurement procedures for food products, given that the NFA is the institution responsible for food safety supervision in Albania and the competent authority with inspection functions for the management of food safety and consumer protection at national level.

- ❖ Following the engagement undertaken by the Memorandum of Cooperation with the State Inspectorate of Labor and Social Services, PPA has sent to this institution periodic information on economic operators, which have signed contracts for periods of three months, throughout the calendar year. Cooperation with this institution is continuous in terms of reporting by the PPA about the economic operators, which have received public funds, and verification by the State Labor and Social Services Inspectorate to find out if these operators have been penalized for non-compliance with the requirements of the labor legislation in force.

In this context, the State Labor and Social Services Inspectorate has reported to the PPA several cases, where various entities have been penalized by this institution for violating labor legislation. Subsequently, after the preliminary verifications, PPA has initiated the relevant administrative proceedings for the exclusion of these economic operators from the right to win public contracts, because according to the performed verifications it has turned out that a good part of them have participated and have been declared winners in procurement procedures by declaring that they are not subject to any legal penalty in force.

It is worth mentioning that, during this year, thanks to this institutional cooperation and mutual reporting, 6 administrative proceedings have been initiated regarding the exclusion of economic operators from the right to win public contracts because of misinformation for qualification purposes in procurement procedures.

Of these proceedings, one was concluded with a non-exclusion decision, because the administrative investigation proved that the subject in question had paid the fine before participating in the investigated procurement procedure, whereas for 5 other cases, the administrative investigation is ongoing.

- ❖ PPA has communicated with the Competition Authority in the framework of the Memorandum of Understanding. It has forwarded to it for investigation several cases reported by various entities



with allegations of bid rigging emphasizing that encouraging competition between economic operators in the public procurement process is one of the main principles of this process in order to make good use of public funds, and enhance efficiency and effectiveness in public procurement procedures.

In this sense, the PPA considers it very important to prevent collusion between bidders, which narrows and distorts competition in the public procurement process.

To this end, the PPA has praised the cooperation and commitment of the Competition Authority to investigate cases, which may result in distortion of competition.

- 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 terms of raising the awareness of these operators to respect the requirements of labor legislation, legal requirements in force for entities that trade food products as sensitive objects and competition protection legislation. It is possible to trace and identify cases when these requirements are not implemented in practice and this can be achieved through the self-declaration mechanism as a mandatory requirement for economic operators participating in procurement procedures. This serves to see whether they respect or not the legal requirements in the above areas.
- ❖ In the framework of the Memorandum of Cooperation with the Public Procurement Commission (hereinafter "PPC"), as well as pursuant to Articles 94 and 99 of the Decision of the Council of Ministers 285/2021, PPA has cooperated with the PPC to draft the Standard Complaint Form and the Argument Submission Form to be used by interested Economic Operators to the Contracting Authority and to the Public Procurement Commission.

In the framework of this cooperation, the Standard Complaint Form of Economic Operators, which is sent simultaneously to the Contracting Authorities/Entities and the PPC, as well as the Argument Submission Form to be used by interested Economic Operators to submit their depositions to the Contracting Authority and to the Public Procurement Commission, has become part of the set of STD.

- ❖ In addition to cooperation with institutions in the frame of the relevant agreements, as referred to above, PPA has communicated and cooperated during this year with other state institutions to address various problems identified when carrying out its activity in order to avoid them in the future procurement process. In more specific terms, PPA has communicated with the following:
  - Ministry of Defense for drafting tender documents in the field of national defense and security.
  - The "Illyrian Guard" Company in terms of continuous addressing of the problems ascertained regarding the impossibility of providing the service of physical protection and security for the Contracting Authorities, when this company has been asked to take the necessary measures to ensure the enforcement of the legislation in force to provide physical security and protection services to institutions and public entities.
  - The Ministry of Infrastructure and Energy, to which a case has been referred to be addressed in the field of its competencies. Specifically, PPA has ascertained during an administrative proceeding that one of the technical managers of a company was employed in a state institution, contrary to the provisions of the Decision of the Council of Ministers No. 759, dated 12 November



2014 "On professional licensing of individuals and legal entities that will conduct activities in the field of study and design in construction and supervision and testing of execution works in construction", as amended. For this purpose, it deemed it reasonable to address this institution by referring to it for jurisdiction purposes to provide further consideration and judgment, according to legal provisions.

- Due to the problems identified when reviewing the audit reports of ALSAI, PPA addressed the MIE suggesting that when updating the Technical Manual of construction prices of works the terminology "*according to the legislation in force*" should be used during the calculation of the labor costs in regard to basic hourly salary, so that the manual does not change whenever the relevant Decision of the Council of Ministers that regulates the minimum wage changes.
- PPA has forwarded to MIE the problems reported by a number of companies operating in the field of hydrocarbons, where the latter have raised concerns about the evaluation criteria based on the lowest price, because according to them this commodity is quoted in the Stock Exchange and its price fluctuates. To this end, PPA addressed the MEI, in the capacity of a competent institution that covers, among others, the hydrocarbon sector, for a specialized opinion on the aforementioned issues.
- Pursuant to Law No. 112/2015 "On public financial inspection", PPA has addressed the Directorate of Public Financial Inspection in the capacity of institution, the mission of which is to ensure the legal compliance of public funds, by referring to it a case for jurisdiction reasons reported by an entity in the course of exercising its duties. The case contained allegations that the CA has published the procedure without the decision-making of the Ministry of Finance and Economy about the current contract, and that it has carried out a number of actions to change the object of the contract signed with the complaining company, which has it still in process.



## 12. INDICATORS OF THE ACTIVITY REGARDING DATA MANAGEMENT AND PUBLICATION

The new Public Procurement Law defines the PPA as the institution responsible for managing the Electronic Procurement System database, its processing and the preparation of statistics related to public procurement in Albania.

Moreover, the above law defines PPA as the institution responsible for drafting and publishing the Public Notices Bulletin.

Regarding what is stated above, the PPA activity in these directions is treated in detail in this section.

### 12.1. PUBLICATION ACTIVITY

Concerning the publications related to the conducting of procurement procedures in the Electronic Procurement System, PPA plays a special role in terms of checking the records of public procurement procedures by approving or rejecting the elements of the Electronic Procurement System, which have not been published in accordance with legal provisions and which have shortcomings.

Additionally, the PPA verifies all notices that are sent to the system by the Contracting Authorities for publication with the decisions of the Public Procurement Commission on the suspension of procurement procedures and then carries out their publication, verifies and publishes the notices for public procurement procedures/competitive procedures of concessions/PPPs/auctions conducted by the CAs, as well as verifies and publishes in the PPA Bulletin any other information submitted to the PPA for publication in the Public Notices Bulletin.

In this context, a total of 192 Public Notice Bulletins were prepared for publication during January-December 2021, of which 140 were Special Bulletins related to public procurement procedures for Reconstruction, with a total number of 36,960 pages or an average of 3,080 pages per month.

#### 12.1.1. Publication of notices in the Electronic Procurement System

The following were verified and published during 2021 in the Electronic Procurement System and then in the next Public Notices Bulletin:

- **5,079** Contract notices coordinated also with the Public Procurement Commission decisions about the suspension of procurement procedures, thus publishing in the Electronic Procurement System only the notices, for which the appeal deadlines were respected;
- **4,078** Winner notices coordinated also with the Public Procurement Commission decisions about the suspension of procurement procedures, thus publishing in the Electronic Procurement System only the notices, for which the appeal deadlines were respected;
- **4,185** signed contracts notices for the procedures carried out in the Electronic Procurement System;
- **143** Winner notice for negotiated procedures without prior publication,
- **143** signed contracts notices for negotiated procedures without prior publication, including contract addendums, to meet the needs of 2019;
- **1,042** Cancellation notices coordinated with the Public Procurement Commission decisions on suspension of procedures, thus publishing on the Electronic Procurement System only the notices, for which the appeal deadlines were respected.



- **145** Contract notices in the framework of reconstruction, coordinated with the decisions of the Public Procurement Commission for the suspension of procurement procedures, thus publishing in the Electronic Procurement System only the notifications, for which the complaint deadlines have been respected;
- **13** Cancellation notices for procedures in the frame of reconstruction, coordinated with the decisions of the Public Procurement Commission for the suspension of procedures and
- **126** winner notices and signed contract notices published in Special Bulletins, etc.

#### 12.1.2. Publication of Public Auction Notices in the Public Notices Bulletin

The following notices of public auction procedures were published during 2021 in the Public Notices Bulletin:

- 338 notices for public auctions conducted by the selling authorities;
- 99 winner notices for public auctions conducted by the selling authorities;
- 30 signed contract notices for public auctions conducted by the selling authorities;
- 115 cancellation notices for public auctions conducted by the selling authorities;
- 129 lease notices.

#### 12.1.3. Concessions/Public Private Partnership notices and other notices

The following notices were published during 2021 in the Public Notices Bulletin:

- 4 contract notices for concession procedures.
- 15 notices for competitive procedures of issuing mining permits
- 671 other notices.

#### 12.1.4. Publication of register elements in the system

About **44,432** registers elements were processed (new items and changes made during the year by the Contracting Authorities) during 2021 in the Forecasts Register of Procurement Procedures, of which about **36,926** are published elements while **44,432** are rejected elements due to failure of the authorities to accurately complete the data.

**Table 112**

Number of elements handled by the Publication Sector	
Number of published items	36926
Number of rejected elements	7506
<b>Total</b>	<b>44432</b>

It is worth mentioning the readiness shown during this period for the publication of elements according to emergencies presented 24 x 7 days a week.

#### 12.1.5. Reviewed cases

2,637 detailed cases are treated during January-December 2021 as follows:

**Table 113**

Type of request	Number:
Letters received and reviewed	2259
Letters received and responded	378



## 12.2. DATA MANAGEMENT IN THE ELECTRONIC PROCUREMENT SYSTEM

PPA has continued its work during 2021 in this direction by taking care of the proper functioning of the PPA interface, providing technical assistance to Contracting Authorities and Economic Operators, solving various problems, as well as drafting various technical manuals.

### 12.2.1. Objectives related to data and statistics management

The main objectives in this regard and their achievement are analyzed below in the frame of the function and competencies of PPA as Administrator of the database in the Electronic Procurement System and their processing for the purpose of preparing statistics related to the functioning of public procurement in Albania.

- **Continuous improvement and optimization of the interface in order to improve and facilitate the work of users.**

Following the adoption and entry into force of the new legal framework, there is a need for improvements and additions of functionalities in the electronic system in order to reflect all the changes and innovations included in the legislation to guarantee their implementation. Thus, it was communicated with NAIS during 2021 to make the following improvements in the Electronic Procurement System:

- Unification of CPV codes according to the new public procurement legislation;
- Changing of appeal deadlines for competitive procurement procedures according to changes in public procurement legislation;
- Changing of the evaluation criteria “The most economically advantageous price-based tender” and “The most economically advantageous cost-based tender”, according to the new legislation.
- Changes in the small value procurement procedure by adding the stage of the appeal time limit and notification of the Economic Operators at the moment when the appeal time limit begins.
- During this period, improvements have been made in the display of fields or information necessary for the execution of users’ daily tasks 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 when the documents were uploaded by the authorized officer, including information about the electronic minutes for the small value procurement case and the dynamic purchasing system for tickets, etc.
  - Improvement 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.
- Changing of the format of the non-exclusion certificate sent to the Economic Operators when applying in e-Albania to be provided with the non-exclusion certificate.
- Changing of the Transparency Program on the official website of the PPA, at the request of the Coordinator for the Right to Information.



- Sending the notification to the members of the procurement units and the members of Bid Evaluation Committee by e-mail 24 hours before the opening and evaluation of the bids, as well as through the system.
- Displaying of data with the Electronic Complaints System and the Public Procurement Commission.
- Integration of Electronic Procurement System with AFMIS
- Achievement of Open data in the framework of transparency.

All the above changes have been accompanied by the preparation of relevant technical manuals, specifically:

- Technical manual for creating registry elements after legal changes.
- Technical manual for creating the Framework Agreement and Call-offs in the Electronic Procurement System.
- Manual on the use of the Dynamic Purchasing System for the international air transport tickets.
- Manual on the use of small value procurement procedure.
- Manual for the manner of conducting the procurement procedure by electronic means.
- Manual for registration of Economic Operators and submission of bids in the system.
- Technical manual for the integration of the Electronic Procurement System with the Treasury.
- **Ensuring timely and quality work progress for all users of the Electronic Procurement System (EPS) and the Electronic Archive System (EAS), as well as guaranteeing the confidentiality of the economic bid by encryption and decryption which has enabled the use of highly sensitive information only by those persons who are authorized to see or use it.**

The Electronic Procurement System is kept "online", 24 hours a day, 7 days a week, except when setting it "offline" for a very limited period has been necessary to perform relevant services, or add new functionalities. This is a process, which it is notified by means of a notification, without violating at any time the deadlines of the procurement procedures published in the system.

The outcome of PPA work in this direction has been the secure management of a total database according to the following table:

- 5,25 TB (5,253,253,685,248 bytes) of the Electronic Procurement System,
- 10,6 TB (10,679,372,873,728 bytes) of the new Electronic Archive System.
- 11.68 TB (11,684,030,087,168 bytes) of the old Electronic Archive System.

The table of the database capacity of 2021 compared to 2020:

**Table 114**

No.	Year	2020	2021
1	Electronic Procurement System (in bytes)	4,981,300,359,168	5,253,253,685,248
2	New Electronic Archive (in bytes)	8,470,879,912,960	10,679,372,873,728
3	Old Electronic Archive (in bytes)	11,684,030,087,168	11,684,030,087,168
	Total (in bytes)	25,136,210,359,296	27,616,656,646,144
	Total (in Terabyte)	25	27,6





- **Solving various hardware and software problems, during daily work, guaranteeing the normal performance of electronic procurement.**

Storage upgrade of the Electronic Procurement System infrastructure was accomplished during 2021 in order to enhance the performance of the live system. However, given the progress of increasing data capacity, it is necessary to increase capacity of the hardware infrastructure and network infrastructure of the Electronic Procurement System and the Electronic Archive System in order to enhance the performance and availability of the EPS.

- **Providing technical assistance to users of the Electronic Procurement System**

The main tasks of the PPA in the frame of its function of guaranteeing technical assistance are focused on the following directions:

- Guaranteeing technical assistance to all Contracting Authorities, as well as all foreign and domestic Economic Operators that use the Electronic Procurement System via e-mails, telephone or consultations at the PPA premises. Here it is worth noting the high number of phone calls or emails.

In this context, about 4,856 e-mails were sent in total, as follows:

- Clarifications and guidelines of a legal nature for Contracting Authorities;
- Technical clarifications and instructions to Contracting Authorities;
- Clarifications and guidelines for Economic Operators (about confirmation of registrations made online, resetting the password to the initial state);
- Sending data and information to other institutions.
- Guaranteeing of technical assistance for audit accounts for each auditor of the Contracting Authorities, as well as the Supreme State Audit.
- Enrichment of the PPA portal with updated information related to the procurement process such as, (i) adopted or amended laws and bylaws; (ii) guidelines, recommendations, notifications, reminders, etc., for CAs and EOs; (iii) Standard Tender Documents; (iv) decisions about verification of procedures, (v) decisions on exclusion of EOs; (vi) documents for consultation, etc.
- Providing daily, weekly and monthly back-up of the Electronic Procurement System (EPS) and the Electronic Archive System (EAS), as well as storage at NAIS.
- Drafting technical specifications for contracts that PPA has signed with third parties.
- Creation, updating, as well as closing the accounts of the Electronic Procurement System
- Monitoring of procurement procedures suspended in the system and calling the attention of responsible persons in accordance with applicable law.
- Archiving of all procedures, which are left pending by the Contracting Authorities. This process enables 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, by facilitating the work of the system users (Contracting Authorities, Economic Operators, Auditors).
- Preparation of Statistics for PPA.



PPA in the capacity of the institution responsible for the data management and processing of EPS data is continuously engaged in the preparation of statistics related to various indicators.

Specifically, the following statistics were released during January-December 2021:

- Periodic statistics in the frame of the Public Procurement National Strategy and the achievement of indicators for this Strategy;
- Periodic statistics in the frame of PPA reporting on other cross-cutting strategies and meeting the objectives and indicators related to public procurement such as the Cross-cutting Strategy against Corruption and the Public Financial Management Strategy;
- Statistics in the frame of reporting about SIGMA's monitoring process concerning the preparation of the evaluation report on the implementation of public administration reform for the Western Balkans and Turkey, which was published in November 2021.
- Statistics in the frame of the Memorandum of Understanding signed by PPA with other institutions related to Economic Operators that have been awarded contracts in January-December 2021,
- Statistics for the Supreme Audit Institution on procurement procedures developed and completed with winners and contracts for different periods.
- Other data for the High Inspectorate of Declaration and Control of Assets and Conflict of Interest on procurement procedures won by various entities subject to control.
- Various statistics for World Bank, EU, SIGMA and other national or international institutions on request.

#### 12.2.2. Cases reviewed in the framework of Data Administration and Statistics.

PPA has reviewed 1,020 documents and memos in total during 2021, which are related to its activity concerning Data and Statistics Management, which includes:

- Creating/closing an account in the role of CA Admin and Economic Operator, as well as resetting the password to the initial state (602);
- Explanatory letters to Contracting Authorities and Economic Operators (375);
- Internal memos cooperation memos with the Legal, Verification and Integration Directorate of PPA (156);
- Letters to responsible persons 43,

**Table 115**

<b>Cases reviewed during 2021 by type of request</b>	
<b>Request Type</b>	<b>Number</b>
<b>Request for account closure/password change</b>	602
<b>Request for technical assistance/clarifications and for sending data and cooperation with other institutions</b>	375
<b>Documents for archiving and responsible persons</b>	43
<b>TOTAL</b>	1020



As the above data show, the highest number of memos sent and reviewed is occupied by requests for creating user account, password change, which are performed by the User Management Administrator.

**Table 116**

<b>Requests to change the password and opening of user accounts in the Electronic Procurement System</b>	
<b>Request for password change</b>	436
<b>Request for creation of user account</b>	103
<b>Other requests (blocking of account, reactivation etc.)</b>	63
<b>Total</b>	602

### 12.2.3. Creation of new users in 2021

4,776 new users have been created in 2021 in the electronic procurement system, respectively:

PPA has created 26 new accounts during 2021 in the role of "System Administrator" for Contracting Authorities. While a total of about 4,750 new users have been created from the administrator accounts of the Contracting Authorities.

The following table shows the number of users of the Electronic Procurement System, within the Contracting Authorities, created respectively in 2021.

**Table 117**

<b>Role of the account</b>	<b>User Accounts created during 2021</b>
<b>System Administrator for the Contracting Authority</b>	26
<b>Procurement Unit</b>	2238
<b>Bid Evaluation Committee</b>	2142
<b>Auditor of the Contracting Authority</b>	366
<b>Auditor</b>	4
<b>Total</b>	4776

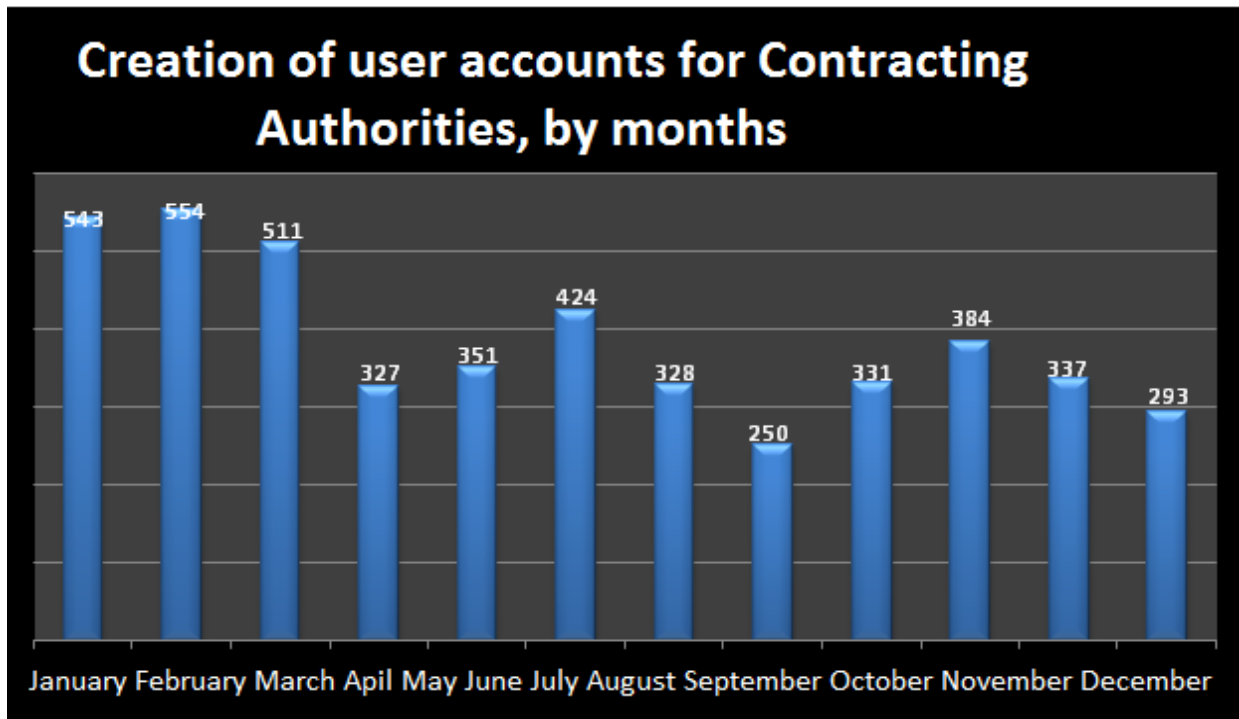
The table and graph below show the number of users of the Electronic Procurement System, created respectively in 2021, by months.

**Table 118**

<b>Month</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>
<b>Number of users</b>	543	554	511	327	351	424	328	250	331	384	337	293



Graph 49



Additionally, the system currently has about 41,551 user accounts in the role of procurement unit, Bid Evaluation Committee members, auditors, etc., in a passive status while there are 28,787 user accounts in the role of procurement unit, Bid Evaluation Committee members, and auditors in an active status. Meanwhile, there are 707 accounts in the role of the Contracting Authority System Administrator, which are in a passive status and 1,743 are in an active status.

The table below presents the status of the Contracting Authority user accounts in the Electronic Procurement System:

Table 119

Role of the account	Active user account	Passive user account
System Administrator for the Contracting Authority	1743	707
Procurement Unit	12551	17688
Bid Evaluation Committee	14820	20859
Auditor of the Contracting Authority	1398	2977
Public Procurement Commission Auditor	18	27

Regarding user accounts in the role of economic operators, 17,834 new economic operators were registered in the Electronic Procurement System in 2021, out of which 123 are foreign economic operators.

The Public Procurement Agency provides the economic operators with user account and, thanks to the interoperability service with the National Business Centre system, every economic operator, which is



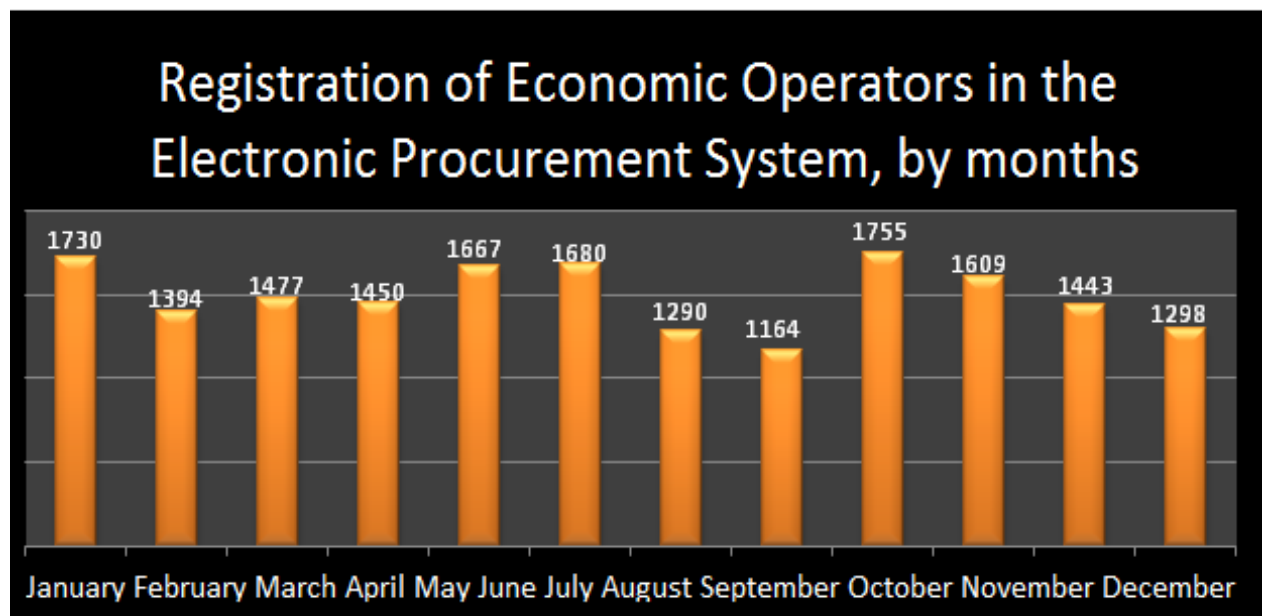
registered at the National Business Centre, is automatically provided with a user account in the Electronic Procurement System.

**Table 120**

Role \ Month	January	February	March	April	May	June	July	August	September	October	November	December	Total
Economic Operator from PPA	7	9	2	7	8	5	4	1	5	1	7	8	64
Economic Operator automatically from NBC	1714	1376	1454	1433	1649	1667	1259	1156	1745	1599	1429	1289	17770
Foreign economic operator approved by the portal	19	9	11	10	10	8	27	7	5	9	7	1	123
<b>TOTAL</b>	<b>1730</b>	<b>1394</b>	<b>1477</b>	<b>1450</b>	<b>1667</b>	<b>1680</b>	<b>1290</b>	<b>1164</b>	<b>1755</b>	<b>1609</b>	<b>1443</b>	<b>1298</b>	<b>17957</b>

The following graph shows the number of new Economic Operators of the Electronic Procurement System, by months:

**Graph 50**



The table below presents the status of economic operators in the Electronic Procurement System:

**Table 121**

Status of Economic Operators for 2021	Number
Active economic operators	245864
Excluded economic operators	24
Inactive economic operators NBC	41531



#### 12.2.4. Other statistics related to the use of the Electronic Procurement System

There were a total of 384,112,855 hits in the Electronic Procurement System in 2021 (there are less hits compared to 2020), 303,903,940 web site views and 2,480,401 visitors.

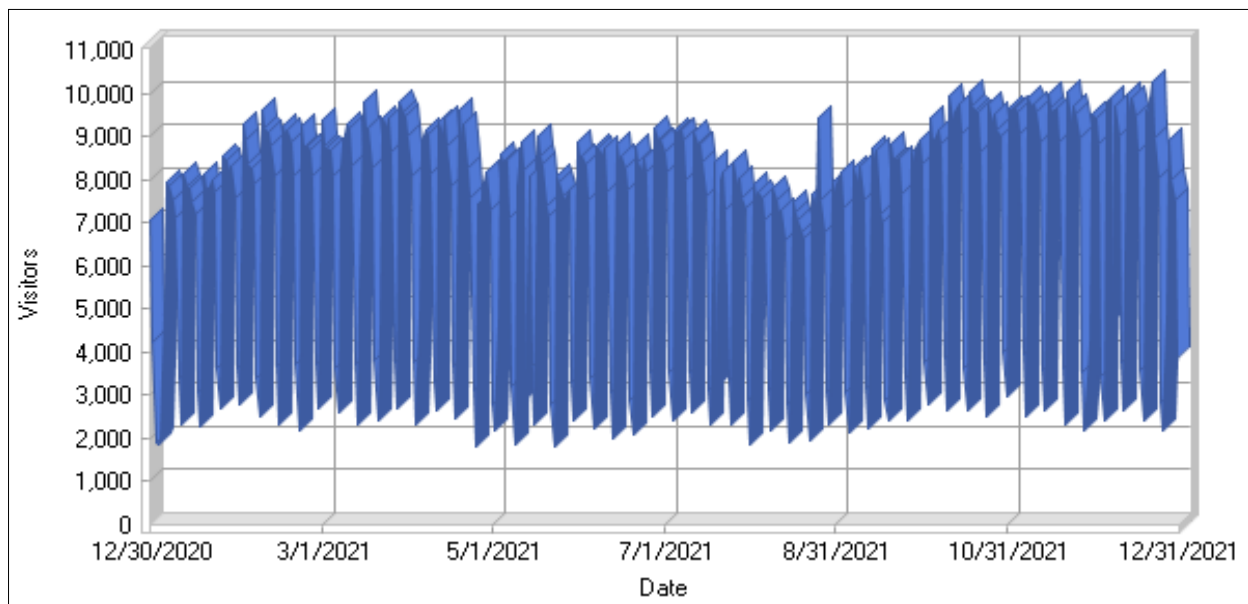
##### 12.2.4.1. User activity by hits, views, and visitors

Table 122

Përdorimi i Sistemit të Prokurimit Elektronik	2020	2021
Usage of the Electronic Procurement System	541,984,976	384,112,855
Total hits	541,321,636	383,262,478
Hits by visitor	1,480,833	1,046,629
Average hits per day	213.93	154.52
Average hits per visitor	450,921,097	303,903,940
Total site views	1,232,024	828,076
Average site views per day	178	122.52
The average site views per visitor	2,530,333	2,480,401
Total visitors	6,913	6,758
Average visitors per day	116,004	121,177

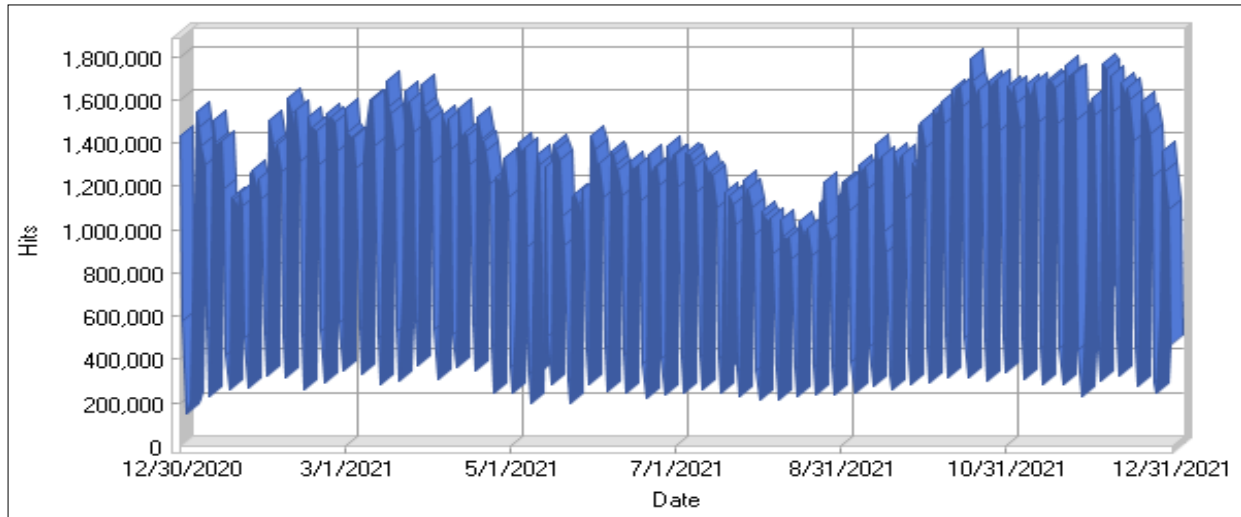
The following graph shows the distribution of hits, and visitors for 2021.

Graph 51





**Graph 52**



As it turns out from the data in the table above, the peak of distribution of hits and visitors into the Electronic Procurement System is during March – April and October-November.

**12.2.4.2. User activity by hits, views, and visitors by 24 hours**

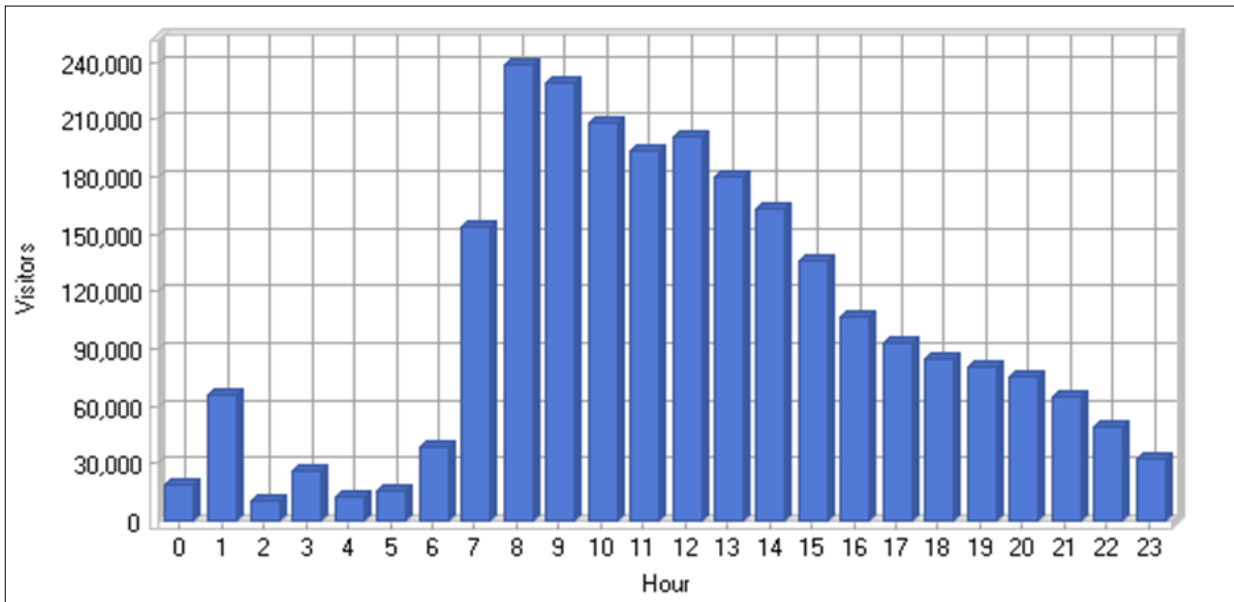
The following table and chart show the distribution of hits, visitors, and time spent by 24 hours:

**Table 123**

Distribution of hits, visitors, and time spent by 24 hours in 2020			
Hours	Hits	Page View	Visitors
00:00 - 00:59	3,642,793	2,756,073	19,054
01:00 - 01:59	3,170,277	2,399,895	65,506
02:00 - 02:59	2,970,099	2,251,399	10,848
03:00 - 03:59	2,976,670	2,263,363	26,362
04:00 - 04:59	2,965,039	2,244,046	12,966
05:00 - 05:59	3,193,224	2,397,806	15,592
06:00 - 06:59	4,709,972	3,484,616	39,246
07:00 - 07:59	15,136,254	11,400,564	154,340
08:00 - 08:59	31,251,448	24,285,863	238,210
09:00 - 09:59	39,677,714	31,534,070	228,809
10:00 - 10:59	40,333,647	32,430,926	208,327
11:00 - 11:59	37,957,624	30,746,769	193,705
12:00 - 12:59	35,923,416	29,159,456	200,812
13:00 - 13:59	34,480,488	27,995,648	179,866
14:00 - 14:59	32,241,223	26,154,130	163,239
15:00 - 15:59	25,448,810	20,533,971	136,594
16:00 - 16:59	15,957,133	12,653,158	107,081
17:00 - 17:59	10,610,491	8,189,624	93,339
18:00 - 18:59	8,742,566	6,615,785	84,932
19:00 - 19:59	7,988,783	5,967,279	80,302
20:00 - 20:59	7,471,333	5,548,554	75,603
21:00 - 21:59	6,823,394	5,068,669	64,422
22:00 - 22:59	5,825,396	4,350,707	49,215
23:00 - 23:59	4,615,061	3,471,569	32,031
<b>Total</b>	<b>384,112,855</b>	<b>303,903,940</b>	<b>2,480,401</b>



**Graph 53**



As it turns out from the data in the table above, it may be noted that users' activity during 24 hours and the peak of distribution of hits and visitors into the Electronic Procurement System is during 08:00-15:00 hours.

**12.2.4.3. User activity by hits, views, and visitors by days of the week**

The table and graph below show the distribution of hits, visitors, and time spent by days of the week:

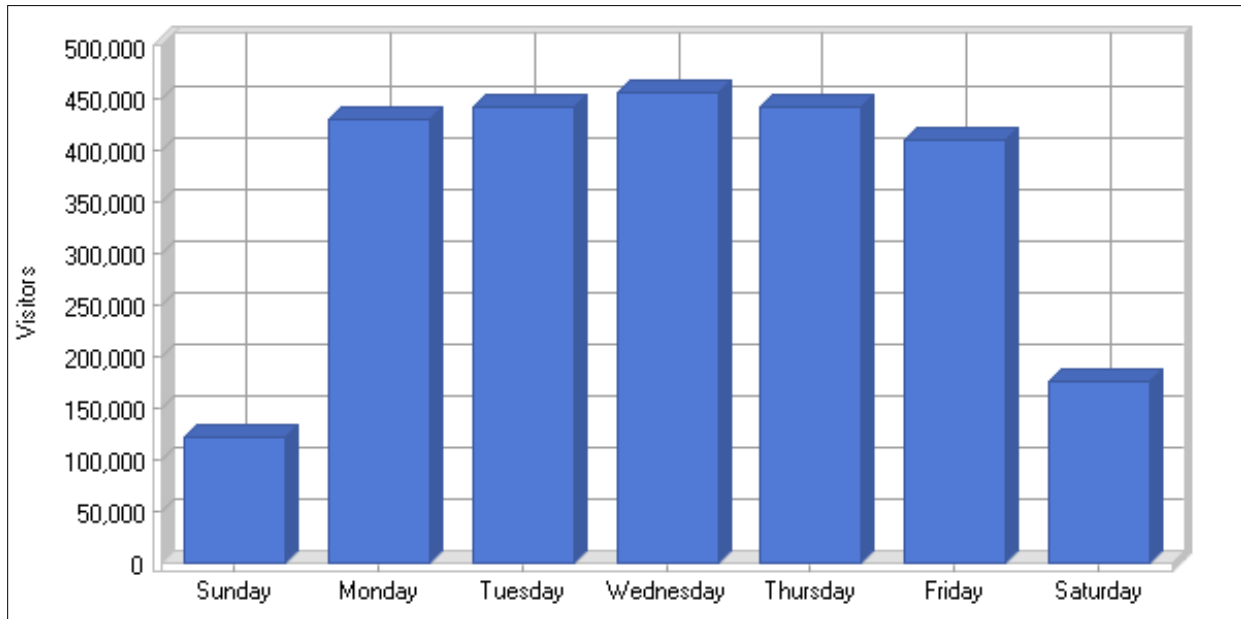
**Table 124**

Activity by days of the week			
Days	Hits	Page View	Visitors
Monday	14,238,203	10,344,694	122,456
Tuesday	68,374,863	53,989,826	430,976
Wednesday	70,789,123	56,307,931	442,341
Thursday	72,949,652	58,174,165	456,523
Friday	71,134,874	56,645,145	442,878
Saturday	63,727,299	50,714,813	409,788
Sunday	22,898,841	17,727,366	175,439
<b>Total</b>	<b>384,112,855</b>	<b>303,903,940</b>	<b>2,480,401</b>





**Graph 54**



As it turns out from the data in the table above, the peak of the distribution of hits and visitors into the Electronic Procurement System during the week is from Monday to Friday, but there are also hits and visitors to the system on weekends.

**12.2.4.4. User activity by hits, views, and visitors by the months of the year**

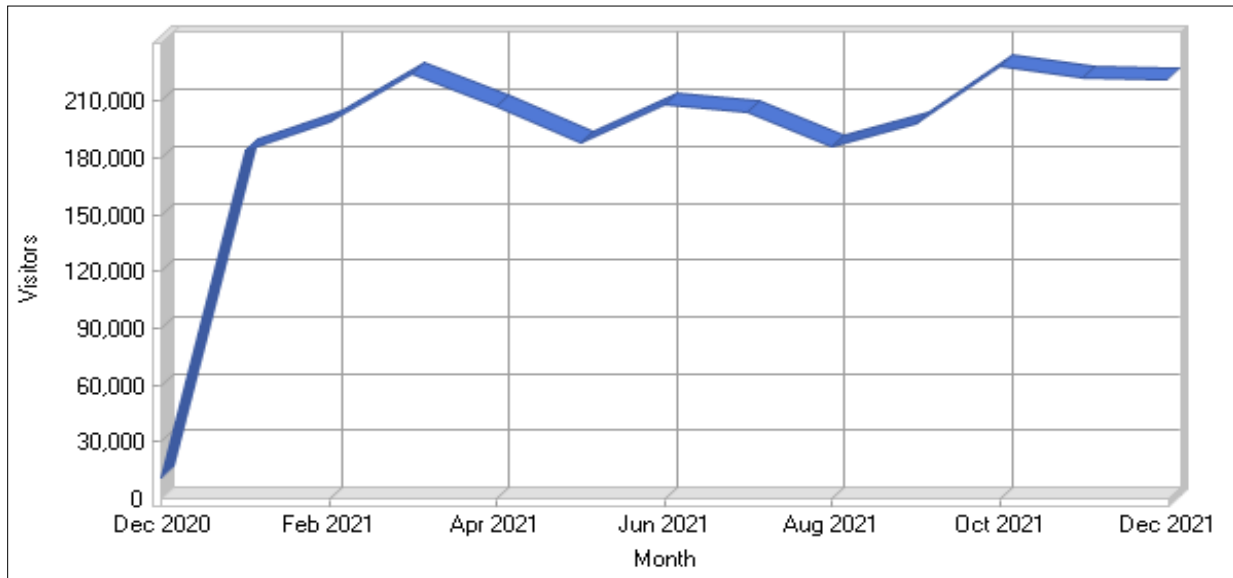
The table and the chart below show the distribution of hits, visitors, and time spent by months:

**Table 125**

Activity by months of the year in 2021			
Month	Hits	Page View	Visitors
January	29,064,635	23,322,491	183,773
February	32,340,719	25,687,861	199,394
March	36,730,123	29,026,885	224,331
April	33,084,567	26,175,823	206,629
May	27,407,307	21,515,156	187,741
June	30,845,469	24,419,686	207,761
July	28,536,419	22,462,381	204,058
August	25,050,880	19,571,370	185,937
September	29,822,199	23,448,712	198,233
October	37,511,558	29,733,878	227,957
November	36,600,157	29,242,361	222,406
December	35,105,385	27,643,810	220,885
<b>Total</b>	<b>384,112,855</b>	<b>303,903,940</b>	<b>2,480,401</b>



Graph 55



As it turns out from the data in the table above, the peak of distribution of hits and visitors into the Electronic Procurement System is the period from February – March and after the period of October-November.

**12.2.4.5. User activity by the most hit interfaces in Public Procurement Agency portal.**

The following table and charts show the most browsed Internet interfaces for accessing the Electronic Procurement System:

Table 126

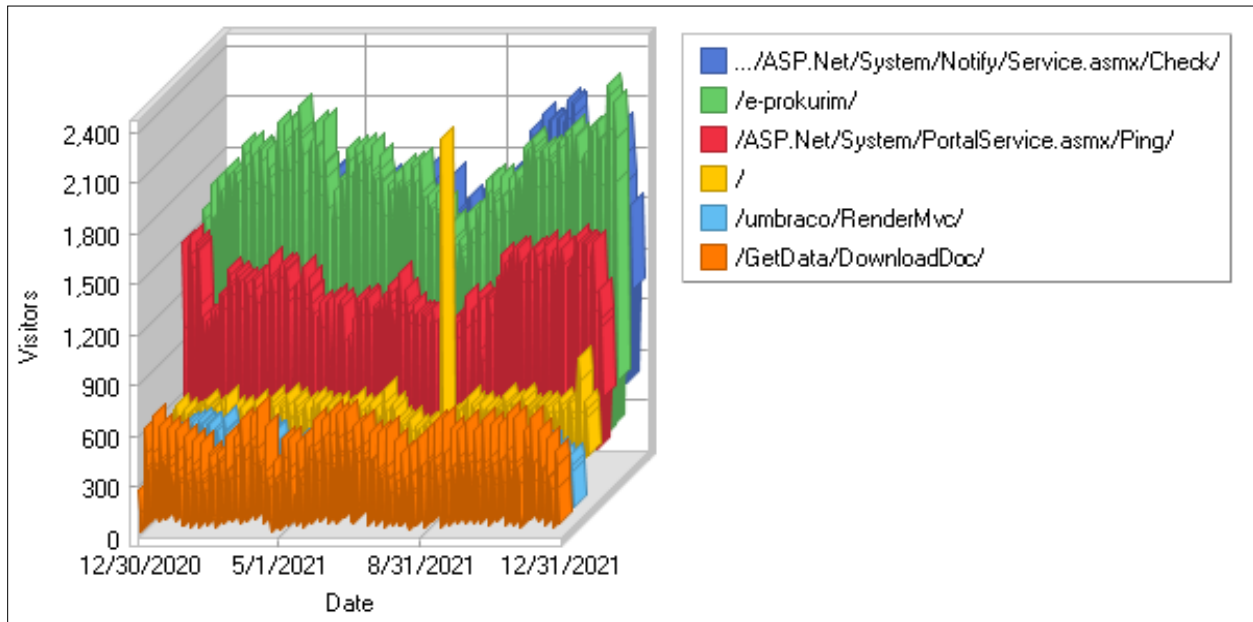
Most hit interfaces in internet	Visitors
<a href="http://www.app.gov.al/">http://www.app.gov.al/</a>	1,516,955
<a href="http://www.app.gov.al/ ASP.Net/System/Notify/ Service.aspx/Check/">http://www.app.gov.al/ ASP.Net/System/Notify/ Service.aspx/Check/</a>	221,712
<a href="http://www.app.gov.al/ e-prokurim/">http://www.app.gov.al/ e-prokurim/</a>	125,860
<a href="http://www.app.gov.al/ ASP.Net/System/PortalService.aspx/ Ping/">http://www.app.gov.al/ ASP.Net/System/PortalService.aspx/ Ping/</a>	103,320
<a href="http://www.app.gov.al/ ASP.Net/System/ScriptModuleService.aspx/ ResolveTabHandler/">http://www.app.gov.al/ ASP.Net/System/ScriptModuleService.aspx/ ResolveTabHandler/</a>	93,244
<a href="http://www.app.gov.al/ GetData/DownloadDocument/">http://www.app.gov.al/ GetData/DownloadDocument/</a>	47,876
<a href="http://www.app.gov.al/ umbraco/RenderMvc/">http://www.app.gov.al/ umbraco/RenderMvc/</a>	32,680
<a href="http://www.app.gov.al/ njoftimi-i-kontratës-së-shpallur/">http://www.app.gov.al/ njoftimi-i-kontratës-së-shpallur/</a>	32,608
<a href="http://www.app.gov.al/ Api/notice/">http://www.app.gov.al/ Api/notice/</a>	28,022
<a href="http://www.app.gov.al/ bundles/master/">http://www.app.gov.al/ bundles/master/</a>	26,861
<a href="http://www.app.gov.al/ GetData/DownloadDoc/">http://www.app.gov.al/ GetData/DownloadDoc/</a>	18,513
<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>	17,131
<a href="http://www.app.gov.al/ prokurimet-me-vlere-te-vogel/">http://www.app.gov.al/ prokurimet-me-vlere-te-vogel/</a>	16,574
<a href="http://www.app.gov.al/ legjislacioni/prokurimi-publik/ ligji/">http://www.app.gov.al/ legjislacioni/prokurimi-publik/ ligji/</a>	11,772
<a href="http://www.app.gov.al/ njoftimi-i-fituesit/">http://www.app.gov.al/ njoftimi-i-fituesit/</a>	10,200



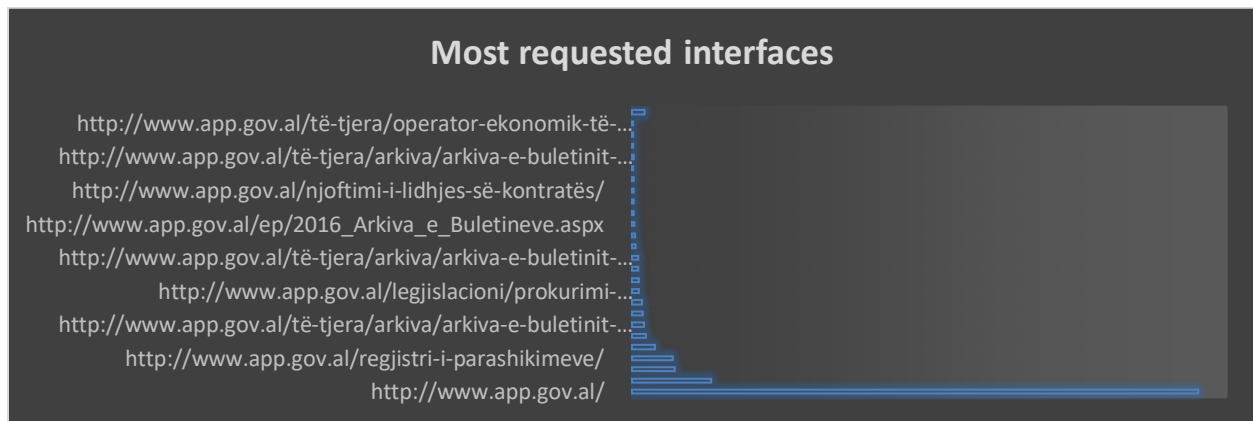
<a href="http://www.app.gov.al/legjislacioni/prokurimi-publik/udhezime/">http://www.app.gov.al/legjislacioni/prokurimi-publik/udhezime/</a>	6,802
<a href="http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/arkiva-e-buletinit-te-prokurimit-publik-2021/">http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/arkiva-e-buletinit-te-prokurimit-publik-2021/</a>	6,635
<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>	6,202
<a href="http://www.app.gov.al/legjislacioni/prokurimi-publik/vkm/">http://www.app.gov.al/legjislacioni/prokurimi-publik/vkm/</a>	5,984
<a href="http://www.app.gov.al/regjistri-i-parashikimeve/">http://www.app.gov.al/regjistri-i-parashikimeve/</a>	5,679
<a href="http://www.app.gov.al/njoftime/njoftime-2021/">http://www.app.gov.al/njoftime/njoftime-2021/</a>	3,776
<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>	3,223
<a href="http://www.app.gov.al/bundles/masterjs/">http://www.app.gov.al/bundles/masterjs/</a>	2,822
<a href="http://www.app.gov.al/njoftime/">http://www.app.gov.al/njoftime/</a>	2,700
<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>	2,491
<a href="http://www.app.gov.al/contract-notice/">http://www.app.gov.al/contract-notice/</a>	2,469
<a href="http://www.app.gov.al/gabim-i-përgjithshëm/">http://www.app.gov.al/gabim-i-përgjithshëm/</a>	2,403
<a href="http://www.app.gov.al/ASP.Net/FM/DataViewer/ScriptModuleService.aspx/Navigator_Content/">http://www.app.gov.al/ASP.Net/FM/DataViewer/ScriptModuleService.aspx/Navigator_Content/</a>	2,228
<a href="http://www.app.gov.al/home/">http://www.app.gov.al/home/</a>	2,224
<a href="http://www.app.gov.al/njoftime/njoftime-2020/">http://www.app.gov.al/njoftime/njoftime-2020/</a>	1,761
<a href="http://www.app.gov.al/e-procurement/">http://www.app.gov.al/e-procurement/</a>	1,754
<a href="http://www.app.gov.al/bundles/homejs/">http://www.app.gov.al/bundles/homejs/</a>	1,736
<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>	1,635
<a href="http://www.app.gov.al/bundles/masterS/">http://www.app.gov.al/bundles/masterS/</a>	1,557
<a href="http://www.app.gov.al/legjislacioni/koncesionetppp/ligji/">http://www.app.gov.al/legjislacioni/koncesionetppp/ligji/</a>	1,530
<a href="http://www.app.gov.al/të-tjera/kontakte/">http://www.app.gov.al/të-tjera/kontakte/</a>	1,467
<a href="http://www.app.gov.al/ASP.Net/FM/DataViewer/ScriptModuleService.aspx/ResolveHandler/">http://www.app.gov.al/ASP.Net/FM/DataViewer/ScriptModuleService.aspx/ResolveHandler/</a>	1,348
<a href="http://www.app.gov.al/ASP.Net/System/Component.aspx">http://www.app.gov.al/ASP.Net/System/Component.aspx</a>	1,281
<a href="http://www.app.gov.al/ErrorHandler.html">http://www.app.gov.al/ErrorHandler.html</a>	1,231
<a href="http://www.app.gov.al/njoftimi-i-lidhjes-së-kontratës/">http://www.app.gov.al/njoftimi-i-lidhjes-së-kontratës/</a>	1,212
<a href="http://www.app.gov.al/regjistri-i-realizimeve/">http://www.app.gov.al/regjistri-i-realizimeve/</a>	1,202
<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>	1,147
<a href="http://www.app.gov.al/bundles/searchNoti/">http://www.app.gov.al/bundles/searchNoti/</a>	1,051
<a href="http://www.app.gov.al/të-tjera/arkiva/manualet-e-prokurimit/">http://www.app.gov.al/të-tjera/arkiva/manualet-e-prokurimit/</a>	1,037
<a href="http://www.app.gov.al/ep/ContractNoticeSV.aspx">http://www.app.gov.al/ep/ContractNoticeSV.aspx</a>	1,009
<a href="http://www.app.gov.al/EconomicOperatorAccount/EconomicOperatorAccount.svc/EconomicOperatorAccount/">http://www.app.gov.al/EconomicOperatorAccount/EconomicOperatorAccount.svc/EconomicOperatorAccount/</a>	938
<a href="http://www.app.gov.al/getdata/downloaddoc/">http://www.app.gov.al/getdata/downloaddoc/</a>	933
<a href="http://www.app.gov.al/ep/default.aspx">http://www.app.gov.al/ep/default.aspx</a>	930
<a href="http://www.app.gov.al/ASP.Net/FM/DataViewer/DataService.aspx/Navigator_Generate/">http://www.app.gov.al/ASP.Net/FM/DataViewer/DataService.aspx/Navigator_Generate/</a>	904
<a href="http://www.app.gov.al/ASP.Net/FM/DataViewer/Profile/CountService.aspx/Get/">http://www.app.gov.al/ASP.Net/FM/DataViewer/Profile/CountService.aspx/Get/</a>	880



Graph 56



Graph 57



As it results from the data in the table above, the main interest is the logging interface in the Electronic Procurement System, the archive of public procurement bulletins, Decision of the Council of Ministers, published contracts notices, etc.

#### 12.2.4.6. User activity by the key words most used for search in the Public Procurement Agency portal

The following Table and Graph show the most frequently used words to search for the Public Procurement Agency portal and the Electronic Procurement System on the internet:

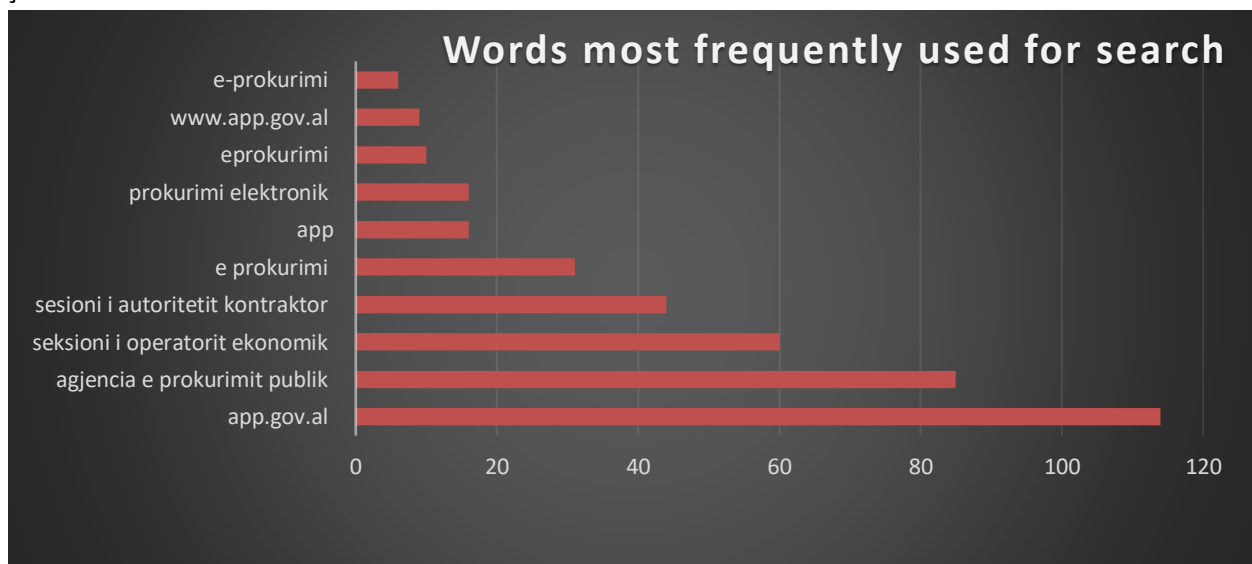


Table 127

Key expressions/words	Visitors
app	114
app.gov.al	85
electronic procurement	60
economic operator section	44
public procurement agency	31
e-procurement	16
www.app.gov.al	16
Public bulletin	10
electronic procurement albania	9
contracting authority section	6
app	114
app.gov.al	85
electronic procurement	60
economic operator session	44
public procurement agency	31
procurement	16
www.app.gov.al	16
Public bulletin	10
electronic procurement albania	9
contracting authority session	6

Graph 58

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12.2.4.7. Accessing of Electronic Procurement System by browsers and operating systems.



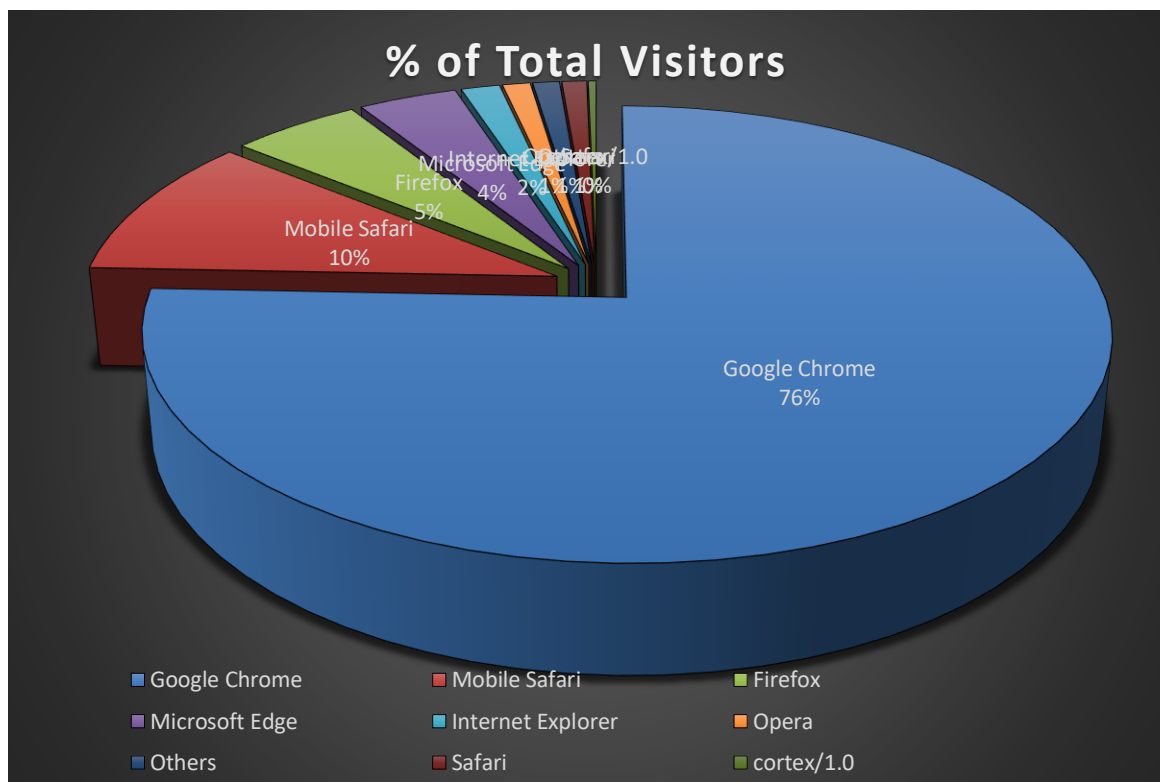
The table and chart below show the accessibility of the Electronic Procurement System according to the browsers:

**Table 128**

Browser	Hits	Visitors	% of Total Visitors
Google Chrome	307,385,951	1,908,749	72.01%
Mobile Safari	8,137,424	259,266	9.78%
Firefox	23,585,144	129,552	4.89%
Microsoft Edge	13,589,953	99,192	3.74%
Internet Explorer	5,869,969	38,861	1.47%
Opera	3,166,177	27,896	1.05%
Others	4,342,864	26,724	1.01%
Safari	1,134,437	25,029	0.94%
cortex/1.0	8,268	8,060	0.30%
<b>Subtotal</b>	<b>380,094,159</b>	<b>2,591,341</b>	<b>97.77%</b>
<b>Total</b>	<b>383,262,478</b>	<b>2,650,550</b>	<b>100.00%</b>

As it can be seen from the above data, the Electronic Procurement System is normally accessed and normally operates by means of using all types of browsers such as Google Chrome, Mozilla Firefox, etc. Additionally, it is noted that Google Chrome remains the most used browser for accessing the procurement system.

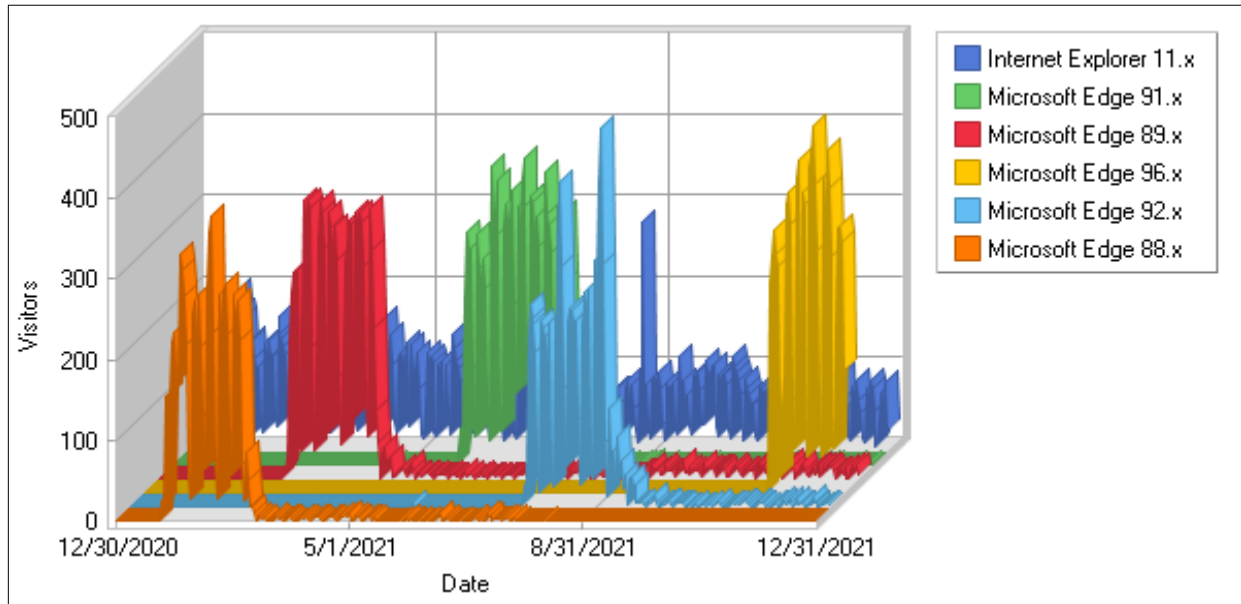
**Graph 59**





Below is the weekly access to the e-procurement system through the internet explorer and Microsoft edge versions.

**Graph 60**



**12.2.4.8. Access to Electronic Procurement System by operating systems and devices most utilized by users**

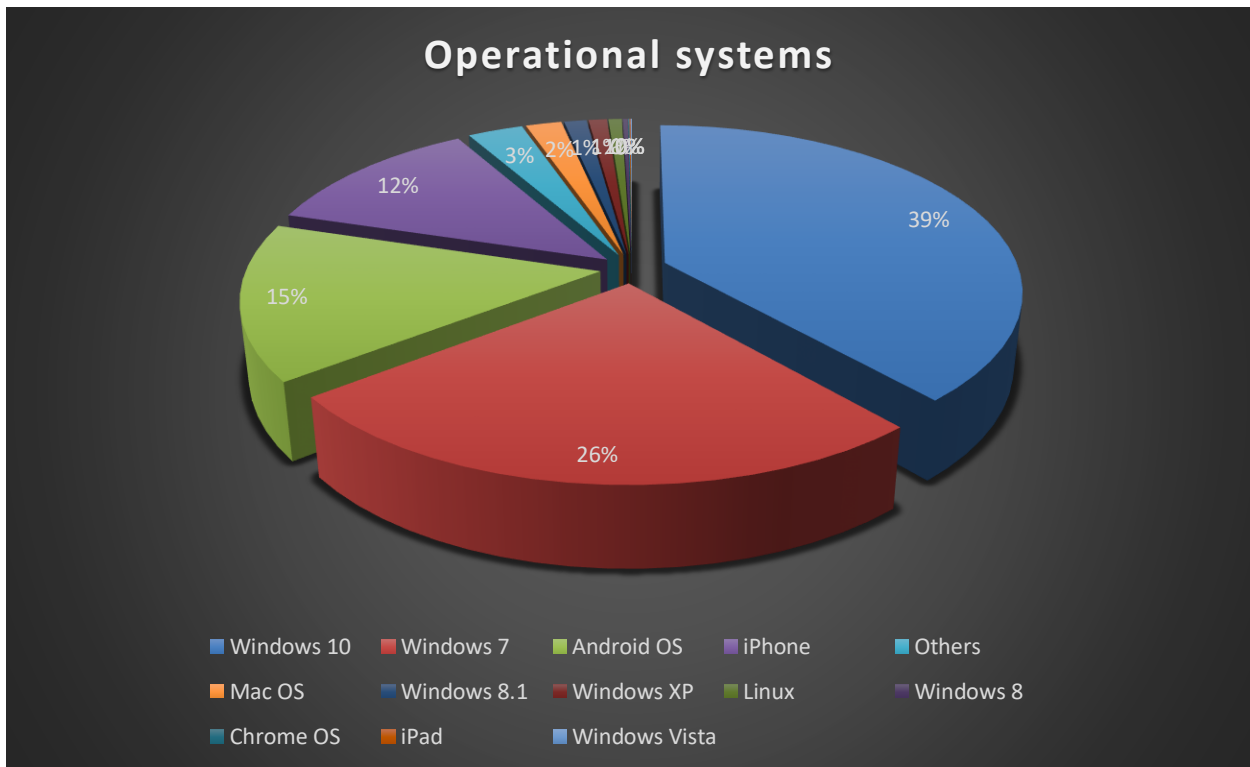
The following Table and chart show the access to the Electronic Procurement System according to the operational systems used by users:

**Table 129**

Hits	Hits	Visitors	% of Total Visitors
<b>Windows 10</b>	196,161,692	954,938	38.50%
<b>Windows 7</b>	131,502,364	645,697	26.03%
<b>Android OS</b>	12,103,353	375,697	15.15%
<b>iPhone</b>	9,751,101	298,157	12.02%
<b>Others</b>	5,077,710	73,468	2.96%
<b>Mac OS</b>	2,967,380	47,643	1.92%
<b>Windows 8.1</b>	4,627,609	30,071	1.21%
<b>Windows XP</b>	3,302,119	24,656	0.99%
<b>Linux</b>	4,006,584	17,979	0.72%
<b>Windows 8</b>	1,536,395	6,667	0.27%
<b>Chrome OS</b>	12,105,382	1,685	0.07%
<b>iPad</b>	68,530	1,583	0.06%
<b>Windows Vista</b>	38,366	1,408	0.06%
<b>Total</b>	383,262,478	2,480,401	100.00%

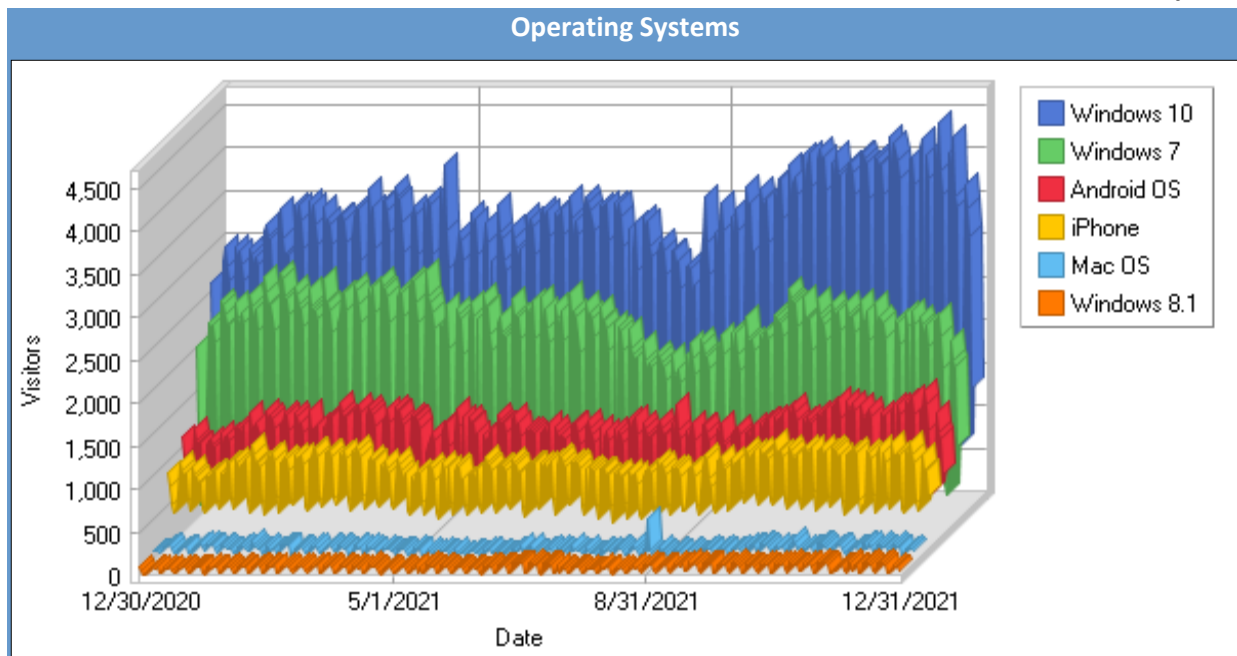


Graph 61



The following Table and chart show the weekly access to the Electronic Procurement System according to the operational systems used by users.

Graph 62





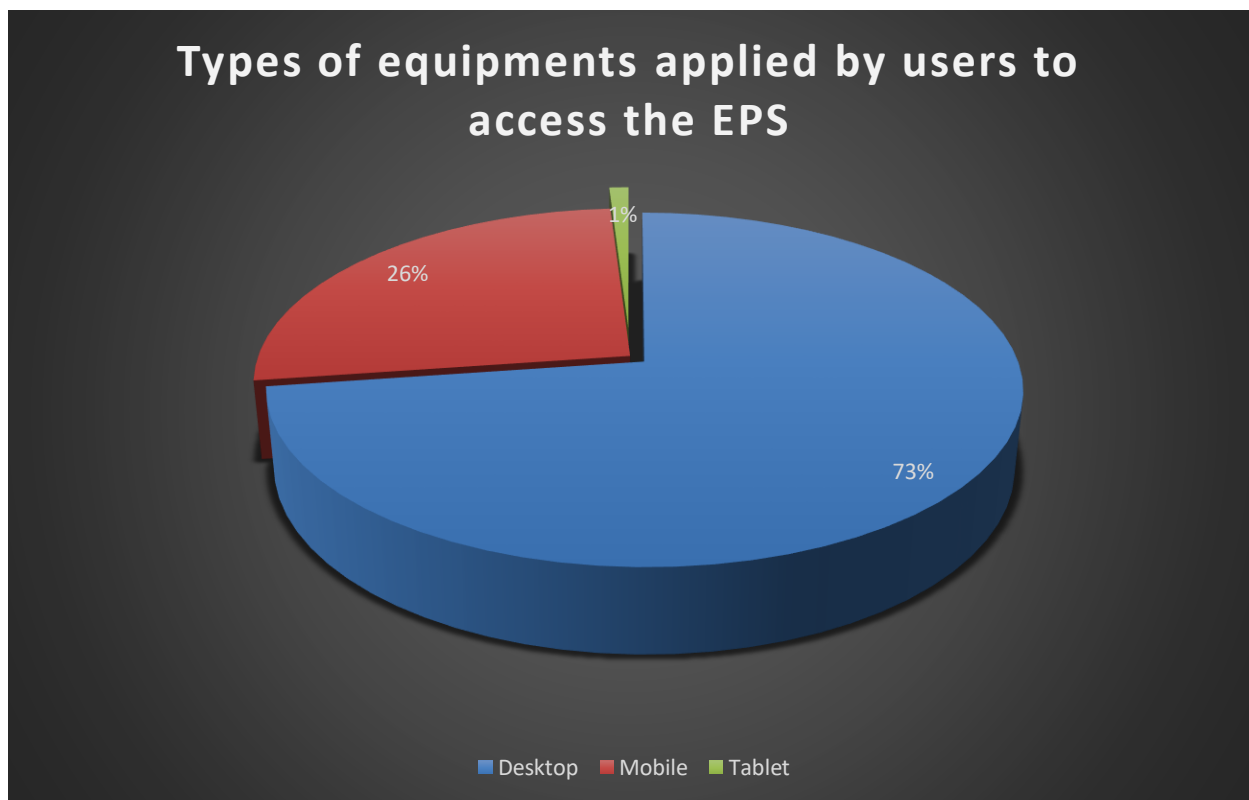


The following Table and Graph show the access to the Electronic Procurement System according to the types of equipment used by users:

**Table 130**

Device Type	Hits	Visitors	% of Total Visitors
Desktop	361,333,876	1,804,773	72.76%
Mobile	21,381,357	651,244	26.26%
Tablet	547,245	24,384	0.98%
<b>Total</b>	<b>383,262,478</b>	<b>2,480,401</b>	<b>100.00%</b>

**Graph 63**



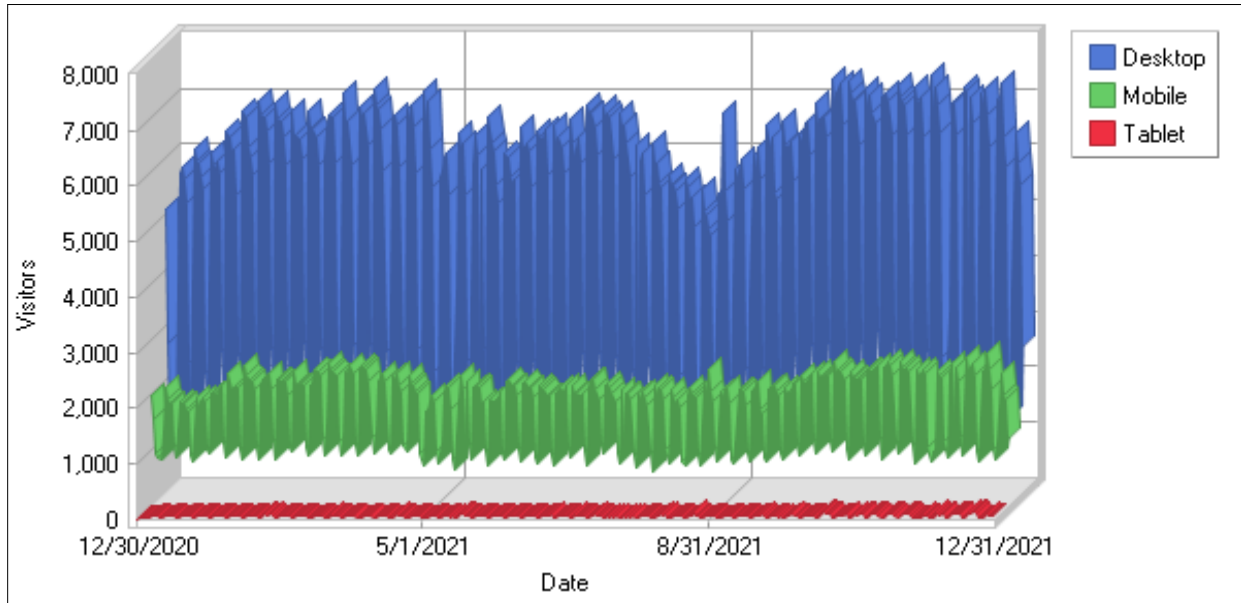
The Electronic Procurement System can be accessed from any electronic device, thus facilitating the work of its users and enabling access at any time and at any time where they are.

Below is the weekly access to the Electronic Procurement System according to the types of equipment used by the EPS users.



Graph 64

Daily Device Types

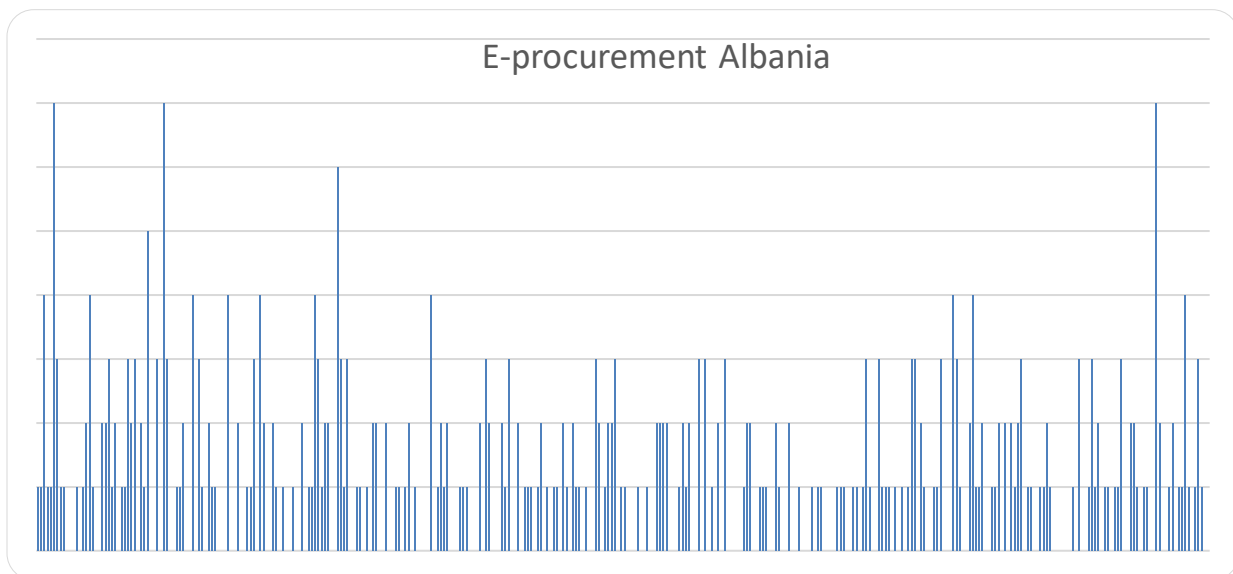


The data in the table above show that the Electronic Procurement System is mostly accessed by computer devices (desktop), as well as mobile devices.

#### 12.2.4.9. Using of Mobile Application

The use of the mobile application for the main iOS and Android platforms and the possibility of offering it for Small Value Procurement procedures through it for economic operators turn out to have increased during 2021. Specifically, the activity of the application users by months is presented below.

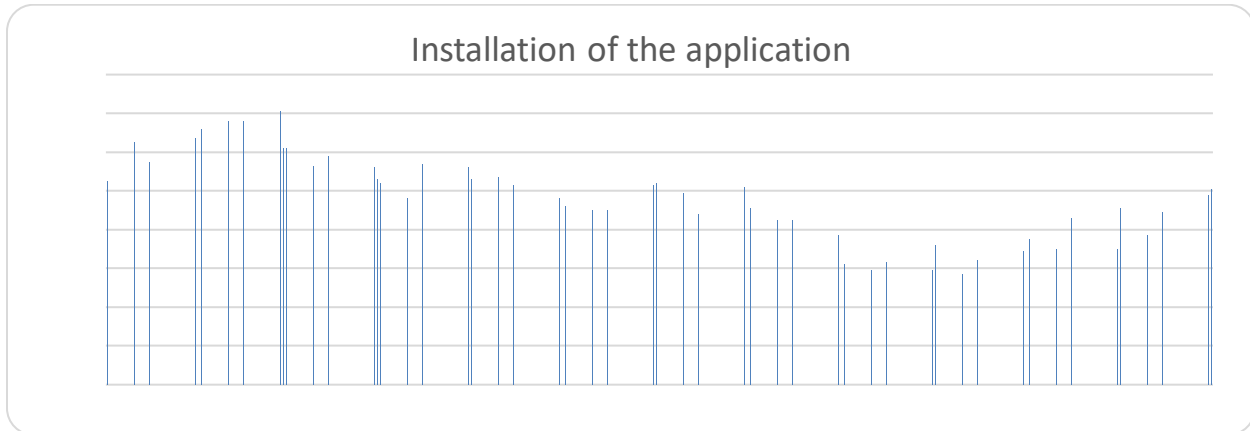
Graph 65





The above graph indicates that, the period when the application has been mostly used during 2021 is January, February, April and December, because during this time the Contracting Authorities have published mostly small value procurement procedures.

**Graph 66**



### **13. HUMAN RESOURCES AND FINANCES MANAGEMENT**

#### **13.1. HUMAN RESOURCE MANAGEMENT**

The Public Procurement Agency has carried out its legal activity with three (3) directorates and one (1) sector under direct subordination of the General Director based on the Order of the Prime Minister No. 54, dated 15 March 2019. "On the approval of the organization chart and staff of the Public Procurement Agency", specifically (i) the Legal, Verification and Integration Directorate with three (3) sectors: Legal Sector, Procedures Verification Sector and Integration Sector; (ii) Coordination and Monitoring Directorate with 2 (two) sectors: Coordination Sector and Contracts Monitoring Sector; (iii) Data Management and Publication Directorate with 2 (two) Sectors: Data Management and Statistics Sector and Publication Sector, as well as (iv) the Human Resources and Finances Sector.

The total number of staff is 44. Moreover, the new organization chart and staff of the PPA institution was approved upon the Order of the Prime Minister No. 149, dated 28 December 2021.

#### **13.2. AUTHORITY RESPONSIBLE FOR THE CONFLICT OF INTEREST**

Under Law No. 9049, dated 10 April 2003 "On the declaration and audit of assets, financial obligations of elected officials and public servants" and Law No. 9367, dated 07 April 2005 "On the prevention of conflict of interests when exercising public functions", 4 staff member of the Public Procurement Agency holding the following positions has had the obligation in 2021 to declare periodic/annual private interests of 2020: (i) General Director, (ii) Director of the Directorate of Data Management and Publication, (iii) Director of the Directorate of Coordination and Monitoring, and (iv) Director of the Legal, Verification and Integration Directorate.

All the above responsible entities have completed and submitted within the time limits the *Declaration of Private/Periodic Interests* to the High Inspectorate of Declaration and Audit of Assets and Conflict of Interest respectively.



Regarding the identification and registration of cases of conflict of interest, no such cases were registered in the PPA in 2021.

### **13.3. COORDINATOR FOR THE RIGHT TO INFORMATION**

In the frame of the legal obligation deriving from Law No. 119/2014 "On the right to information", and in order to inform the public, PPA has responded, within the deadlines provided by the legislation in force, to numerous requests for information from citizens, submitted in writing or electronically, depending on the choice made by the latter.

20 requests for information addressed to the Coordinator for the Right to Information were reviewed during 2021 by providing the requested information, electronically or in writing. It turns out that there is a small decrease of the number of requests concerning the right to information when compared to 2020, when the PPA has reviewed 22 requests for information.

Most of the requests for the right to information submitted to the PPA have been initiated by journalists or the media, but there is also an increase of the number of requests submitted by individuals (natural persons). Specifically, out of 20 requests submitted to the PPA during January-December 2021, 12 of them are requests submitted by the media or journalists and 8 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.

No restriction or refusal to provide information to any particular entity has been reported during 2021.

Pursuant to Law No. 119/2014 "On the right to information", the Public Procurement Agency keeps and publishes a Request and Response Register, which contains all the requests for information and information provided in the response provided to them. This Register is updated every 3 months and is published on the official website of the Public Procurement Agency.

In order to ensure transparency and to guarantee familiarization of the public with public information, the Public Procurement Agency has continued its work to improve the procedures of reviewing the requests for the right to information, therefore making available the requested information in the most practical way possible for all interested entities.

### **13.4. ACTIVITIES TOWARDS THE ADMINISTRATIVE CAPACITY BUILDING OF PUBLIC PROCUREMENT AGENCY STAFF AND PUBLIC PROCUREMENT SPECIALISTS OF THE CONTRACTING AUTHORITIES**

#### **13.4.1. Participation of PPA staff in international activities**

In the frame of the integration process and priorities for the improvement of the procurement system in Albania in compliance with the best international and European practices, PPA has participated in a series of meetings and workshops organized by various national and international organizations and institutions presented in the table below:



**Table 131**

<b>No.</b>	<b>Topic</b>	<b>Organizer</b>	<b>Date</b>	<b>Directorate/Sector</b>	<b>No. of participants</b>
1	Basis of European Market	ASPA	20.01.2021	Integration Sector	1
2	Green Public Procurement-New opportunity for Ukraine	World Bank	04.02.2021	Integration Sector Coordination Sector	3
3	Addressing National Security Risks in International Transactions	US State Department	04.03.2021 05.03.2021	Integration Sector	2
4	Dealing with fraud and infringements during pre - and post- conclusion of the public procurement contract with the recommendation report.	EU Twining	8.03.2021 12.03.2021	Integration Sector Coordination Sector	2
5	Post COVID-19 Risk Management	SIGMA/OECD	10.03.2021	Integration Sector	1
6	Support to the EU Integration process of Albania)	SEI Project	6.05.2021	Integration Sector	1
7	Ohrid Regional Forum	UNODC	21.06.2021- 23.06.2021	Integration Sector	1
8	EU Acquis in Procurement Law Area	EURALIUS	05.07.2021- 06.072021	Integration Sector	2
8	Towards EU accession negotiations: preparing for bilateral screening	SEI Project	08.07.2021	Integration Sector	2
9	Legal and strategic framework and guidelines of the European Commission IPA III	ASPA	27.07.2021	Integration Sector	1
9	Procurement procedures related to natural disaster cases	World Bank	29.09.2021	Integration Sector	2



10	Application of criteria for green procurement in Albania (Green Procurement)	World Bank	29.09.2021	Integration Sector Contract Monitoring Sector	3
11	On priorities in terms of harmonizing the procurement law	SEI Project	04.11.2021	Integration Sector	1
12	Changes brought by the new procurement law	SIGMA/OECD ALSAI	04.11.2021.	Integration Sector Coordination Sector	2
13	French Embassy of in Albania and the French School of Administration (ENA) held "Detection of fraud in public tenders"	French Embassy of in Albania and the French School of Administration (ENA)	02.12.2021 03.12.2021	Integration Sector Coordination Sector Contract Monitoring Sector	4
14	"SME Policy Index 2022: Western Balkans and Turkey"	OECD	06.12.2021	Integration Sector	2
15	"Good Governance and Public Administration Reforms"	SIGMA	10.12.2021	Integration Sector	2
16	"Law approximation in the Albanian context"	SEI Project	13.12.2021	Integration Sector	1
17	"Climate Responsive Public Financial Management Framework Clinics"	World Bank	14.12.2021	Integration Sector	2
18	"Mainstreaming strategic public procurement to advance regional development"	OECD	15.12.2021	Integration Sector	1
18	"Managing Corruption Risks on Public Procurement and Contract Execution in the Western"	Council of Europe	15.12.2021 17.12.2021	Integration Sector	2



	Balkans and Turkey”				
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18 civil servants from PPA participated in the above activities, respectively 3 (three) from the Human Resources and Finances Sector, 8 (eight) from the Procedures Verification Sector, 2 (two) from the Data Management and Statistics, Sector 2 (two) from the Integration Sector, 2 (two) from the Legal Sector, 1 (one) from the Publication Sector for 18 different topics.

#### 13.4.2. Trainings on public procurement legislation

PPA cooperates in a continuous manner with ASPA in order to provide training of the staff of contracting authorities regarding procurement legislation.

Meanwhile, upon the entry into force of the new procurement legislation, PPA has also cooperated with the OSCE, in addition to ASPA, to organize information sessions on the innovations of the new procurement legislation.

Given that the new Law entered into force on 31 March 2021 and has become applicable as of June 2021, this section will also present data related to the training of the staff of ASPA according to training modules on previous legislation of procurement.

In more concrete terms, the following table presents data regarding the trainings organized by ASPA in 2021:

**Table 132**

	Module	Contracting Authorities	No. of Participants				Gender	
			Civil servants		Labor Code		Male	Female
1	Innovations of new Public Procurement legislation	Central	439	Total 890	61	Total 187	290	114
		Local	223		64		272	97
		Independent	228		62		225	79
2	Public Procurement (I)	Central	284	Total 465	13	355	123	
		Local	142					
		Independent	39					
Total			1355		200		1142	413
			1555					

The above table shows that 1,555 participants were registered from 214 Contracting Authorities or entities during January-December 2021, of which 1,077 were trained on the innovations of the new procurement legislation including changes in the Electronic Procurement System and 478 were participants in the training on public procurement before the entry into force of new legislation.

The organized trainings were attended by 1,355 civil servants and 200 employees employed under the Labor Code, of which 413 are women and 1,142 men.



12 online information sessions were organized for the Contracting Authorities and entities in cooperation with the OSCE presence in Tirana in the framework of the new public procurement legislation. These sessions were attended by 203 central, local, independent institutions and 404 participants.

The table below shows that a total of 1,481 staff members of Contracting Authorities/entities have been trained on the innovations of the new procurement legislation.

**Table 133**

innovations of the new procurement legislation	
Organizing institution	Number of participants
PPA+ASPA	1077
PPA+OSBE	404
<b>Total</b>	<b>1481</b>

Additionally, 1 online information session with 17 representatives from 9 business entities was organized in cooperation with the Albania Commercial Union.

#### 13.4.3. Execution of budget funds

The execution of budget funds over 12 months in 2021 is presented as follows:

**Table 134**

Nr.	Items	Annual Plan	12/moths plan in Leks	12/months actual in Leks	12/months difference in Leks	Execution (%)	Number of staff	
							Plan	Actual
1	600	41 400 000	41 400 000	39,761,948	1,638,052	96.04		
2	601	7,200,000	7 200 000	6,568,170	631,830	91,22		
3	602	8,080,000	8,080,000	3,294,002	4,785,998	40.76		
4	606	220,000	220 000	94,093	125,907	42.76		
5	231	1,000,000	1,000,000	38,000	962,000	3.8		
<b>Total</b>		<b>57,900,000</b>	<b>57,900,000</b>	<b>49,756,213</b>	<b>8,143,787</b>	<b>85.93</b>	<b>44</b>	<b>35</b>

Based on the data of the above table, it turns out that 12-month execution of expenditures in total, against the plan of 57,900,000 Albanian Leks, is 49,756,213 Albanian Leks or 85.93%.

The number of PPA staff approved by the Budget Law of 2021 is 44, while the fact at the end of the year is 35 employees. The number of staff has changed during the year due to layoffs, through procedures of suspension of status and dismissal from civil service.

#### 13.4.4. Analysis of expenditure items

- The 12 months' plan regarding item 600, "Staff wages", was executed to the amount of 39,761,948 Albanian Leks out 41,400,000 Albanian Leks planned, or 96.04%.
- The 12 months' plan regarding item 601, "Social insurance", was executed to the amount of 6,568,170 Albanian Leks out 7,200,000 Albanian Leks planned, or 91.22%.
- The 12 months' plan regarding item 602, "Operating expenditures", was executed to the amount of 3,294,002 Albanian Leks out 8,080,000 Albanian Leks planned, or 59.24%.





- The 12 months' plan regarding item 606, "Other transfers", was executed to the amount of 94,093 Albanian Leks out 220,000 Albanian Leks planned, or 42.76%.
- The 12 months' plan regarding item 231, "Investment expenditures", was executed to the amount of 38,000 Albanian Leks out 1,000,000 Albanian Leks planned, or 3.8%.

#### **14. PRIORITIES OF THE PUBLIC PROCUREMENT AGENCY FOR 2022**

Despite the achievements described in this document, PPA continues to remain focused on its work towards ensuring an efficient and sustainable procurement system as set out in the Public Procurement Strategy.

In this context, the main objectives of 2022 are presented as follows:

**1. Ensuring the implementation of new procurement legislation by Contracting Authorities/Entities:**

In this context, PPA will continue its work by providing ongoing assistance to Contracting Authorities/Entities and providing recommendations and guidelines, which help them to better understand and implement legal provisions.

**2. Setting into operation of a system for monitoring the contracts execution:**

Pursuant to the new competencies provided in the new law and the guidelines as passed during 2021 for the Contracting Authorities/Entities, PPA will intensify the work for the monitoring of the contracts execution by encouraging the Contracting Authorities/Entities to draft and send on time the contract execution plan and contract execution reports.

**3. Improvement of the Electronic Procurement System;**

In order to guarantee the 24-hour operation of the Electronic Procurement System, PPA continuously cooperates with NAIS to provide the necessary technical improvements in accordance with legal changes or following problems encountered by users in practice.

**4. Cooperation with the School of Public Administration for capacity building of Contracting Authorities,** their familiarization with the new provisions provided by the new law and raising awareness about them;

In addition to what is mentioned above, cooperation with ASPA is very important in the context of procurement professionalization in Albania, which is one of the main objectives in the field of procurement.

**5. Coordination and monitoring of activities in the frame of the National Public Procurement Strategy;**

Continuous coordination with contributing and cooperating institutions regarding the National Public Procurement Strategy is one of the main objectives of PPA in order to guarantee the achievement of the envisaged activities and objectives in order to create an efficient and sustainable procurement environment in Albania.

**6. Coordination of activities in the frame of the European integration process** to prepare for the start of accession negotiations.

Definition of Chapter 5: Public Procurement as one of the main chapters for the opening of negotiations and their successful continuation increases the responsibility of the PPA as the



leading institution of this Chapter to work intensively towards the preparation of the negotiation process in close cooperation with all the member institutions of the Inter-Institutional Working Group on European Integration for this Chapter.