



Republic of Albania
Agency of Public Procurement

Annual Report 2022



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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

EOM – Economic Operators Merger

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 – Anti-corruption Strategy

EAS - Electronic Archive System

PFMS - Public Finance Management Strategy

EPS - Electronic Procurement System

WTO – World Trade Organization

GPA - Agreement on Government Procurement

OSCE - Organization for Security and Co-operation in Europe

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 estimated 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

Awarded value – The value of the bid, which has been declared as 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.

Framework Agreement - An agreement between one or more Contracting Authorities or Entities and one or more economic operators, the purpose of which is to define the conditions of the contracts to be procured during a certain period of time, especially those related to the price and, where appropriate, with the anticipated quantities.

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.

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 2022 to 31 December 2022.

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 details and with statistical data the functioning of the public procurement system in general, including the Electronic Procurement System.

1.1 KEY ACHIEVEMENTS DURING 2022

During 2022, APP has continued the monitoring of the implementation of the new legal framework and supplementing it with new by-laws. Given that 2022 marks the first full calendar and budget year with a new legal framework, special importance has been dedicated not only to monitoring the conducting of the procedures, but also to reports on the execution of contracts by Contracting Authorities/Entities.

In addition, special attention has been paid to monitoring the implementation of the National Public Procurement Strategy, drawing up relevant reports and measuring all the performance indicators identified for this purpose.

On the other hand, opening of the negotiations for membership in the EU has increased the commitment of APP in terms of the process of European integration and preparation for this process in the capacity of the leading institution of Chapter 5 of the acquis, "Public Procurement", as one of the chapters that belongs to the First Cluster of negotiating chapters.

The improvement of the Electronic Procurement System is also a constant challenge, especially in view of the implementation of the new legal framework.

The continuous work of APP has also been reflected in the concrete achievements evaluated by various international reports, among which we may mention the following:

1. According to the Annual Report for 2022 of the European Commission, Albania is moderately prepared in public procurement. **Good progress was made during the reporting period, in particular by adopting further implementing legislation to the new law on public procurement**, launching an electronic appeals and complaint system, developing and implementing of certified training course on public procurement, publishing first monitoring reports on the public procurement strategy and deploying real time "open data" on procurement activities, and including procurement related corruption risks in institutions' integrity plans.

2. During 2022, PPA has had maximum commitment towards the European integration process. Being in the role of the leading and coordinating institution for chapter 5 "Public Procurement", PPA successfully led the process related to the Albania-EU bilateral meeting, within the *Screening* for this chapter by submitting within the deadlines all the required materials and documentation and preparing comprehensive presentations, where all elements and information regarding the field of public procurement were included. At the end of the bilateral meeting, the EU representatives emphasized that the meeting was very successful and that the Albanian legislation is aligned to a large extent with the EU Acquis.

3. Statistics show that the increase of the application of the cost-based evaluation criterion of the *Most Economically Advantageous Tender* is a very important achievement, the aim of which is to increase the quality of the contract concluded at the end of the procurement process. Such an increase also comes because of new legislation, which clearly sets forth the use by the Contracting Authorities of criteria related to product quality, environmental and social criteria or its life cycle by guaranteeing higher efficiency and lower cost for the Contracting Authority/Entity. Of the 4,507 procedures awarded in 2022, 328 procedures (7.3%) were selected by using the Most Economically Advantageous Tender based on cost as an evaluation criterion whereas 4,179 procedures (92.7%) were selected by using the Most Economically Advantageous Tender evaluation method, based on price.

4. The *SME Policy Index 2022: Western Balkans and Turkey*¹ document, by means of which OECD monitors and evaluates the progress achieved and the relevant policies that

¹ <https://www.oecd-ilibrary.org/sites/d22fdb37-en/index.html?itemId=/content/component/d22fdb37-en>

support Small and Medium Enterprises in countries such as Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Moldova, Montenegro, North Macedonia, Romania and Serbia has pointed out that dimension 5B, Public procurement, is one of the **areas with strong performance**. Referring to what is stated above, the institutional and regulatory framework and the provision of digital government services is considered one of the most important aspects together with the new legal framework adopted in 2020, in accordance with European standards. The approval of the first National Strategy in the field of public procurement, 2020-2023, was also highlighted as one of the most important achievements in this context. Albania was listed as one of the countries and economies that have adopted and applied political measures to facilitate the access of Small and Medium Enterprises to public procurement. Additionally, Albania was mentioned as one of the economies that have adopted rules that simplify public procurement procedures and reduce the administrative burden for economic operators, especially SMEs.

5. PPA has continued the process of **completing the secondary legal framework** with guidelines, roadmaps, technical manuals, etc., which help third parties including Contracting Authorities, Economic Operators and any interested party to be informed and have additional knowledge about the public procurement process.

6. Being in the capacity of the monitoring and supervisory institution of the National Public Procurement Strategy, PPA has successfully carried out the process of coordination, collection and processing of information by monitoring the implementation and fulfillment of the activities of this strategy based on the relevant periods referred to in the document. In addition, PPA is maximally engaged as one of the main institutions responsible for the fulfillment of the activities and the completion of key performance indicators by achieving at a significant degree the activities foreseen for 2022.

7. Public Procurement is one of the main areas included in other National Cross-cutting Strategies such as the Cross-cutting Strategy against Corruption and the Public Finances Management Strategy of, where PPA makes its contribution by reporting regularly in the frame of drafting the periodic monitoring reports regarding the execution of the relevant measures and the achievement of the performance indicators. In this context, it is noted that PPA has fully implemented the activities and achieved the performance indicators related to these strategic documents. In addition, PPA has given its contribution regarding the revision of these strategies and the drafting of new strategies and action plans for the period of 2024-2030.

8. PPA has continued to work with maximum commitment to publish on its official website, in real time, any data about public procurement procedures, concession/PPP procedures, and auction procedures taking place in the country, as well as any other valuable information, such as by-laws, decisions and manuals, recommendations, notifications, etc.

9. The process of assistance provided to the Contracting Authorities during 2022 when drafting the Standard Tender Documents, especially when drafting the special suitability criteria has continued by providing assistance to almost half of the procedures published in the Electronic Procurement System (EPS), as well as by providing assistance to any preliminary request submitted by the Contracting Authorities. The level of problem-free procedures when drafting the tender documents has increased by 12% compared to 2021,

as well as the level of reflection of Contracting Authorities vis-à-vis the recommendations of PPA, results in almost the same levels compared to 2021.

10. PPA has continued the work to verify the legality of the procurement procedures through their *ex post* monitoring. A special importance during has been dedicated this year to the monitoring of auctions and procurement procedures in the field of defense and security, for which a dedicated unit is provided in the PPA set-up.

11. What's more, the process of the administrative investigation in relation to the economic operators is important, especially their compliance with the obligation to fulfill the mandatory criteria for qualification provided by the law and the increase of their responsibility in this regard.

12. PPA has reviewed during 2022 the forms of the contract execution plan and the report forms for the contract execution sent by the Contracting Authorities by highlighting their deficiencies and problems and assisting the Contracting Authorities to avoid these deficiencies and problems and the contracts execution according to the conditions, in which they were procured.

13. Cooperation with the School of Public Administration in regard to **capacity building of the Contracting Authorities** continued during 2022, in addition to cooperation with the OSCE and the media and civil society in "*Data monitoring and analysis - Good practices from the SEE region Good practices from Albania*" also in the frame of Cyber security cooperation with the U.S. Department of Commerce and Infrastructure Security Agency (CISA) in Workshop on "Data monitoring and analysis-Good practices from the SEE region Good practices from Albania".

14. Improvement of the electronic procurement system in order to adapt it to the changes provided for in the new law. The provision of new procedures and mechanisms by the new procurement law makes it necessary to improve the electronic system both functionally and further increase security in order to guarantee the appropriate means for the full enforcement of the legal provisions.

Creation of procedure **social and other services in EPS**. Under the Decision of the Council of Ministers No. 768, dated 15 December 2021 "On defining the types of social and other services", the procurement procedure "Social services" has been created in the system with the aim of its development in the system by the Contracting Authorities referred to the aforementioned DCM. This development was carried out both for the elements of the register and for the procurement procedure.

15. The integration with the treasury system has been completed. No Contracting Authority, which interacts with the treasury system, may proceed with the creation of the procurement procedure without approving and checking the availability of funds in the system. Additionally, the User's Manual and the notification for all EPS users have been prepared in cooperation with the Ministry of Finance and Economy on how they should act with the creation of the procurement procedure.

16. Implementation of the investment and services output code. The Contracting Authorities, which do not operate with the treasury or are with their own funds, should first determine in the system whether the procurement procedure is an investment or a

service, as well as the corresponding code and fund, to continue then with the creation of other stages of the procedure of procurement.

17. PPA has continued to attach due importance to the **institutional capacity building** as an important and essential instrument in support of good functioning of the institution and in the good implementation of legal provisions.

2. STATISTICAL DATA ABOUT THE PUBLIC PROCUREMENT SYSTEM IN ALBANIA

Public procurement is one of the main areas of state activity and one of the most important processes in the management of public finances. The figures and data processed in this frame show that the budget spent on public procurement in the countries of the region for 2021 ranges on average from 4.47-11% of the Gross Domestic Product. Specifically, according to Chart no. 1 below and according to published data, the following turns out:

1. **Kosovo:** According to the European Commission Report, based on preliminary data, Public Procurement accounted for 5.65% of GDP in 2021, with a decrease compared to the percentage of 2020, when Public Procurement accounted for 7.5% of GDP.²
2. **Serbia:** According to the European Commission Report, Public Procurement accounted for approximately 8.9% of GDP in 2021, thus experiencing an increase compared to the percentage of 2020, when Public Procurement accounted for 6.8% of GDP.³
3. **Montenegro:** According to the European Commission Report, Public Procurement accounted for approximately 4.47% of GDP in 2021, thus experiencing a considerable decrease compared to the percentage of 2020, when Public Procurement accounted for 13.1% of GDP.⁴
4. **North Macedonia:** According to the European Commission Report, Public Procurement accounted for approximately 11% of GDP in 2021, thus experiencing an increase compared to the percentage of 2020, when Public Procurement accounted for 8.5% of GDP.⁵
5. **Albania:** According to the 2021 Annual Report published by the Public Procurement Agency, public procurement in 2021 accounted for about 18.9% of GDP, thus experiencing a decrease compared to the percentage of 2020, when Public Procurement accounted for 4.7% of GDP. ⁶

² European Commission (2022), Kosovo Report, pg. 71

https://neighbourhood-enlargement.ec.europa.eu/kosovo-report-2022_en

³ European Commission (2022), Serbia Report, pg. 79

https://neighbourhood-enlargement.ec.europa.eu/serbia-report-2022_en

⁴ European Commission (2022), Montenegro Report, pg. 72

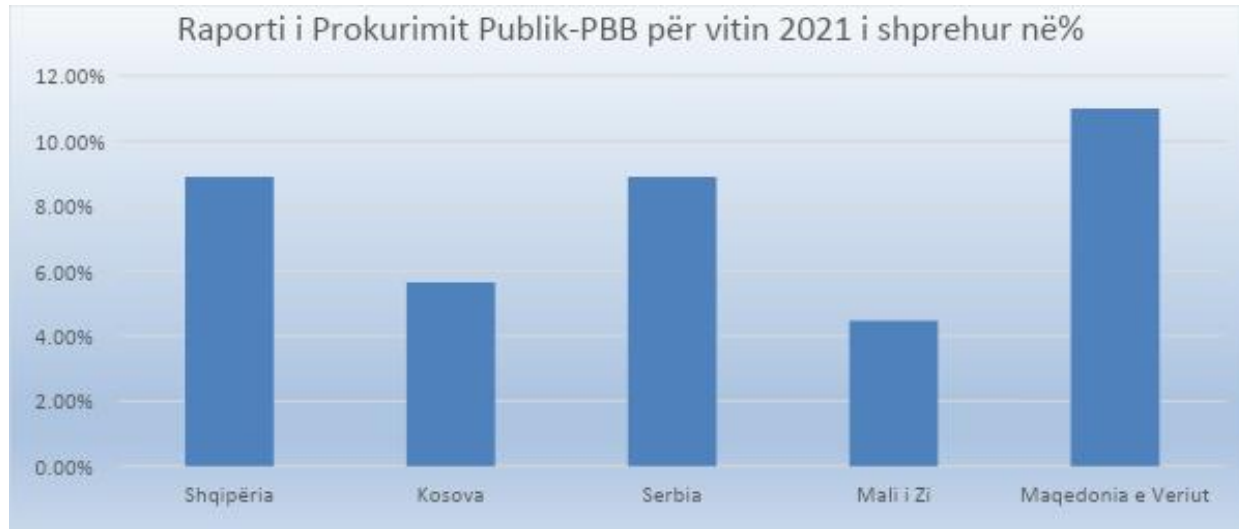
https://neighbourhood-enlargement.ec.europa.eu/montenegro-report-2022_en

⁵ European Commission (2022), North Macedonia Report, pg. 60

https://neighbourhood-enlargement.ec.europa.eu/north-macedonia-report-2022_en

⁶ Annual Analysis 2021, PPA, pg. 8

Chart 1



Source: Data obtained from the European Commission Reports for the countries of the Region and the Annual Analysis of PPA.

Translation of the chart:

Albanian	English
Raporti i Prokurimit Publik-PBB për vitin 2021 i shprehur në%	Ratio of Public Procurement – GDP for 2021 expressed in %
Shqipëria	Albania
Kosova	Kosovo
Serbia	Serbia
Mali i Zi	Montenegro
Maqedonia e Veriut	North Macedonia

According to the data processing in the Electronic Procurement System, as well as based on the preliminary data provided by the Ministry of Finance and Economy⁷ on the Gross Domestic Product (GDP), it results that **the published total limit fund occupies 9.4% of Gross Domestic Product (GDP) in 2022.**

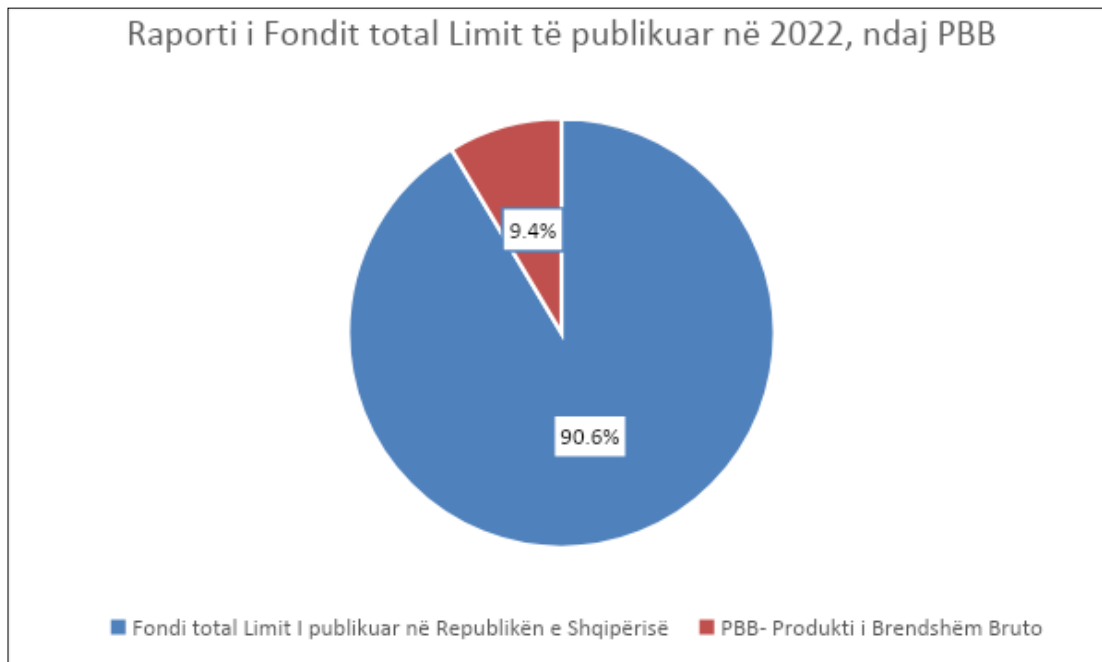
The following table and chart present the data related to the ratio "Published total limit fund-GDP":

Table 1

Macroeconomic Indicator	Value (in billion Albanian Leks)
GDP- Gross Domestic Product	1,803,000,000,000
Total limit fund published in the Republic of Albania	170,200,854,721
Total limit fund published in the Republic of Albania vs. GDP (in %)	9.4%

⁷ According to the preliminary official projections of the Ministry of Finance and Economy for 2022 (<https://financa.gov.al/kuadri-makroekonomik-dhe-fiskal-2/>) The Gross Domestic Product for 2022 is: **1,803,000,000,000** Albanian Leks.

Chart 2



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>Raporti i Fondit total Limit të publikuar në 2022, ndaj PBB</i>	<i>The ratio of the total limit fund published in 2022 vs. GDP</i>
<i>PBB – Produkti i Brendshëm Bruto</i>	<i>GDP-Gross Domestic Product</i>
<i>Fondi total limit i publikuar Prokurimeve në Republikën e Shqipërisë</i>	<i>Procurements total limit fund published in the Republic of Albania</i>

The above data show that there is a slight increase of the ratio of the total limit fund vs. GDP during 2022 compared to 2021 (8.9%).

2.1. Statistics about the Forecast Registers established in the Electronic Procurement System for 2022

The Public Procurement Procedures Forecasts Register and the Realizations 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 publication and computerization of these two registers is of great importance not only for timely planning of the needs of the Contracting Authorities for the following year, but also for guaranteeing transparency regarding the use and management of public funds by providing information in real time on all procedures and public funds that will be procured during the year for economic operators and any other interested person.

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 and carried out.

According to data of the National Register of Procurement Procedures Forecasts for 2022, it turns out that about 39,687 elements (new elements and changes) were published in the procurement forecast registers.

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

Table 2

Type of contract	Type of procurement procedure	Year 2022
Works	Procurements with value above the monetary threshold for small value procurements	1869
	Small value procurements	561
	Negotiated procedures without prior publication	16
	Contract modifications	8
Supplies	Procurements with value above the monetary threshold for small value procurements	5457
	Small value procurements	8463
	Negotiated procedures without prior publication	54
	Contract modifications	5
	Purchases with value below 100,000 Albanian Leks	7040
Services	Procurements with value above the monetary threshold for small value procurements	2656
	Small value procurements	5715
	Negotiated procedures without prior publication	46
	Contract modifications	9
	Dynamic purchase of tickets	369
	Purchases with value below 100,000 Albanian Leks	7270

According to the monitoring of the Elements of the Forecasts and Realizations Register in the EPS in 2021, it turns out that there are **39,687** elements foreseen in the register, of which **35,460** elements or 89% of the total have continued with the procedures, while **4,227** elements or 11% of the total are with canceled status.

The data is graphically presented as follows:

Chart 3

**Translation of the chart:**

Albanian	English
<i>Elementët në Regjistrin Kombëtar të Parashikimeve të Procedurave të Prokurimit</i>	<i>Elements in the National Register of Procurement Procedures Forecast</i>
<i>Elemente të parashikuara me statusin të paanulluar</i>	<i>Elements foreseen in the register with uncancelled status</i>
<i>Elementet e parashikuar me statusin të anuluar</i>	<i>Elements foreseen in the register with cancelled status</i>

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 5,402 elements have been subject to changes during the year.

The extent of changes in the forecast register is an important performance indicator in regard to the budget execution and good planning by the Contracting Authorities.

If it is analyzed only the performance of the Forecasts Register expressed in percentage as the ratio of elements changed versus the total of elements with uncancelled status ($5,402/35,460 \times 100$), it turns out that it is **15.23 %**, like it is presented in the following table.

Table 3

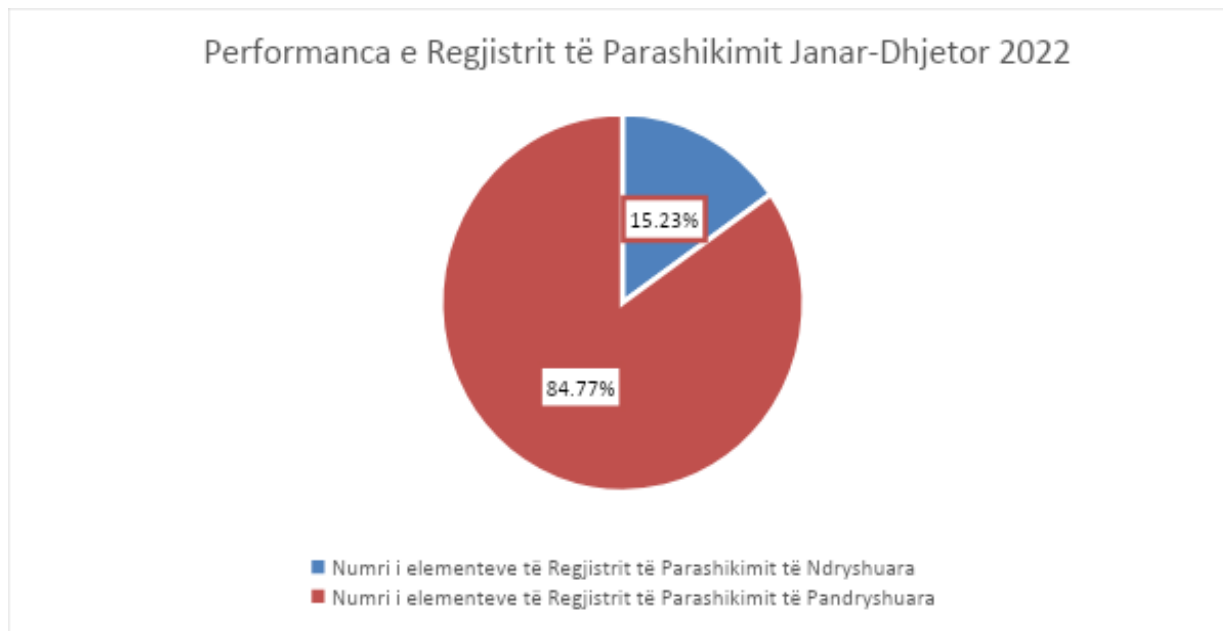
Performanca of Forecasts Register	
January-December 2022	Number of Elements
Total number of Forecast Registers elements (uncancelled)	35460
Number of changed Forecast Registers elements	5402
Performance or % of changed elements ($5402/35460 \times 100$)	15.23%

As noted above, about 85% of the elements, which are elements of the Register that are published (foreseen and realized, as well as in the process of realization), are unchanged.

If compared to 2021 when the percentage of registered items, which have experienced changes, was 16.1%, there is a decrease of this percentage in 2021 to 15.23%, thus showing a better performance compared to 2021.

The following chart shows the performance of the elements of the Procurement Procedures Forecasts Register in 2021

Chart 4



Translation of the chart:

Albanian	English
<i>Performanca e Regjistrimit të Parashikimit Janar-Dhjetor 2022</i>	<i>Performance of Forecast Register Jan-Dec 2022</i>
<i>Numri i elementeve të Regjistrave të Parashikimit të ndryshuara</i>	<i>Number of changed elements of the Forecast Registers</i>
<i>Numri i elementeve të Regjistrimit të Parashikimit të pandryshuara</i>	<i>Number of unchanged elements of the Forecast Registers</i>

Despite a slight improvement and positive trend compared to 2021, commitment of all involved stakeholders is still needed to further improve the performance of the public procurement system.

2.2 Statistics about the number of public procurement procedures published in the Public Procurement System in 2022

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 2022.

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 2022 are as follows:

Table 4

Published procurement procedures and negotiated procedures without prior publication of contract notice January-December 2022	
Total No. of Procedures/Lots published in the EPS	6,494
Total limit fund published in EPS	170,200,854,721
Total No. of Procedures/Lots, which have been published in the EPS and which have continued	4,679
% that the total No. of Procedures/Lots, which have been published in the EPS and which have continued, occupies against the total number of procedures	72%
Limit fund of Procedures/Lots, which have been published in the EPS and which have continued	147,038,493,139
% that the fund of the procedures, which have continued, occupies against the limit fund of the total number of procedures	86%
Total number of procedures concluded with winners	4,507
% that the total number of procedures concluded with winners occupies against the total number of procedures	69.4%
Total limit fund of the procedures concluded with winners (value in Albanian Leks)	134,398,774,490
Total number of awarded negotiated procedures without publication	157
Total limit fund of negotiated procedures without publication	1,273,811,249
% 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)	3.3%
% 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)	0.9%
TOTAL SAVING	
% that the total awarded value occupies versus the total procured limit fund	91,6%
Total saved value in Albanian Leks without Value Added Tax	11,290,275,257
% that the total saved value occupies versus the procured total limit fund	8,4%

The table above shows that 157 negotiated procedures without prior publication of the contract notice were conducted during January-December 2022.

When compared with the total number of procedures concluded with winner (other procedures + negotiated without publication) negotiated procedures with without prior publication of the contract notice constitute **3.3%** of the total number of procedures concluded with winners (competitive + negotiated without publication), thus remaining almost at the same levels as in 2021 where these procedures accounted for 3.4% of procedures concluded with winners.

In any case, the above data show that the published limit fund for this type of procedure (**1,273,811,249** Albanian Leks) is much lower, compared to the total limit fund of

procedures concluded with winners (electronic + negotiated without publication) (135,672,585,738 Albanian Leaks), thus occupying only **0.9%** of the total fund of procedures concluded with winners.

2.3 Statistics about the competitive procurement procedures conducted in the Electronic Procurement System

This part of the annual analysis 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.

2.3.1 Statistics by type of contract

The total number of procurement contract notices published during 2022 in the Electronic Procurement System, by type of contract including service, supplies, works contracts, is **6,494** (1,415 more than in 2021 when 5,079 competitive procedures were published).

More specifically, the number of procedures by contracts is as follows:

Table 5

Procedure notices in 2022					
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	286	Open procedure	854	Open procedure	502
Open for Social Services and other specific services	1	Open for Social Services	0	Open for Social Services	0
Open above the upper monetary threshold	248	Open above the upper monetary threshold	556	Open above the upper monetary threshold	39
Simplified Open	899	Simplified Open	2289	Simplified Open	541
Consultancy Service/Design Contest	98	Consultancy Service/Design Contest	0	Consultancy Service/Design Contest	0
Restricted	3	Restricted	2	Restricted	11
Restricted above the upper monetary	15	Restricted above the upper monetary	5	Restricted above the upper monetary	0

threshold		threshold		threshold	
Restricted for reconstruction	79	Restricted for reconstruction	0	Restricted for reconstruction	62
Restricted above the upper monetary threshold for Reconstruction	3	Restricted above the upper monetary threshold for Reconstruction	0	Restricted above the upper monetary threshold for Reconstruction	1
TOTAL	1,632	TOTAL	3,706	TOTAL	1,156

When analyzing the data of 2022, it is noticed that procedures for the procurement of supplies occupy the largest number of published procedures with a total of 3,706 published procedures or 57% of the published procedures, followed by the procedures for services with a total of 1,632 published procedures or 25% and procedures for civil works with a total of 1,156 published procedures or 18%.

As it may be seen from the table above, it turns out that, during 2022, the number of "Open procedures above the upper monetary threshold" has increased significantly with 843 procedures published or 12.9% of the total number of published procedures, compared to 280 (5.5%) that were in 2021.

In addition, the limit fund of these procedures for 2022 (81,464,153,241 Albanian Leks) constitutes a significant value compared to the limit fund published in 2021 for this type of procedure. The limit fund of the procedures "open above the upper monetary threshold" is 48% of the total limit fund of the procedures published in 2022 from the 40.3% it occupied in 2021.

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.

It is worth mentioning that 2022 is the first full calendar year, during which the new legal provisions were implemented after the adoption of the new Procurement Law, while during 2021 these new rules were implemented only in the second half of the year.

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 2022, and the relevant limit funds are as follows:

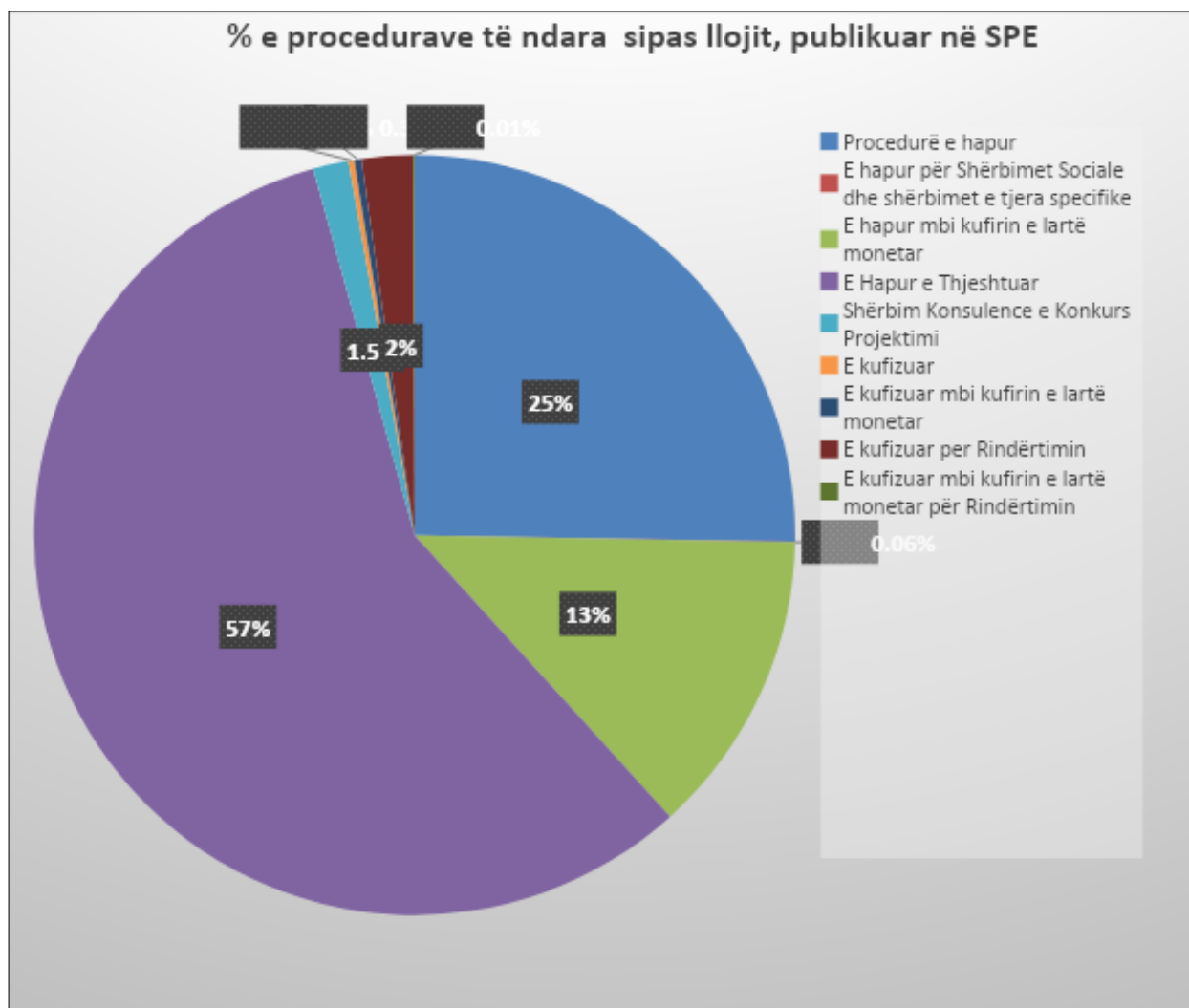
Table 6

The total number of published procedures divided by type of procedures for the period of January - December 2022	
Total number of published procedures	6,494

The total limit fund of published procedures (Value in Albanian Leks without Value Added Tax)	170,200,854,721
Number of consultancy service and design contest procedures	98
Limit fund of consultancy service and design contest procedures (value in Albanian Leks without Value Added Tax)	2,113,307,703
Number of Open procedures for social services and other specific services	1
Limit fund of Open procedures for social services and other specific services	40,113,896
Number of Open procedures above the upper monetary threshold	843
Limit fund of Open procedures above the upper monetary threshold (value in Albanian Leks without Value Added Tax)	81,464,153,241
Number of Open procedures	1,642
Limit fund of Open procedures (value in Albanian Leks without Value Added Tax)	48,133,758,110
Number of simplified open procedures	3,729
Limit fund of simplified open procedures (value in Albanian Leks without Value Added Tax)	10,514,963,892
Number of restricted procedures	16
Limit fund of restricted procedures (value in Albanian Leks without Value Added Tax)	3,574,219,674
Number of restricted procedures above the upper monetary threshold	20
Limit fund of restricted procedures above the upper monetary threshold limit (value in Albanian Leks without Value Added Tax)	7,234,348,405
Number of restricted procedures for reconstruction	141
Limit fund of restricted procedures for reconstruction (value in Albanian Leks without Value Added Tax)	15,689,910,055
Number of restricted procedures above the upper monetary threshold for reconstruction	4
Limit fund of of restricted procedures above the upper monetary threshold for reconstruction (value in Albanian Leks without Value Added Tax)	1,436,079,745

The following chart shows the percentage of the number of public procurement procedures, broken down by type of procedure, conducted in the Electronic Procurement System in 2022:

Chart 5



Translation of the chart:

Albanian	English
<i>% e procedurave të ndara sipas llojit, publikuar ne SPE</i>	<i>% of procedures divided by type published in the EPS</i>
<i>Procedurë e hapur</i>	<i>Open procedure</i>
<i>E hapur për Shërbimet Sociale dhe shërbimet e tjera specifike</i>	<i>Open for social services and other specific services</i>
<i>E hapur mbi kufirin e lartë monetar</i>	<i>Open above the upper monetary threshold</i>
<i>E Hapur e Thjeshtuar</i>	<i>Simplified open</i>
<i>Shërbim Konsulence e Konkurs Projektimi</i>	<i>Consultancy service and design contest</i>
<i>E kufizuar</i>	<i>Restricted</i>
<i>E kufizuar mbi kufirin e lartë monetar</i>	<i>Restricted above the upper monetary threshold</i>
<i>E kufizuar për Rindërtimin</i>	<i>Restricted for reconstruction</i>
<i>E kufizuar mbi kufirin e lartë monetar për Rindërtimin</i>	<i>Restricted above the upper monetary threshold for reconstruction</i>

As it may be noticed, “**Simplified open**” procedure takes up the largest number of procedures with 3,729 published procedures or 58% of the total number of published procedures

Moreover, regarding other types of procedures, it turns out that the “Open” procedure takes up 25% of the total number with 1,642 published procedures, the “Open procedure above the upper monetary threshold” takes up 12.9% of the total number with 843 published procedures, the “Consultancy Service” procedure takes up 2% of the total number with 98 published procedures, the “Restricted” procedure takes up 0,2% of the total number with 16 published procedures, the “Restricted procedure above the upper monetary threshold” takes up 0,3% of the total number with 20 published procedures, the “Restricted procedure for reconstruction” takes up 2% of the total number with 141 published procedures and the “Restricted procedure above the threshold for reconstruction” takes up only 0.06% of the total number with 4 published procedures

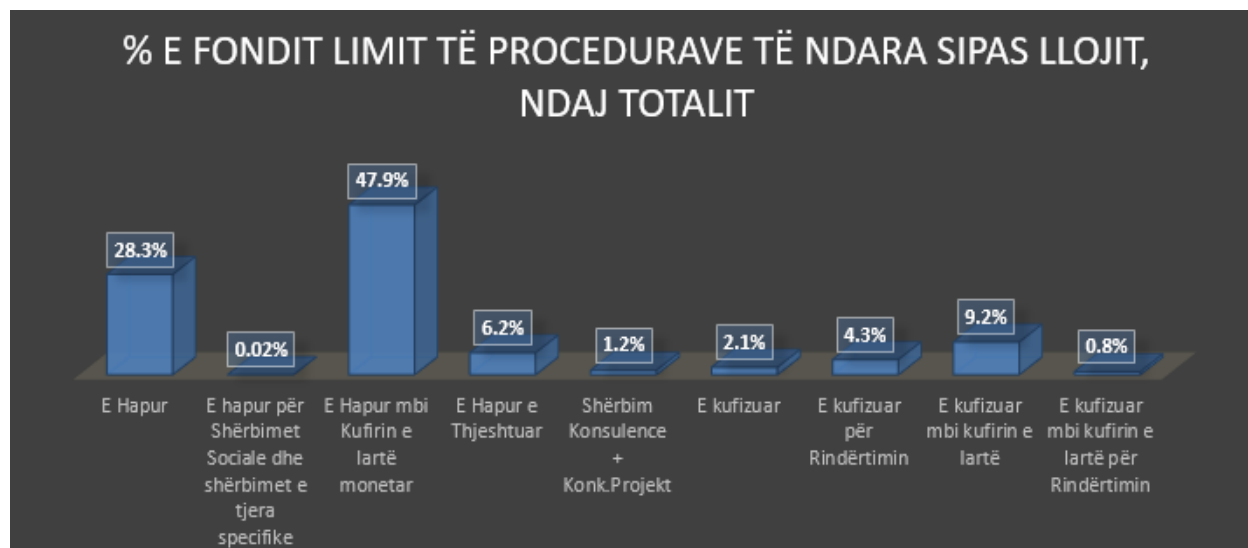
Meanwhile, the distribution of funds by type of procedures is presented as follows.

The following table presents the percentage of the Limit Fund of public procurement procedures conducted in the Electronic Procurement System in 2022, 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	48,133,758,110	28,3%
Open for social services and other specific services	40,113,896	0,02%
Open above the upper monetary threshold	81,464,153,241	47,9%
Simplified open	10,514,963,892	6,2%
Consultancy service + design contest	2,113,307,703	1,2%
Restricted	3,574,219,674	2,1%
Restricted for reconstruction	7,234,348,405	4,3%
Restricted above the upper monetary threshold	15,689,910,055	9,2%
Restricted above the upper monetary threshold for reconstruction	1,436,079,745	0,8%
TOTAL	170,200,854,721	100,0%

Chart 6



Translation of the chart:

Albanian	English
% E FONDIT LIMIT TË PROCEDURAVE TË NDARA SIPAS LLOJIT, NDAJ TOTALIT	% OF THE LIMIT FUND OF THE PROCEDURES BROKEN DOWN BY TYPE, AGAINST THE TOTAL
Procedurë e hapur	Open procedure
E hapur për Shërbimet Sociale dhe shërbimet e tjera specifike	Open for social services and other specific services
E hapur mbi kufirin e lartë monetar	Open above the upper monetary threshold
E Hapur e Thjeshtuar	Simplified open
Shërbim Konsulence e Konkurs Projektimi	Consultancy service and design contest
E kufizuar	Restricted
E kufizuar për Rindërtimin	Restricted for reconstruction
E kufizuar mbi kufirin e lartë monetar	Restricted above the upper monetary threshold
E kufizuar mbi kufirin e lartë monetar për Rindërtimin	Restricted above the upper monetary threshold for reconstruction

Concerning the limit fund of public procurement procedures, broken by type of procedure conducted in 2022, it may be observed based on the above data that the "Open procedure above the upper monetary threshold" takes up the largest percentage with a limit fund of 81,464,153,241 Albanian Leks without VAT, or 47,9% of the total limit fund of the published procedures.

If compared to 2021 when the "Open procedure above the upper monetary threshold" had a limit fund of 60,320,831,429 Albanian Leks without VAT, as we mentioned above, it turns out that the limit fund of the "Open procedure above the upper monetary threshold" (81,464,153,241 Albanian Leks) published in 2022 is 35% higher than in 2021.

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, for which the same deadlines and requirements provided for in the EU Directives apply. This means that almost 60% of the limit fund for 2022 has been procured according to the deadlines and requirements foreseen and implemented in the EU member states.

2.3.3 Statistics on procurement procedures published and continued during 2022, by 3 months

Data about the number of public procurement procedures published in the Electronic Procurement System in 2022 and the respective limit funds, broken down into 3 months are presented in a table form as follows:

Table 8

Statistics of the procurement procedures, broken down into 3 months, which continued in 2022					
No.	Description	Number of published procedures /lots	Limit fund in Albanian Leks (without Value Added Tax)	% of the number of procedures /lots of the 3 months versus the total	% of the limit fund of the 3 months versus the total
1	Publications of procurement procedures in the Electronic Procurement System – Quarter I of 2022	652	24,267,393,416	14%	17%
2	Publications of procurement procedures in the Electronic Procurement System – Quarter II of 2022	1379	43,388,303,610	29.5%	30%
3	Publications of procurement procedures in the Electronic Procurement System – Quarter III of 2022	1286	37,584,705,566	27.5%	26%
4	Publications of procurement procedures in the Electronic Procurement System – Quarter IV of 2022	1362	41,798,090,546	29%	28%
	TOTAL	4679	147,038,493,138	100%	100%

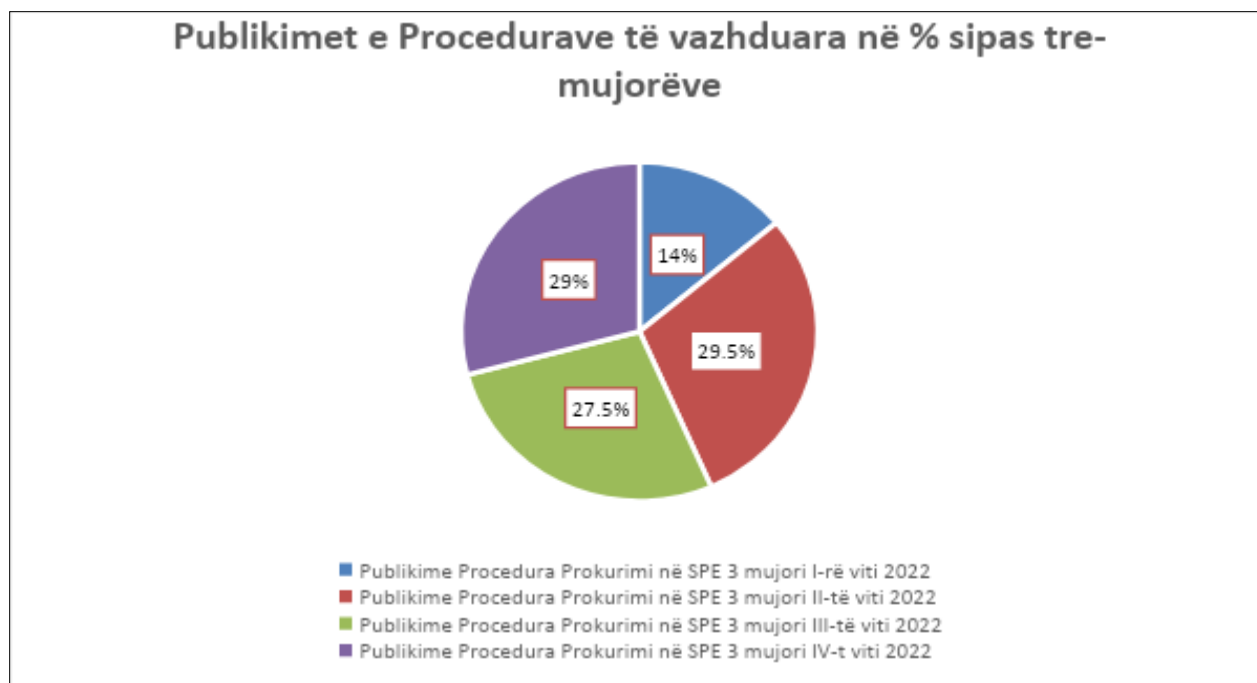
The above data indicate that Quarter II and Quarter IV have the highest number of procedures, which were published and which continued, thus accounting for 58,5 % of the total number of procedures. Likewise, the limit fund of procedures, which were published and which continued in the Quarter II and Quarter IV accounted for 58% of the total.

The high number of procedures published in Quarter IV is explained by the fact that new procedures for the next budget year also begin to be published in this period.

However, it is observed that compared to 2021, there is a significant increase of the procedures that were published in Quarter III. In order to increase the performance of the public procurement system in general, the commitment of Contracting Authorities for the announcement of procedures should increase mainly in the first half of the year.

The Chart below presents the percentage of public procurement procedures, which continued in the electronic procurement system in 2022 divided by quarters:

Chart 7



Translation of the chart:

Albanian	English
<i>Publikimet e procedurave të vazhduara në % sipas tre-mujorëve</i>	<i>Publications of procedures, which continued, in% by quarters</i>
<i>Publikime Procedura Prokurimi ne SPS 3 mujori I-rë 2022</i>	<i>Publication of Procurement Procedure in the EPS - Quarter I of 2022</i>
<i>Publikime Procedura Prokurimi ne SPS 3 mujori II-të 2022</i>	<i>Publication of Procurement Procedure in the EPS - Quarter II of 2022</i>
<i>Publikime Procedura Prokurimi ne SPS 3 mujori III 2022</i>	<i>Publication of Procurement Procedure in the EPS - Quarter III of 2022</i>
<i>Publikime Procedura Prokurimi ne SPS 3 mujori IV 2022</i>	<i>Publication of Procurement Procedure in the EPS - Quarter IV of 2022</i>

2.3.4 Statistics on the number of contract notices about procurement procedures published during 2022, compared to 2021.

The number of procurement contract notices published by the type of contract for 2022, compared to 2021 is presented as follows:

Table 9

Comparison of competitive procedures publication in 2022 vs. 2021 by type of contract		
Year	2021	2022
Services	1,421	1,632
Supplies	2,575	3,706
Works	1,083	1,156
Total number of procedures	5,079	6,494
Total value of the limit fund	149,320,420,249	170,200,854,721

The number of procurement procedure notices in 2022 by type of procedure compared to 2021 is presented as follows:

Table 10

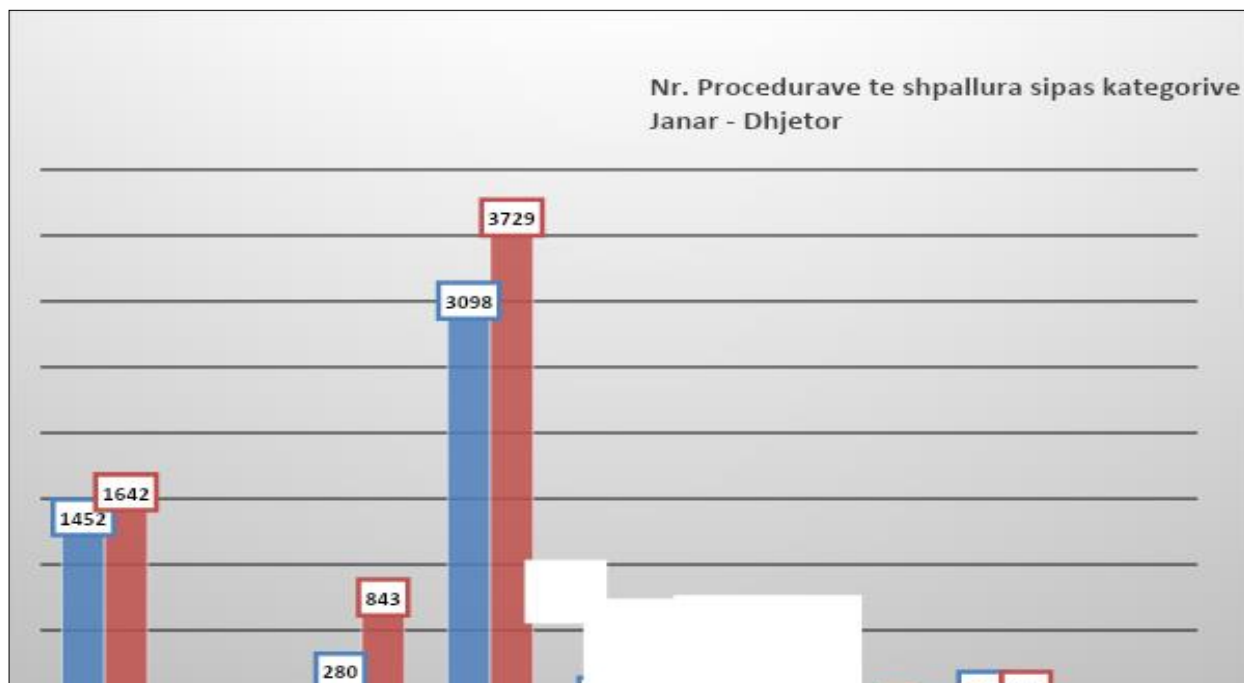
Number of competitive procedure notices of 2022 compared to 2021 by type of procurement procedure		
Type of procedure	2021	2022
Open Procedure	1,452	1,642
Open for social services and other specific services	0	1
Open above the Upper Monetary Threshold	280	843
Simplified Open	3,098	3,729
Consultancy Service + Design Contest	98	98
Restricted	6	16
Restricted for Reconstruction	142	141
Restricted above the Upper Monetary Threshold	0	20
Restricted above the Upper Threshold for Reconstruction	3	4
Number of Procedures	5,079	6,494
Total value of the limit fund	149,320,420,249	170,200,854,721

When looking at the data of this table it is noticed that a larger number of procedures (6,494) were published in 2022 compared to (5,079) procedures that were published in 2021, or 27.8% more procedures if expressed in percentage terms.

Likewise, the limit fund of procedures published in 2022 (170,200,854,721 Albanian Leks without VAT) is considerably higher than the limit fund of procedures published in 2021 (149,320,420,249 Albanian Leks without VAT)

181 "Restricted" procedures and "Restricted procedures above the upper monetary threshold" were published in 2022, with a total limit fund of 27,934,557,879 Albanian Leks, while the scope of these procedures included mainly the services of supervision or reconstructions of works that were carried out in the frame of the reconstruction process (145).

Chart 8



The data about the values of the limit fund for the procedures published in 2022 compared to the values of the limit fund for the procedures published in 2021 are presented in the following table

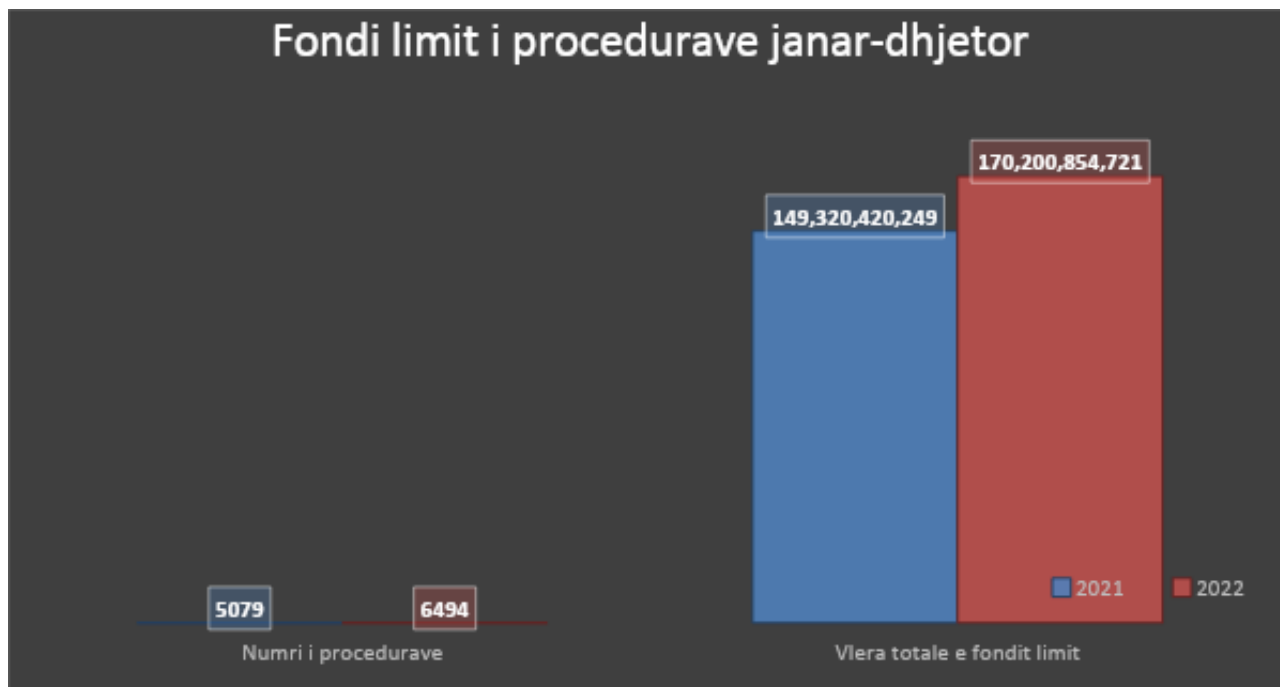
Table 11

Limit fund values of competitive procedure notices Comparing of 2022 with 2021 by type of procurement procedure		
Type of procedure	2021	2022
Open procedure	56,079,357,875	48,133,758,110
Open for social services and other specific services	0	40,113,896
Open above the upper monetary threshold	60,320,831,429	81,464,153,241
Simplified Open	9,414,018,648	10,514,963,892
Consultancy Service and Design Contest	3,356,417,307	2,113,307,703
Restricted	770,879,530	3,574,219,674
Restricted above the upper threshold	15,767,419,365	15,689,910,055
Restricted for reconstruction	0	7,234,348,405
Restricted above the upper threshold for reconstruction	3,611,496,095	1,436,079,745
Total value of the limit fund	149,320,420,249	170,200,854,721

The analysis of comparative values presented in the table above show that there is an increase of the value procured in 2022 compared to that procured in 2021.

The chart below shows in a comparative way the number of published procedures and the values of the limit fund, respectively for 2021 and 2022.

Chart 9



Translation of the chart:

Albanian	English
<i>Fondi limit i procedurave janar-dhjetor</i>	<i>Limit fund of the procedures January-December</i>
<i>Numri i procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale e fondit limit</i>	<i>Total value of the limit fund</i>

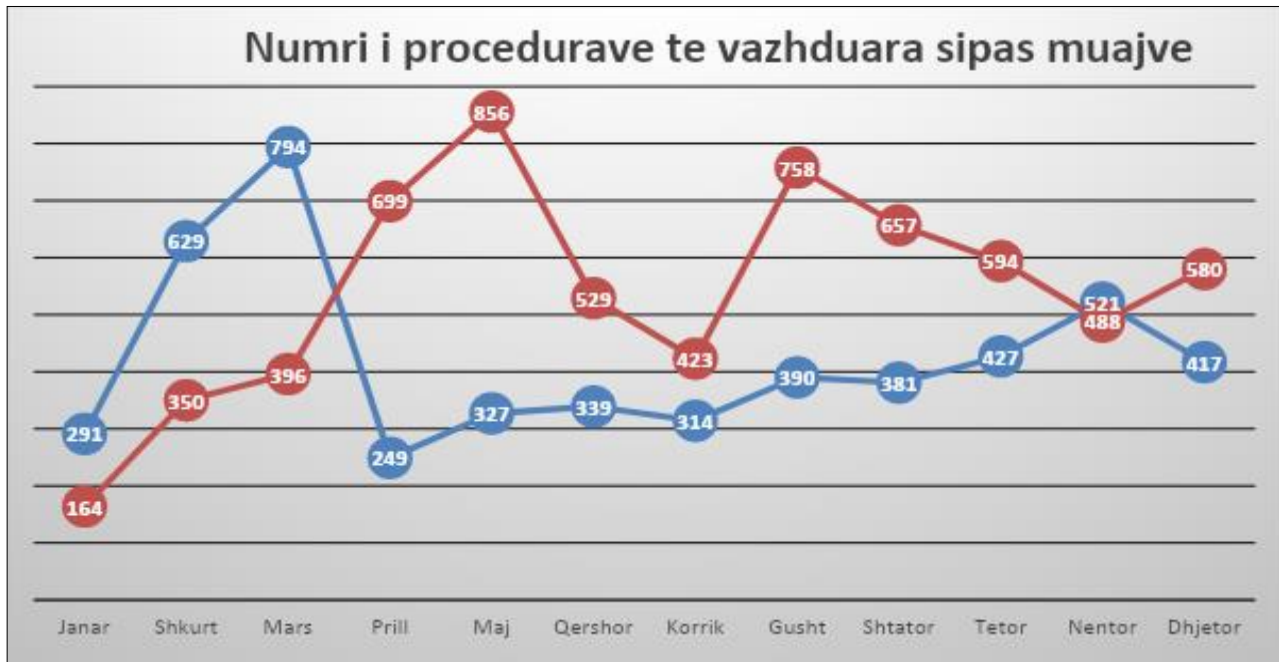
The table and the chart below show in detail the number of procedures published respectively in the period of January - December 2021 and January - December 2022, by months.

Table 12

Comparing of the numbers of procedures of 2021 versus 2022 published in the Electronic Procurement System		
Year	2021	2022
January	291	164
February	629	350
March	794	396
April	249	699
May	327	856
June	339	529
July	314	423
August	390	758
September	381	657
October	427	594

November	521	488
December	417	580
Total	5,079	6,494

Chart 10



Translation of the chart:

Albanian	English
<i>Numri i procedurave te vazhduara sipas muajve</i>	<i>Number of procedures, which continued, by months</i>
<i>Janar</i>	<i>January</i>
<i>Shkurt</i>	<i>February</i>
<i>Mars</i>	<i>March</i>
<i>Prill</i>	<i>April</i>
<i>Maj</i>	<i>May</i>
<i>Qershor</i>	<i>June</i>
<i>Korrik</i>	<i>July</i>
<i>Gusht</i>	<i>August</i>
<i>Shtator</i>	<i>September</i>
<i>Tetor</i>	<i>October</i>
<i>Nentor</i>	<i>November</i>
<i>Dhjetor</i>	<i>December</i>

It is noted that the progress of the procedures, which continued during 2022, reflects the pace and distribution of the procedures published during the year.

2.4 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, whereas these data will be analyzed.

4,507 (429 more than in 2021) is the total number of winner notices of the procurement procedures published during 2022 in the Electronic Procurement System, by type of contract including service, supply, works.

2.4.1. Statistics on the number of winner notices published during 2022, 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 2022, are presented in a table form as follows:

Table 13

Number of winner notices published by type of contract in 2022					
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	170	Open procedure	433	Open procedure	413
Open for social services and other specific services	1	Open for social services and other specific services	0	Open for social services and other specific services	0
Open above the upper monetary threshold	155	Open above the upper monetary threshold	508	Open above the upper monetary threshold	30
Simplified Open	695	Simplified Open	1430	Simplified Open	389
Consultancy Service and Design Contest	74	Consultancy Service and Design Contest	0	Consultancy Service and Design Contest	0
Restricted	1	Restricted	0	Restricted	9
Restricted above the upper monetary threshold	12	Restricted above the upper monetary threshold	1	Restricted above the upper monetary threshold	0
Restricted for reconstruction	119	Restricted for reconstruction	13	Restricted for reconstruction	48
Restricted above the upper monetary threshold for reconstruction	1	Restricted above the upper monetary threshold for reconstruction	0	Restricted above the upper monetary threshold for reconstruction	5
TOTAL	1,228	TOTAL	2,385	TOTAL	894

The data of the table indicate that the highest number of winners belongs to the contracts of supplies with 2,385 winners or 53% of the total winners, then "Services", with 1,228 winners or 27,2% of the total winners, as well as "Public works", with 894 winners or 19,8% of the total winners.

Table 14

Limit fund of procedures concluded with winners by type of contract Year 2022					
Services		Supplies		Public works	
Type of procedure	Limit Fund winner notices	Type of procedure	Limit Fund winner notices	Type of procedure	Limit Fund winner notices
Open procedure	2,738,489,886	Open procedure	6,310,975,680	Open procedure	29,479,954,891
Open for social services and other specific services	40,113,896	Open for social services and other specific services	0	Open for social services and other specific services	0
Open above the upper monetary threshold	15,159,993,088	Open above the upper monetary threshold	26,733,925,028	Open above the upper monetary threshold	19,825,170,910
Simplified Open	1,751,555,760	Simplified Open	4,088,463,212	Simplified Open	2,025,655,619
Consultancy Service and Design Contest	1,564,254,298	Consultancy Service and Design Contest	0	Consultancy Service and Design Contest	0
Restricted	12,732,014	Restricted	0	Restricted	2,707,194,412
Restricted above the upper monetary threshold	6,052,816,930	Restricted above the upper monetary threshold	271,602,530	Restricted above the upper monetary threshold	0
Restricted for reconstruction	622,624,162	Restricted for reconstruction	485,418,871	Restricted for reconstruction	11,688,778,270
Restricted above the upper monetary threshold for reconstruction	6,009,109	Restricted above the upper monetary threshold for reconstruction	0	Restricted above the upper monetary threshold for reconstruction	2,833,045,924
TOTAL	27,948,589,143	TOTAL	37,890,385,321	TOTAL	68,559,800,026

Concerning the ratio in value terms, the table above shows that the highest value was awarded in the "Public Works" procedures (which occupy 51% of the total fund of the winners), followed by the procurement procedures for goods (28% of total fund) and then the procurement procedures for services (21% of the total fund).

2.4.2. Statistics on the number of procedures completed with winners published during 2022, by type of procurement procedure

The following table presents the procedures concluded with winners during 2022 divided by type of procedure, the procured limit fund, and the awarded value:

Table 15

Data about procurement procedures conducted and concluded with winners January -December 2022						
Types of procedures	Total Number of Procedures	Total limit fund published (value in Albanian Leks without VAT)	Total offered value (gained) (value in Albanian Leks without VAT)	% 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	1,016	38,529,420,458	31,795,976,674	83%	6,733,443,784	17%
Open for social services and other specific services	1	40,113,896	38,080,000	95%	2,033,896	5%
Open above the upper monetary threshold	693	61,719,089,026	57,850,597,289	94%	3,868,491,737	6%
Simplified Open	2514	7,865,674,590	7,823,029,545	99%	42,645,045	1%
Consultancy Service and Design Contest	74	1,564,254,298	1,530,828,163	98%	33,426,134	2%
Restricted	10	2,719,926,426	2,440,117,733	90%	279,808,693	10%
Restricted above the upper monetary threshold	13	6,324,419,460	6,246,091,833	99%	78,327,627	1%
Restricted for reconstruction	180	12,796,821,303	12,624,987,947	99%	171,833,356	1%
Restricted above the upper monetary threshold for reconstruction	6	2,839,055,033	2,758,790,048	97%	80,264,985	3%
TOTAL	4,507	134,398,774,490	123,108,499,233	91,6%	11,290,275,257	8.4%

As it may be seen when referring to the above data, the highest value of savings versus the published limit fund belongs to the "Open Procedure", which takes up the largest percentage by 17% of the total value saved in competitive procedures above the monetary

threshold for small value procurements followed by the restricted procedure with a saving of 10%.

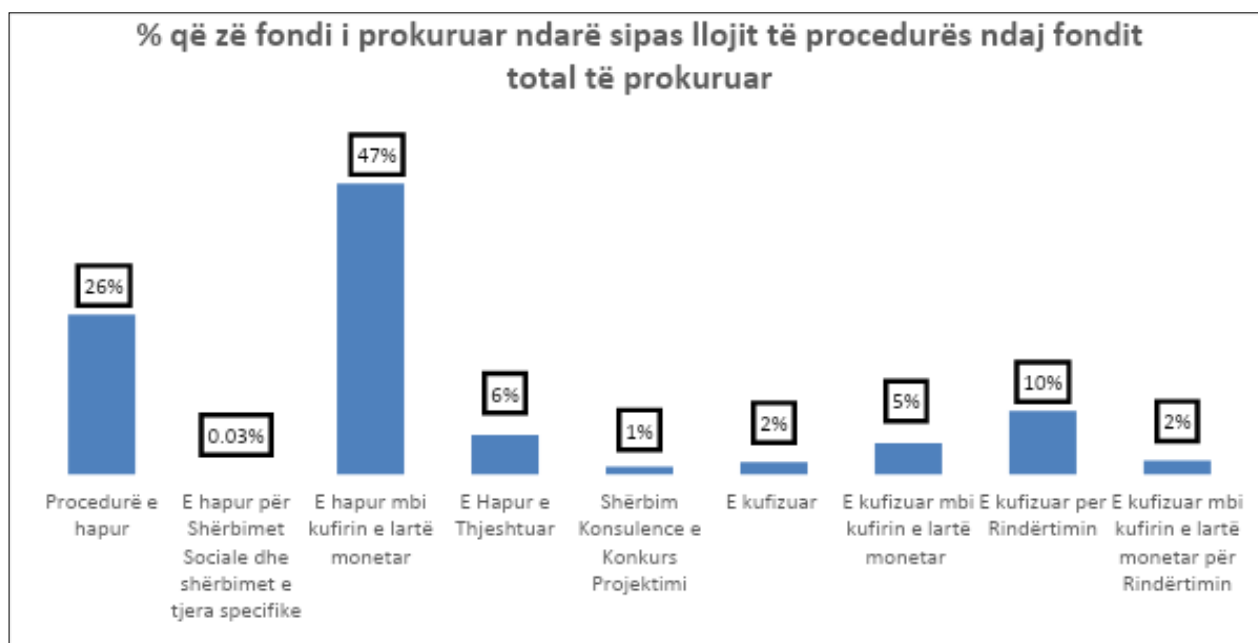
As it may be seen when referring to the above table, there is a low saving in the procurement procedures above the monetary threshold.

On the other hand, regarding the low percentage of savings of the limit fund found in the "Open procedures above the upper monetary threshold", "Restricted procedures above the upper monetary threshold [non-construction]" and "Restricted procedures for reconstruction", 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 not 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 chart 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 2022.

Chart 11



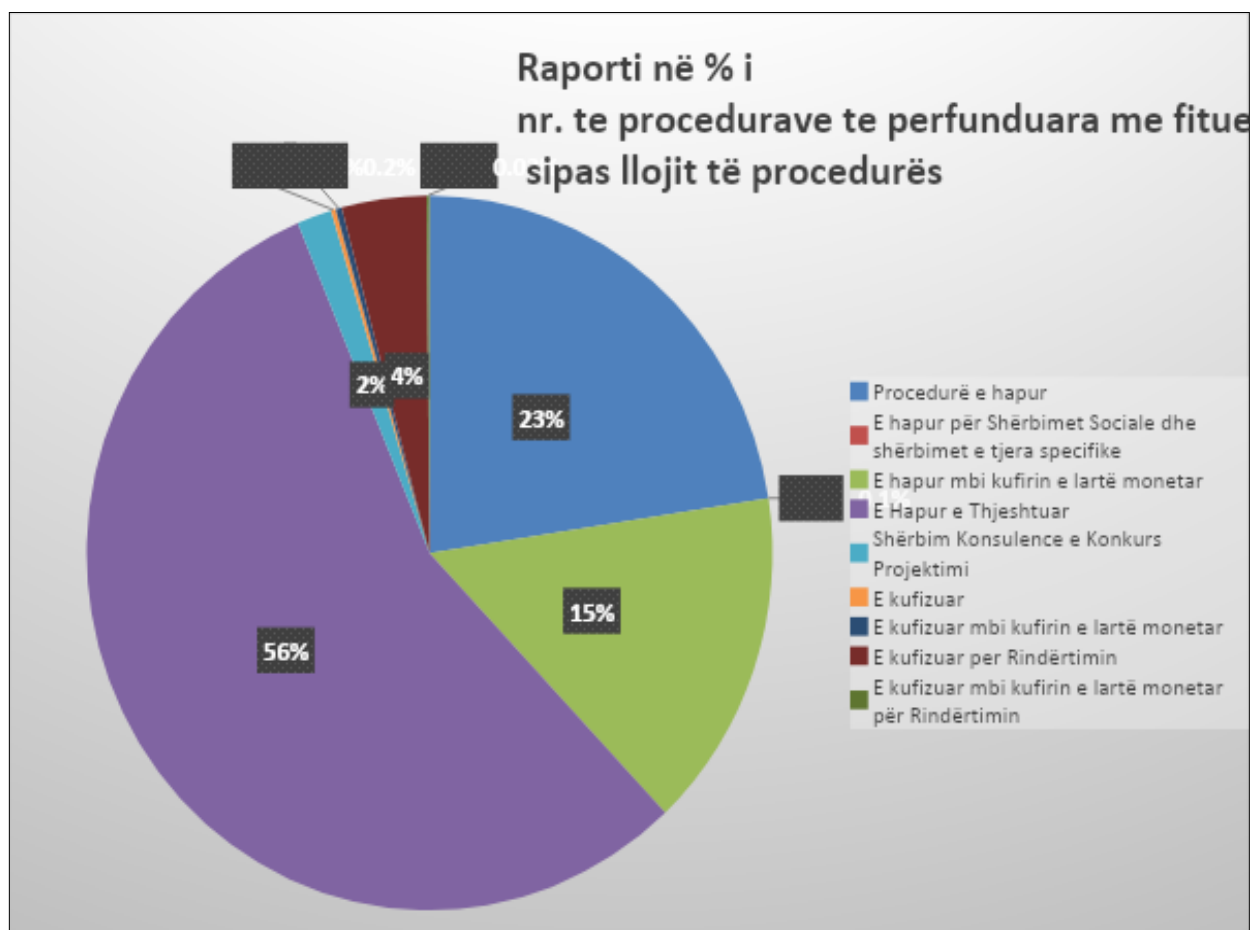
Translation of the chart:

Albanian	English
% që zë fondi i prokuruar ndarë sipas llojit të procedurës ndaj fondit total të prokuruar	% occupied by the procured fund divided according to the type of procedure against the total procured fund
Procedurë e hapur	Open procedure
E hapur për Shërbimet Sociale dhe shërbimet e tjera specifike	Open for social services and other specific services
E hapur mbi kufirin e lartë monetar	Open above the upper monetary threshold

<i>E Hapur e Thjeshtuar</i>	<i>Simplified open</i>
<i>Shërbim Konsulence e Konkurs Projektimi</i>	<i>Consultancy service and design contest</i>
<i>E kufizuar</i>	<i>Restricted</i>
<i>E kufizuar për Rindërtimin</i>	<i>Restricted for reconstruction</i>
<i>E kufizuar mbi kufirin e lartë monetar</i>	<i>Restricted above the upper monetary threshold</i>
<i>E kufizuar mbi kufirin e lartë monetar për Rindërtimin</i>	<i>Restricted above the upper monetary threshold for reconstruction</i>

As it may be seen when referring to the above data, the “**Simplified Open**” procedure takes up the largest number of procedures with 2,514 published winner notices or 56% of the total number of procedures concluded with winners.

Chart 12



Translation of the chart:

Albanian	English
<i>Raporti në % i nr. të procedurave te përfunduara me fitues sipas llojit të procedurës</i>	<i>The ratio in % of no. of procedures concluded with winners according to the type of procedure</i>
<i>Procedurë e hapur</i>	<i>Open procedure</i>
<i>E hapur për Shërbimet Sociale dhe shërbimet e tjera specifike</i>	<i>Open for social services and other specific services</i>
<i>E hapur mbi kufirin e lartë monetar</i>	<i>Open above the upper monetary threshold</i>
<i>E Hapur e Thjeshtuar</i>	<i>Simplified open</i>
<i>Shërbim Konsulence e Konkurs Projektimi</i>	<i>Consultancy service and design contest</i>
<i>E kufizuar</i>	<i>Restricted</i>
<i>E kufizuar për Rindërtimin</i>	<i>Restricted for reconstruction</i>

<i>E kufizuar mbi kufirin e lartë monetar</i>	<i>Restricted above the upper monetary threshold</i>
<i>E kufizuar mbi kufirin e lartë monetar për Rindërtimin</i>	<i>Restricted above the upper monetary threshold for reconstruction</i>

Meanwhile, as shown in the chart above, the highest awarded value belongs to the open procedure above the high monetary limit and the open procedure.

2.4.3. Statistics about the number of winner notices published during 2022, compared to 2021

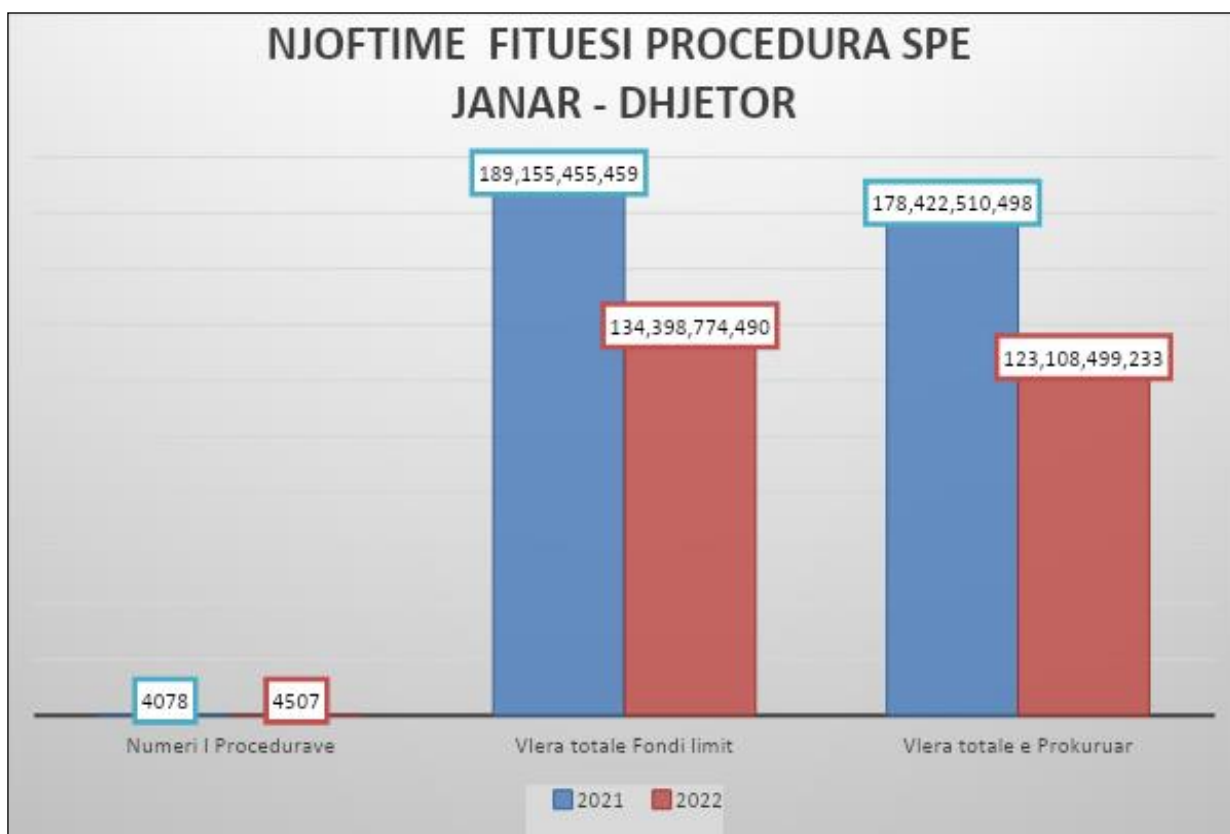
The table and chart below provide statistical data regarding the winner notices of 2022 compared to 2021.

Table 16

Comparing of the number of winner notices published in the EPS in 2022 vs. 2021		
Year	2021	2022
Number of procedures	4,078	4,507
Total value of the fund limit	189,155,455,459	134,398,774,490
Total procured value	178,422,510,498	123,108,499,233

The chart below provides statistical data regarding the winner notices of 2022 compared to 2021.

Chart 13



Translation of the chart:

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

Although the number of procedures published during 2022 is higher than in 2021, the value of these procedures is lower, which indicates that the values are spread over more procedures, thus creating opportunities for bidding and subcontracting of more economic operators, especially SMEs.

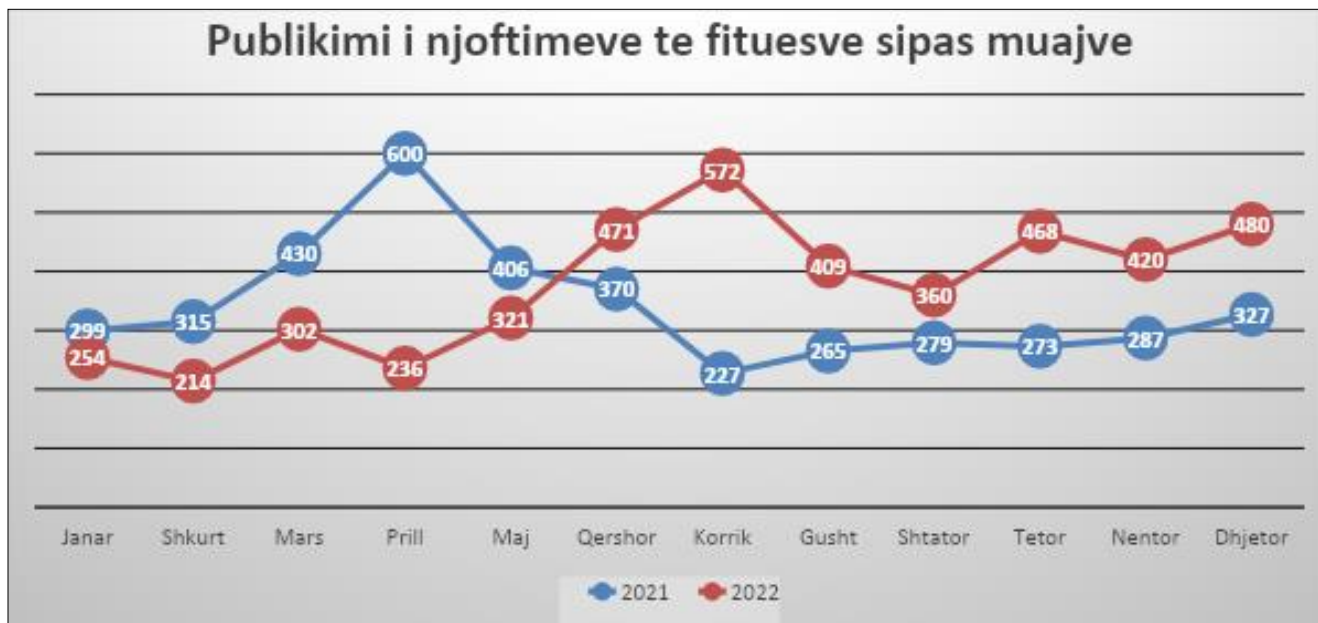
The table and chart below show in detail the number of the winner notices published in the Electronic Procurement System, respectively in the period of January - December 2021 and January - December 2022, by months.

Table 17

Comparing of the number of winner notices published in the Electronic Procurement System January - December 2021 with January - December 2022		
Year	2021	2022
January	299	254
February	315	214
March	430	302
April	600	236
May	406	321
June	370	471
July	227	572
August	265	409
September	279	360
October	273	468
November	287	420
December	327	480
Total	4078	4,507

It may be noticed based on the coordinated analysis of the tables that the distribution of the winner notices by month reflects the distribution of the publication of the procedures.

Chart 14



As it may be noticed based on the above data, the largest number of winner notices in 2022 was published during the second half of the year.

These data are indicators of the performance of the procurement system in general, which reflects the improvement of the planning of the procedures and their achievement in time, following and reflecting the pace of the publication of the procedures.

However, when referring to the analysis of the data, it turns out that there is a need for more commitment from the Contracting Authorities regarding publication and contracting mainly in the first half of the year.

2.5 STATISTICS ABOUT SIGNED CONTRACTS

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

3, 992 is the total number of signed contract and Framework Agreements notices of procurement procedures conducted during 2022 in the Electronic Procurement System which were published on the official website of the PPA.

2.5.1 Statistics about the number of signed contracts and Framework Agreements notices during 2022, by type of contract

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

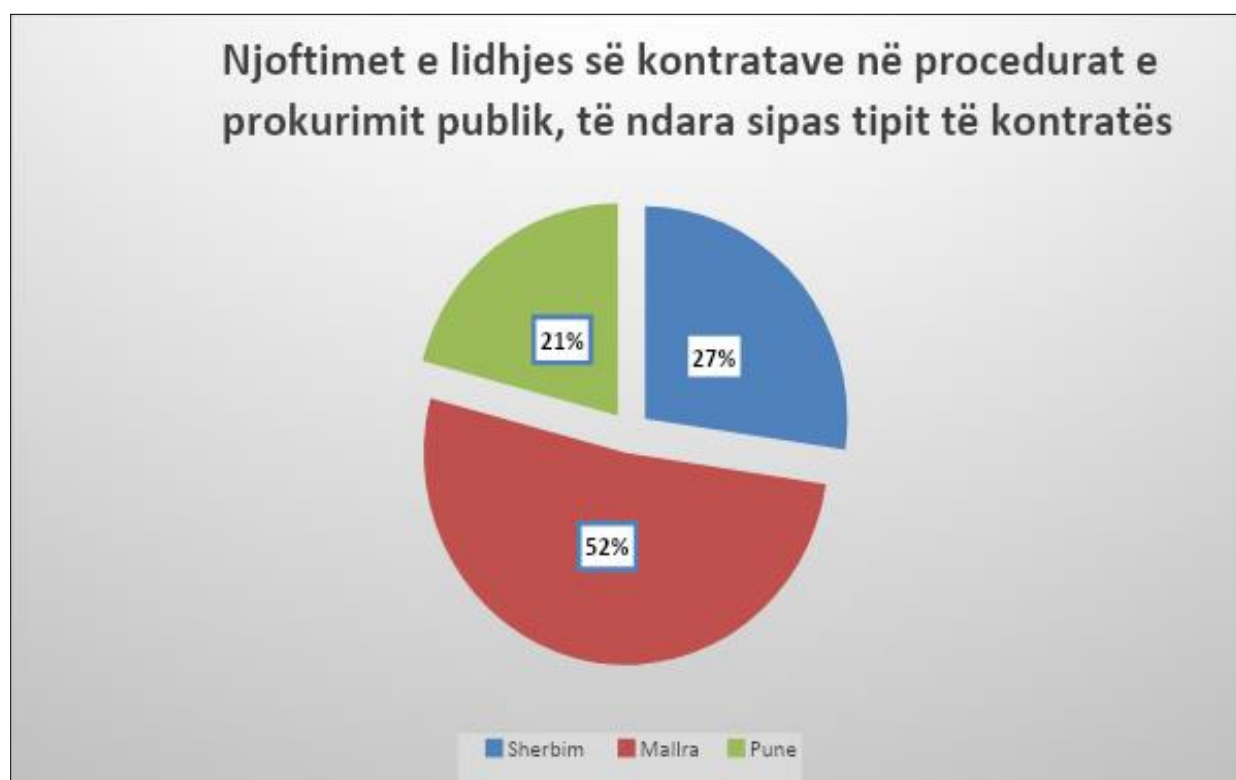
Table 18

Signed Contract Notices in January-December 2022		
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	149	Open procedure	393	Open procedure	374
Open for social services and other specific services	0	Open for social services and other specific services	0	Open for social services and other specific services	0
Open above the upper monetary threshold	113	Open above the upper monetary threshold	349	Open above the upper monetary threshold	28
Simplified Open	662	Simplified Open	1,325	Simplified Open	375
Consultancy Service and Design Contest	68	Consultancy Service and Design Contest	0	Consultancy Service and Design Contest	0
Restricted	0	Restricted	0	Restricted	6
Restricted above the upper monetary threshold	88	Restricted above the upper monetary threshold	0	Restricted above the upper monetary threshold	46
Restricted for reconstruction	12	Restricted for reconstruction	1	Restricted for reconstruction	0
Restricted above the upper monetary threshold for reconstruction	0	Restricted above the upper monetary threshold for reconstruction	0	Restricted above the upper monetary threshold for reconstruction	3
TOTAL	1,092	TOTAL	2,068	TOTAL	832

The following chart shows, in %, the number of signed contract and Framework Agreements notices broken down by type of contract, published in the Electronic Procurement System in 2022.

Chart 15



Translation of the chart:

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

The data provided above indicate that the highest number of signed contracts and Framework Agreements so far belongs to the "Supplies" type with 2,068 contracts or 52% of the total contracts, followed by "Service" type with 1,092 contracts or 27% of total, as well as "Public works" type with 832 contracts or 21% of the total.

2.5.2 Statistics about the number of contract and Framework Agreements signed notices during 2022, by type of procurement procedure

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

Table 19

Data about procurement procedures concluded with signed contracts 2022

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)
Open procedure	916	30,372,443,609	26,505,594,345	87,3%	3,866,849,264
Open for social services and other specific services	0	-	-	0,0%	-
Open above the upper monetary threshold	490	48,237,578,320	45,024,616,087	93,3%	3,212,962,232
Simplified Open	2,362	7,474,251,460	7,451,104,009	99,7%	23,147,451
Consultancy Service and Design Contest	68	2,265,005,754	2,032,727,376	89,7%	232,278,378
Restricted	6	1,750,111,079	1,612,130,843	92,1%	137,980,236
Restricted above the upper monetary threshold	13	6,324,419,460	6,217,328,651	98,3%	107,090,810
Restricted for reconstruction	134	12,845,916,698	12,719,379,268	99,0%	126,537,429
Restricted above the upper monetary threshold for reconstruction	3	2,087,583,961	2,083,984,777	99,8%	3,599,184
TOTAL	3,992	111,357,310,340	103,646,865,355	93.1%	7,710,444,985

The data analyzed in the above tables show that the total number of 3,992 signed contracts and Framework Agreements notices is smaller than the number of winner notices with a total of 4,507, with a difference of 515 notices between them. This difference is explained by the fact that, despite the successful conclusion of the procedures with winners, the contracts may not have been signed until 31 December 2022, because the procedures have been carried out for the following year.

The following tables show the data about the number of contracts and Framework Agreements signed in 2022, the respective limit fund, contracted values and savings in absolute value and in percentage.

Table 20

Statistics: Total number of Signed Contracts and Agreements in the EPS January - December 2022	
Total number of awarded procedures	3,992
Total limit fund	111,357,310,340
Total fund procured	103,646,865,355
% that the procured fund takes up vs. the limit fund	93,1%
Total saved fund	7,710,444,985
% that the saved fund takes up vs. the limit fund	6,9%
<i>DETAILED</i>	
<i><u>Statistics about the signed Framework Agreements - January - December 2022</u></i>	
Total number of awarded procedures	1,097
Total limit fund	41,499,047,418
Total fund procured	40,319,679,858
% that the procured fund takes up vs. the limit fund	97.2%
Total saved fund	1,179,367,560
% that the saved fund takes up vs. the limit fund	3%
<i><u>Statistics only about signed contracts - January - December 2022</u></i>	
Total number of awarded procedures	2,895
Total limit fund	69,858,262,923
Total fund procured	63,327,185,497
% that the procured fund takes up vs. the limit fund	91%
Total saved fund	6,531,077,426
% that the saved fund takes up vs. the limit fund	9%

It is hereby found, in a general overview, that the fund of 1,179,367,560 Albanian Leks or 3% of the limit fund of Framework Agreements saved for Framework Agreements is lower than the fund of 6,531,077,426 Albanian Leks saved for signed contracts or 9% of the limit fund for these contracts.

These saved percentages create the idea that the saving for the signed contracts is 3 times higher than for the Framework Agreements (3%).

In fact, it should be noted 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 final deadline, 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 pharmaceuticals, when the materials used for repairs and maintenance are accurately determined, as well as a high quality of supplies and services is guaranteed

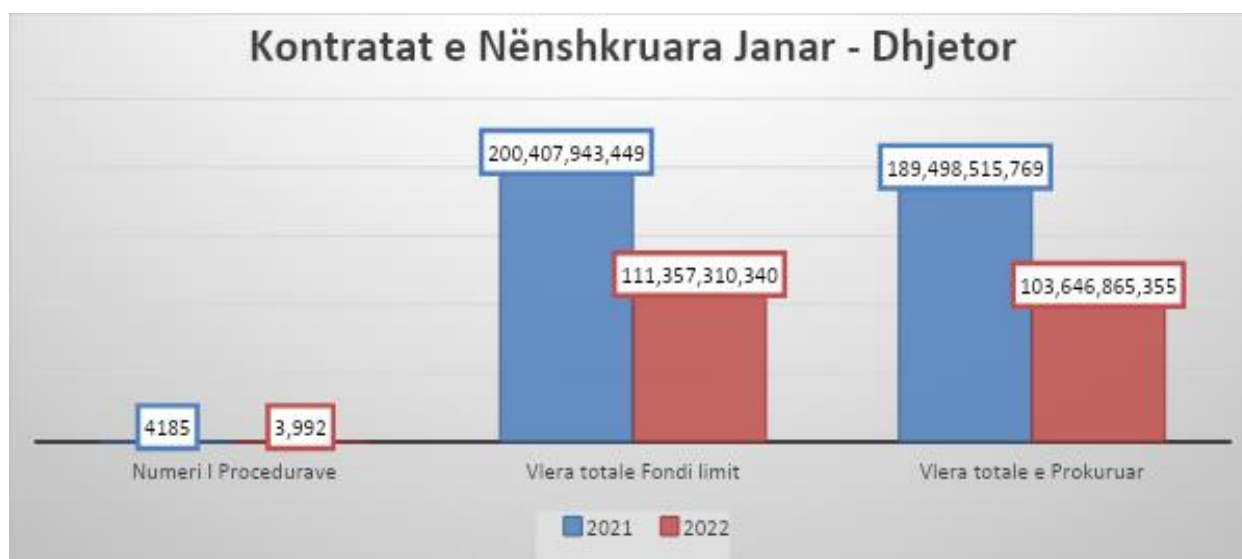
2.5.3 Statistics on the number of contract notices and Framework Agreements signed during 2022, compared to 2021

The table and the chart below provide statistical data regarding the signed contract and Framework Agreements notices of 2022 compared to 2021.

Table 21

Comparing of signed contract notices of 2021 vs. 2022		
Year	2021	2022
Number of contracts	4,185	3,992
Total value of the limit fund	200,407,943,449	111,357,310,340
Total procured value	189,498,515,769	103,646,865,355

Chart 16



Translation of the chart:

Albanian	English
Kontratrat e Nënshkruara Janar – Dhjetor	Contracts signed in January - December
Numri i procedurave	Number of procedures
Vlera totale e Fondit Limit	Total value of the Limit Fund
Vlera totale e Prokuruar	Total procured value

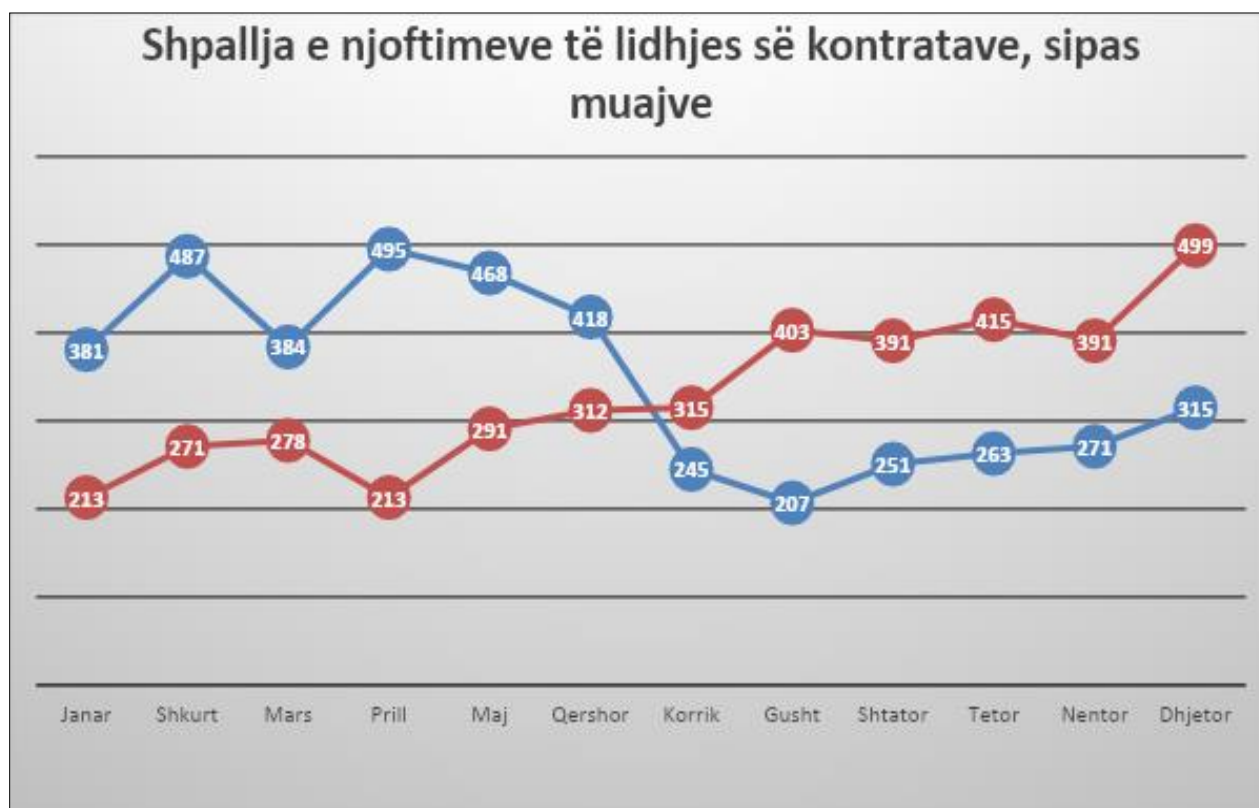
Referring to what is stated above, it is worth noting the fact that 193 less contracts and Framework Agreements were signed in 2022 compared to 2021. In addition, the limit fund and the value of signed contracts and framework agreements in 2022 is much lower than in 2021, while the limit fund is higher.

The table and chart below show in detail the comparison of the number of signed contract and Framework Agreements notices published in the Electronic Procurement System, respectively for the period of January-December of 2021 versus 2022.

Table 22

Comparing of the number of contract notices published in the Electronic Procurement System 2021 vs. 2022		
Year	2021	2022
January	381	213
February	487	271
March	384	278
April	499	213
May	456	291
June	428	312
July	245	315
August	207	403
September	250	391
October	265	415
November	265	391
December	318	499
Total	4,185	3,992

Chart 17



Translation of the chart:

Albanian	English
<i>Shpallja e njoftimeve të lidhjes së kontratave, sipas muajve</i>	<i>Publication of signed contract notices, by months</i>
<i>Janar</i>	<i>January</i>
<i>Shkurt</i>	<i>February</i>
<i>Mars</i>	<i>March</i>
<i>Prill</i>	<i>April</i>
<i>Maj</i>	<i>May</i>
<i>Qershor</i>	<i>June</i>
<i>Korrik</i>	<i>July</i>
<i>Gusht</i>	<i>August</i>
<i>Shtator</i>	<i>September</i>
<i>Tetor</i>	<i>October</i>
<i>Nentor</i>	<i>November</i>
<i>Dhjetor</i>	<i>December</i>

It turns out that the largest number of signed contract notices were published in the second half of the year.

2.6 FRAMEWORK AGREEMENTS

Contracting Authorities have continued to use procurement procedures during 2022 for Framework Agreements, mainly for continuous supplies and services.

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

Table 23

Publication of Framework Agreements that continued - January-December 2022		
Type of procedure	Number of procedures	Total limit fund (Albanian Leks without VAT)
Open procedure	285	12,640,765,402
Open for social services and other specific services	0	-
Open above the upper monetary threshold	121	31,627,549,239
Simplified Open	439	1,822,784,162
Consultancy Service and Design Contest	9	1,204,434,662
Restricted	4	60,622,079
Restricted above the upper monetary threshold	5	7,234,348,405
Restricted for reconstruction	125	15,003,902,475
Restricted above the upper monetary threshold for reconstruction	4	1,436,079,745
TOTAL	992	71,030,486,169

The following table provides statistical data regarding the publications in the system of the Framework Agreements that have continued in 2022.

Table 24

Framework agreements that have continued January - December 2022	Number of procedures (not Lots)	Total limit fund
Services	289	8,628,943,426
Supplies	397	26,858,656,323
Public works	77	21,163,891,868
TOTAL	763	56,651,491,617

The following table provides statistical data regarding the publications of the Framework Agreements in 2022, compared to the publications of Framework Agreements in 2021.

Table 25

Comparing of publications of Framework Agreements that have continued - January - December		
Year	2021	2022
Number of procedures	702	763
Total value of the limit fund	34,956,916,575	56,651,491,617

It turns out, according to the above table, that there is an increase of the number of Framework Agreements in 2022 compared to 2021 with 61 FA-s more.

The following chart shows the comparative data of 2022, with the data of 2021, respectively in number and value.

Chart 18



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>PUBLIKIME MARRËVESHJE KUADËR JANAR – DHJETOR 2022</i>	<i>PUBLICATION OF FRAMEWORK AGREEMENTS JANUARY – DECEMBER 2022</i>
<i>Numri i procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale e Fondit Limit</i>	<i>Total value of the Limit Fund</i>

The table below provides statistical data regarding the publication of Framework Agreements finalized with the winner notice in the system in 2022.

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 2022 have continued with the winner notice publication or the conclusion of Framework Agreements in the following year.

The table below provides statistical data on Framework Agreements concluded with winner notice in the system in 2022 compared to Framework Agreements completed with winner notice in the system in 2021.

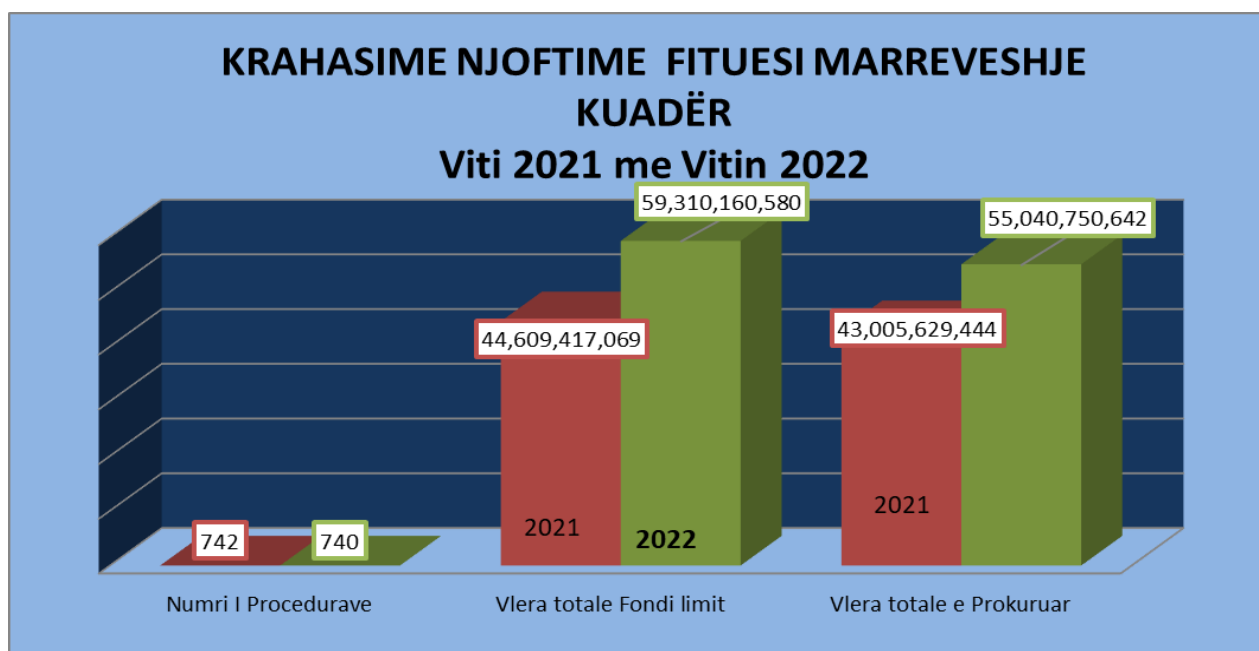
Table 26

Procurement procedures - Framework Agreements concluded with winner January - December		
Year	2021	2022
Number of procedures	742	740
Total value of the limit fund	44,609,417,069	59,310,160,580
Total procured value	43,005,629,444	55,040,750,642

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 740 (2 Framework Agreement procedures less compared to 2021 when there were 742 procedures including procedures about the earthquake).

The following chart presents the comparative data of 2022 with the data of 2021, respectively in terms of number and value.

Chart 19



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>KRAHASIME NJOFTIME FITUESI MARREVESHJE KUADER Viti 2021 me vitin 2022</i>	<i>COMPARING OF WINNER NOTICE FRAMEWORK AGREEMENT 2021 versus 2022</i>
<i>Numri i procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale e Fondit Limit</i>	<i>Total value of the Limit Fund</i>
<i>Vlera totale e Prokuruar</i>	<i>Total procured value</i>

The following data result in relation to the call-offs signed based on the Framework Agreements, applied in the Electronic Procurement System in 2022.

Table 27

Call-offs referred from the publications in the EPS			
2021		2022	
Number of call-offs	Value of contracts	Number of call-offs	Values of contrasts
2789	8,621,006,413	4038	85,526,757,960

It should be kept in mind that the number of call-offs signed during 2022 are the result of Framework Agreements that were procured during previous years.

2.7 Data about procurement procedures performed during 2022 in the frame of the reconstruction process

Pursuant to Normative Act no. 9, dated 16 December 2019 "On coping with the consequences of the natural disaster", the responsible Contracting Authorities (implementing units), have also carried out during 2022 the procurement procedures for the selection of the winners of the Framework Agreements for the reconstruction process in the public procurement system.

The analyzed data of the Electronic Procurement System and the Special Bulletins show the following:

The total number of contract notices of procurement procedures published during 2022 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, works, is 313 procedures with a limited fund of 107,759,835,777 Albanian Leks without VAT.

There were 137 notices of published contracts in 2022, with a limit fund of 14,332,098,683 Albanian Leks without VAT.

More specifically, number of procedures, which were concluded with the signing of a contract in 2022, by type of contract is presented as follows:

Table 28

Notices of Procedures that continued - Reconstruction in 2022					
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	88	Restricted	-	Restricted	40
Restricted above the upper monetary threshold	0	Restricted above the upper monetary threshold	2	Restricted above the upper monetary threshold	7
TOTAL	88	TOTAL	2	TOTAL	47

The table below shows the total fund limit of the procedures that have continued by type of contracts:

Table 29

Limit of the procedures that have continued - Reconstruction in 2022					
Total limit fund			Type of contract		
Type of Procedure	Number of procedures /lots	Total limit fund	Services	Supplies	Public works
Restricted	128	11,708,719,282	618,104,582	-	11,090,614,700
Restricted above the upper monetary threshold	9	2,623,379,401	-	114,984,602	2,508,394,799

TOTAL	137	14,332,098,683	618,104,582	114,984,602	13,599,009,499
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Contract notices for procurement procedures in the frame of the reconstruction process have been published in the Electronic Procurement System, but also in the Special Bulletins published in 2022.

The data above indicate that the largest number of reconstruction procedures belong to services, which can be explained by the fact of signing the contracts of supervision and acceptance for the works carried out during 2021 and 2022.

2.8 Statistics on the criteria provided by the law for the evaluation of the winning bid for the procedures completed with winner notice during 2022

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 in regard to the evaluation of the winning bid during 2022 and the data of this analysis are presented in the following table:

Table 30

Statistics about procedures awarded through the Most Economically Advantageous Tender based on cost in 2022							
No.	Description	No. of procedures /Lots	Limit fund in Albanian Leks without VAT	Procured fund in Albanian Leks without VAT	% of relevant procedures vs. the total	% of relevant limit fund vs. the total	% of the respective gained value vs. the total
1	Procedures awarded through the most economically advantageous tender based on cost	328	45,015,131,386	41,755,352,546	7,28%	33,49%	33.92%
2	Procedures awarded through the most economically advantageous tender based on the lowest price	4,179	89,383,643,104	81,353,146,688	92,72%	66,51%	66.08%
	TOTAL	4,507	134,398,774,490	123,108,499,233	100%	100%	100%

Concerning the number of awarded procedures, for which the cost-based Most Economically Advantageous Tender was used, the above data indicate that there is an

increase compared to 2021 from 5.9% to 7,28% of the total number of awarded procedures.

On the other hand, these procedures constitute 33.92% of the awarded procedures in terms of value compared to the total procured fund.

Table 31

Type of procedures with the Most Economically Advantageous Tender based on cost in 2022	
Type of procedure	Number of procedures
Consultancy service	68
Open for Social Services and other specific services	1
Open above the upper monetary threshold	19
Open	46
Simplified open	7
Restricted above the upper monetary threshold	18
Restricted	169

The above table shows that the "Restricted" and "Consultancy service" procedures take up the highest number of procedures, in which "The Most Economically Advantageous Tender based on cost", was chosen as the evaluation method.

However, it is worth noting that the use of this evaluation method in open procedures is observed for the first time during 2022.

2.9 Statistics about the percentage saved from the procedures conducted in the electronic system

The following table provides data about the number of public procurement procedures conducted in the electronic system (excluding negotiated procedures without prior publication of the contract notice) during 2022, 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 bid fund, as well as the saving in percentage terms.

Table 31

Procurement procedures carried out in the Electronic Procurement System In 2022	
Total number of published procedures	6,494
The total limit fund of published procedures (value in Albanian Leks)	170,200,854,721
Total number of procedures that have continued	4,674
Total limit fund of the of procedures that have continued (value in Albanian Leks)	146,888,009,228
Total number of awarded procedures	4,507
The total procured limit fund for the awarded procedures (value in Albanian Leks)	134,398,774,490
Total awarded value (value in Albanian Leks)	123,108,499,233
% which the total awarded value occupies against the total limit fund of the	91,6%

awarded procedures	
Total saved fund (value in Albanian Leks)	11,290,275,257
% that the saved fund occupies against the total limit fund of the awarded procedures	8,4%

We hereby clarify that the number of procedures awarded in 2022 is higher than the number of procedures awarded in 2021 and there is also an increase of the saved percentage compared to 2021 where the saving was 5.5%.

2.10 Statistics about the number of cancellations of procurement procedures above the monetary threshold for small value procurement procedures during 2022

The analysis of the data shows that the cancellations of the published competitive procedures after publication are carried out according to the definitions set in the Electronic Procurement System by the Contracting Authorities themselves in accordance with the legal reasons defined in the legislation.

Out of 1,877 canceled procedures, 62 are negotiated procedures without prior publication while 965 are canceled lots. However, as analyzed above, regardless of the number of canceled procedures, the value of the limit fund of these procedures is only 14% of the total fund of published procedures.

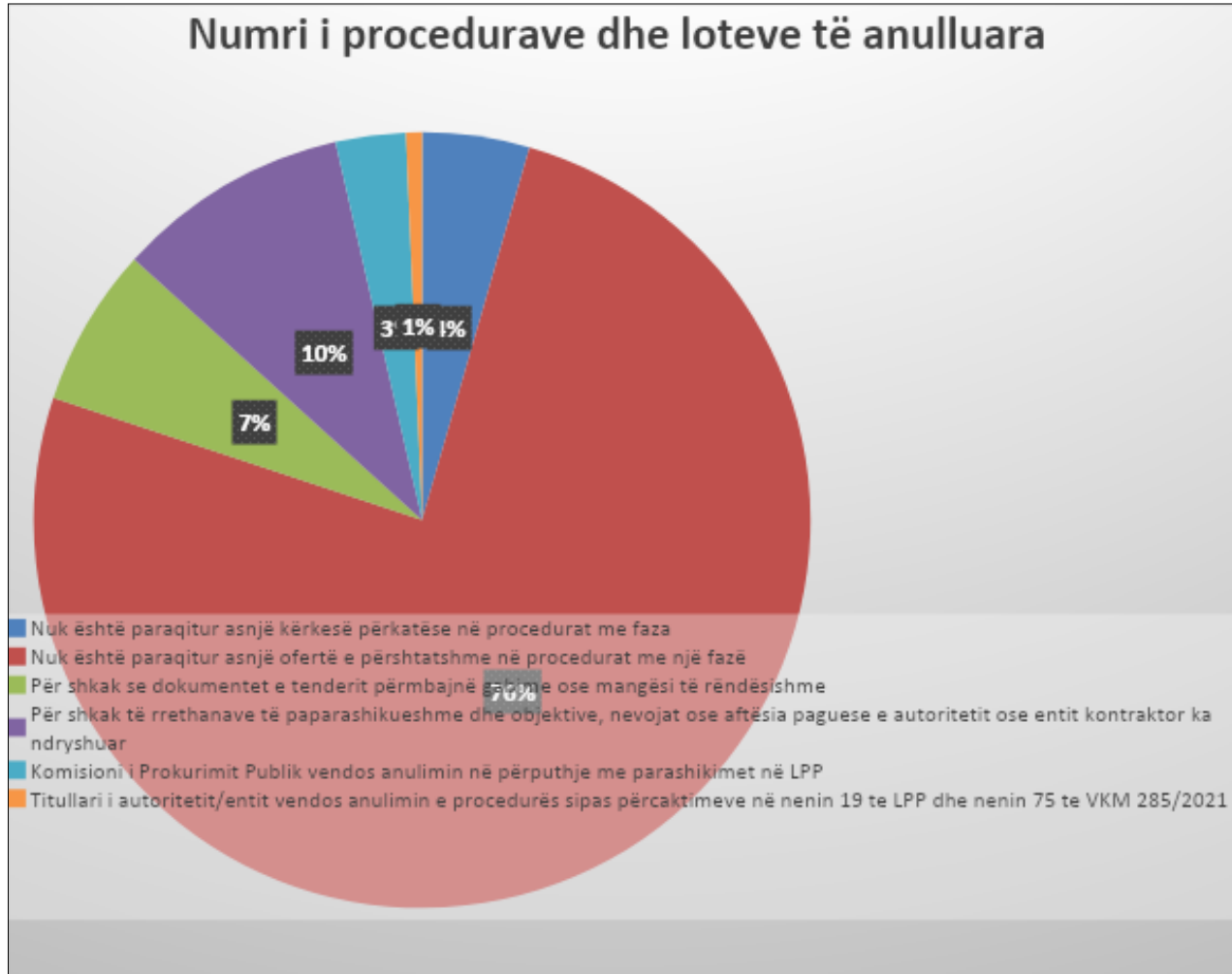
According to the analysis of the data received from the EPS, the legal reasons by means of which the competitive procurement procedures were canceled (except the negotiated procedures with without prior publication) are as follows:

Table 33

Reasons of the cancellation declared in the system	Number of cancelled procedures and lots
No relevant request has been submitted in the procedures with stages	81
No suitable bid has been submitted in procedures with one stage	1373
Because the tender documents contain significant errors or omissions	120
Due to unforeseeable and objective circumstances, the needs or solvency of the Contracting Authority or Entity has changed	176
The Public Procurement Commission decides the cancellation under the provisions of the PPL	53
The Head of the Authority/Entity decides the cancellation of the procedure under the provisions of Article 19 of the PPL and Article 75 of the Decision of Council of Ministers 285/2021	12
Total	1815

Chart 20

Numri i procedurave dhe loteve të anuluar



Translation of the chart:

Albanian	English
<i>Numri i procedurave dhe loteve të anuluar</i>	<i>Number of cancelled procedures and lots</i>
<i>Nuk është paraqitur asnjë kërkesë përkatëse në procedurat me faza</i>	<i>No relevant request has been submitted in the procedures with stages</i>
<i>Nuk është paraqitur asnjë ofertë e përshtatshme në procedurat me një fazë</i>	<i>No suitable bid has been submitted in procedures with one stage</i>
<i>Për shkak se dokumentet e tenderit përmbajnë gabime ose mangësi të rëndësishme</i>	<i>Because the tender documents contain significant errors or omissions</i>
<i>Për shkak të rrethanave të paparashikueshme dhe objektive, nevojat ose aftësia paguese e autoritetit ose entit kontraktor ka ndryshuar</i>	<i>Due to unforeseeable and objective circumstances, the needs or solvency of the Contracting Authority or Entity has changed</i>
<i>Komisioni i Prokurimit Publik vendos anulimin në përputhje me parashikimet në LPP</i>	<i>The Public Procurement Commission decides the cancellation under the provisions of the PPL</i>
<i>Titullari i autoritetit/entit vendos anulimin e procedurës sipas përcaktimeve në nenin 19 të LPP dhe nenin 75 të VKM 285/2021</i>	<i>The Head of the Authority/Entity decides the cancellation of the procedure under the provisions of Article 19 of the PPL and Article 75 of the Decision of Council of Ministers 285/2021</i>

PPA will continue its work in terms of assessing the need for possible changes in order to further reduce the number of cancellations; however, it is worth noting that almost half of the canceled procedures are lots and pharmaceuticals (medications) that are procured

separately, one pharmaceutical (medication)-one lot occupy the highest number of procedures with lots.

2.11 DATA ABOUT 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" may 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 no. 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 2022 versus other procedures, as well as versus other years.

More specifically, the EPS data show that the total number of negotiated procurement procedures without prior publication of the contract notice, which were conducted in 2022, is **157** or 3.3% of the total number (other procedures + negotiated without publication) of procedures completed with winners out of 143 such procedures conducted in 2021.

The following chart provides comparative data about the number of procedures awarded through negotiated procedure without prior publication of the contract notice (**157 procedures**) versus the total number of procurement procedures concluded with winner (**4,664** procedures) (other procedures + negotiated without publication).

Chart 21



Translation of the chart:

<i>Albanian</i>	<i>English</i>
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<i>% e nr. të proceurave me negociim pa shpallje janar –dhjetor</i>	<i>% and the number of negotiated procedures without publication January - December</i>
<i>Nr. i procedurave me negociim pa shpallje janar –dhjetor</i>	<i>Nr. of negotiated procedures without publication January – December</i>
<i>Nr. njoftim fituesve janar –dhjetor</i>	<i>Number of winner notices January-December</i>

Meanwhile, the value, which is procured through the negotiated procedure without publication, is 0.9% versus the procured value (other procedures + negotiated without publication).

Chart 22



Translation of the chart:

Albanian	English
<i>% e fondit që zënë procedurat me negociim ndaj fondit total të procedurave totale, viti 2022</i>	<i>% of the fund occupied by negotiated procedures vs. the total fund of the total number of procedures, 2022</i>
<i>Vlera e Prokuruar për procedurat me negociim pa shpallje</i>	<i>Procured Value for negotiated procedures without publication</i>
<i>Vlera e Prokuruar e njoftim fituesve</i>	<i>Procured value of winner notices</i>

The following table provides statistical data regarding negotiated procedures without prior publication of a contract notice for 2022 compared to 2021.

Table 34

Comparing of negotiated procedures without prior publication of a contract notice 2021 vs. 2022		
Year	2021	2022
Number of procedures	143	157

Total value of the limit fund	6,512,211,253	1,273,811,249
Total procured value	6,463,162,957	1,261,433,790

The table shows that, although the number of negotiated procedures without prior publication of the contract notice has increased by 14 more procedures during 2022, the value of these procedures is significantly lower than in 2021, (about 5 times less than the value procured in 2021 with this type of procedure).

The following table presents statistical data about the negotiated procedures without prior publication of contract notice by type of contract in 2022.

Table 35

Negotiated Procedures without Prior Publication of Contract Notice January - December 2022		
Type of contract:	No.	Procured fund
Services	72	506,531,952
Supplies	73	456,231,066
Works	12	298,670,772
TOTAL	157	1,261,433,790

Data regarding the number of contracts signed according to the negotiated procedures without prior publication by months conducted in 2022, are presented as follows:

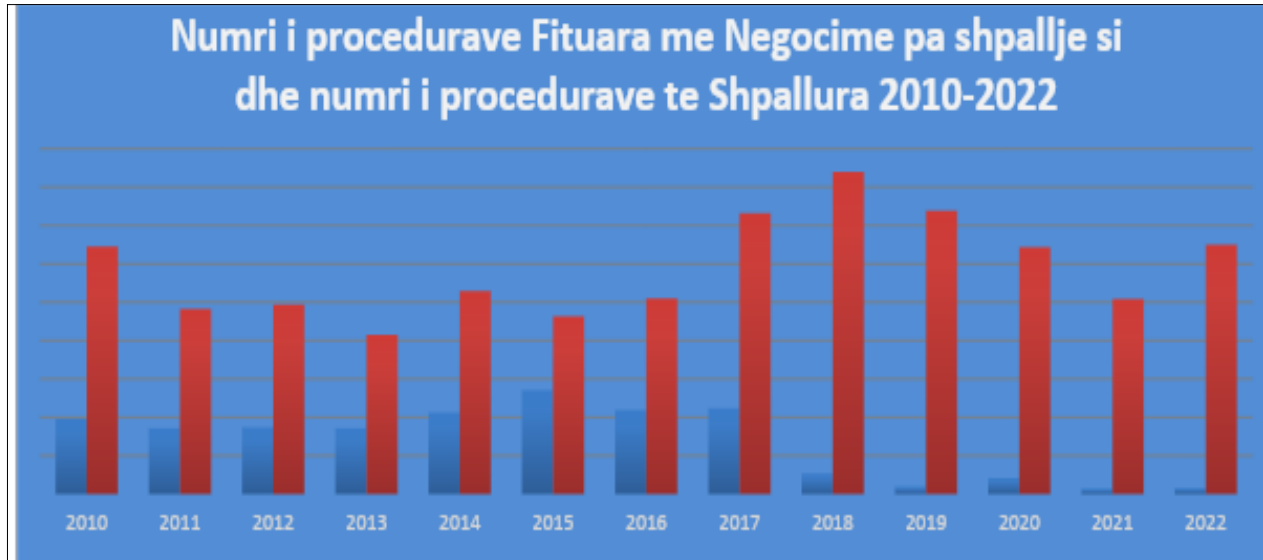
Table 36

Signed contract notices for negotiated procedures without prior publication in 2022			
Month	Number of procedures	Limit fund (value in Albanian Leks without VAT)	Value of the contrast (in Albanian Leks without VAT)
January	3	11,883,075	11,829,017
February	60	202,994,009	200,524,370
March	11	66,210,609	64,454,700
April	3	52,203,239	51,996,828
May	7	78,392,831	77,989,800
June	7	44,253,227	43,732,161
July	15	72,819,983	71,086,826
August	4	52,154,766	52,068,418
September	18	122,433,069	119,343,810
October	9	316,311,380	315,361,640
November	12	218,992,158	218,196,890
December	8	35,162,901	34,849,330
TOTAL	157	1,273,811,249	1,261,433,790

2021			
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When analyzing the historical context of data about the number of negotiated procedures without prior publication, it turns out that this number for the last 4 years (2018-2022) has decreased drastically compared to the previous period since 2010.

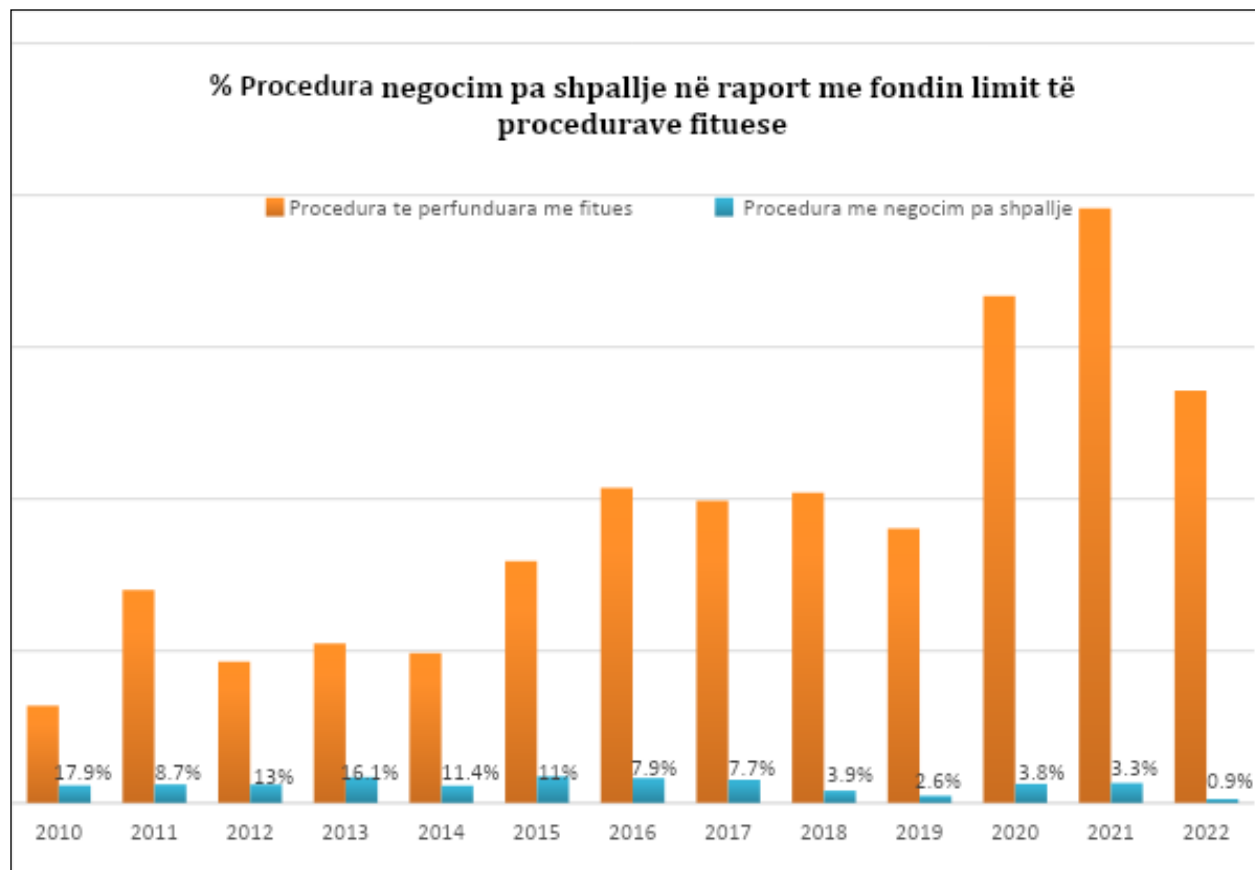
Chart 23



Translation of the chart:

Albanian	English
<i>Numri i procedurave të Fituara me Negocim pas shpallje si dhe numri i procedurave të shpalluara 2010-2022</i>	<i>The number of awarded negotiated procedures without publication and the number of published procedures 2010-2022</i>

Chart 24



Translation of the chart:

Albanian	English
% Procedura negocim pa shpallje në raport me fondin limit të procedurave fituese	% negotiated procedures without publication vs. the limit fund of awarded procedures
Procedura të përfunduara me fitues	Procedures concluded with winners
Procedura me negocim pa shpallje	Negotiated procedures without publication

As it may be seen from the chart above, the % of negotiation procedures without publication in value terms in relation to the limit fund of the procedures has experienced decreasing values year after year. The total value of negotiated procedures without publication accounted for only 0.9% of the total fund of the awarded procedures during 2022.

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.

2.12 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.

The analysis of the data indicates that the number of small value procurement procedures conducted in 2022 and the respective funds are presented as follows:

Table 37

Small value procurement procedures January-December 2022	
Total number of Small Value Procurement procedures published in 2022	16581
The total limit fund published for Small Value Procurement procedures (value in Albanian Leks)	6,379,275,975
Total number of Small Value Procurement procedures concluded with winner notice	12,400
Total limit fund for Small Value Procurement procedures concluded with winner notice (value in Albanian Leks)	4,925,155,213
Total awarded value in Small Value Procurement procedures concluded with winner notice (value in Albanian Leks)	4,272,218,663
% that the total awarded value occupies against the total limit fund of the procedures concludes with a winner	87%
Total saved fund (value in Albanian Leks)	652,936,550
% that the saved fund occupies against the total limit fund of the procedures concludes with a winner	13%

The number and values of small value procurement procedures conducted in 2022 and the comparison with those of 2021, are presented in the table below.

Table 38

Small Value Procurement Procedures concluded with winner Comparison of 2022 vs. 2021

Year	2021	2022
Number of Small Value Procurement Procedures	12,249	12,400
Total value of the Limit Fund	4,348,492,512	4,925,155,213
Procured value	3,750,454,014	4,272,218,663
Saved value	598,038,498	652,936,550

If we compare the number of small value procurement procedures concluded with winners in 2022 (12,400) with the respective number in 2021 (12,249), it turns out that more procedures were concluded with winners in 2022.

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 652,936,550 Albanian Leks accomplished in 2022 is slightly higher than the saving of 589,035,995 Albanian Leks accomplished in 2021.

These data show that improvements made to this procedure from time to time 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 the most possible responsive bid from the economic operators.

2.13 Statistics about the procedures created in the electronic system

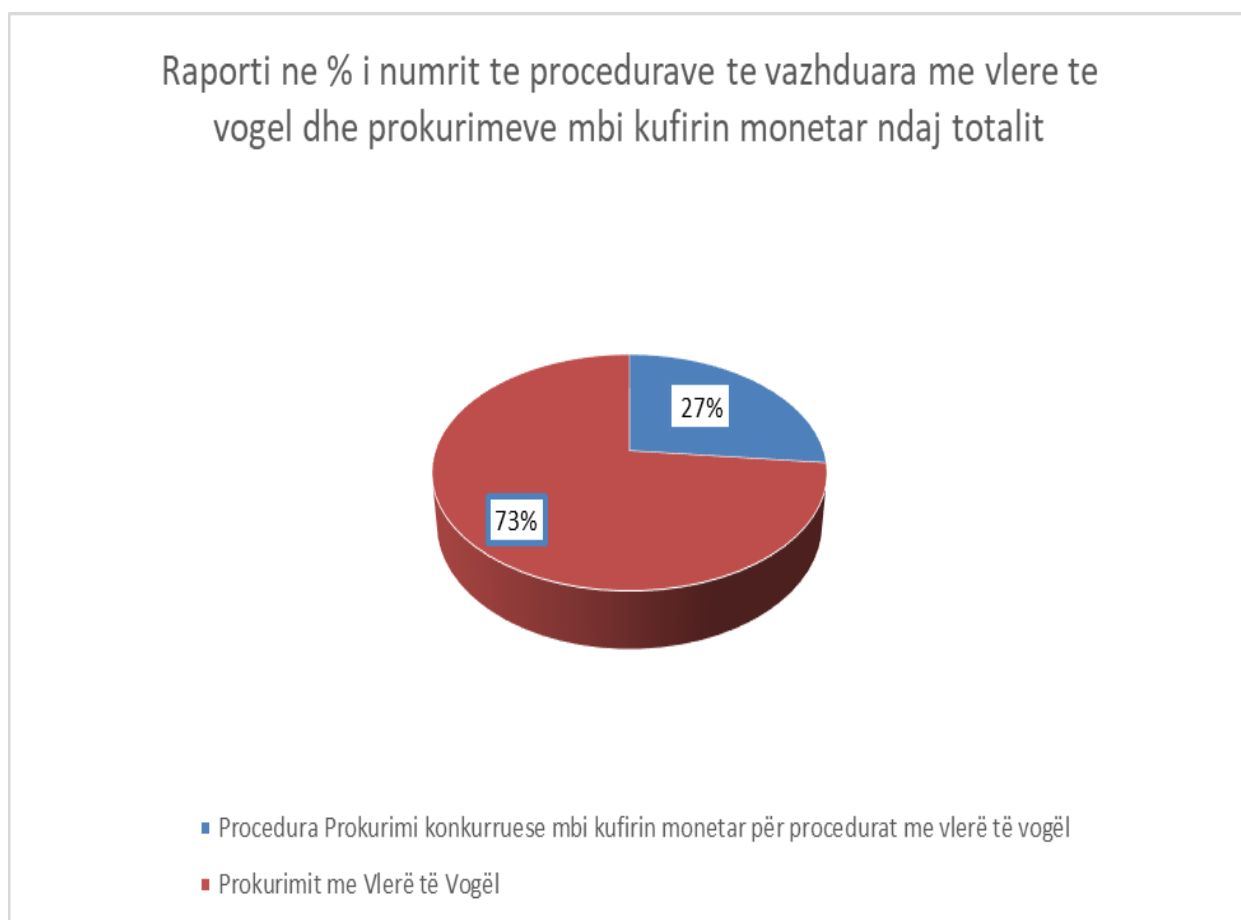
The total number of awarded procurement procedures, which were continued with winners, including also Small Value Procurements in the Electronic Procurement System in 2022, is 16,907, and they are divided according to the following table:

Table 39

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	4,507	123,108,499,233
Small Value Procurement	12,400	4,272,218,663
Total	16,907	127,380,717,896

The following chart 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, which the small value procurement procedures occupy, compared to other procedures is clear.

Chart 25

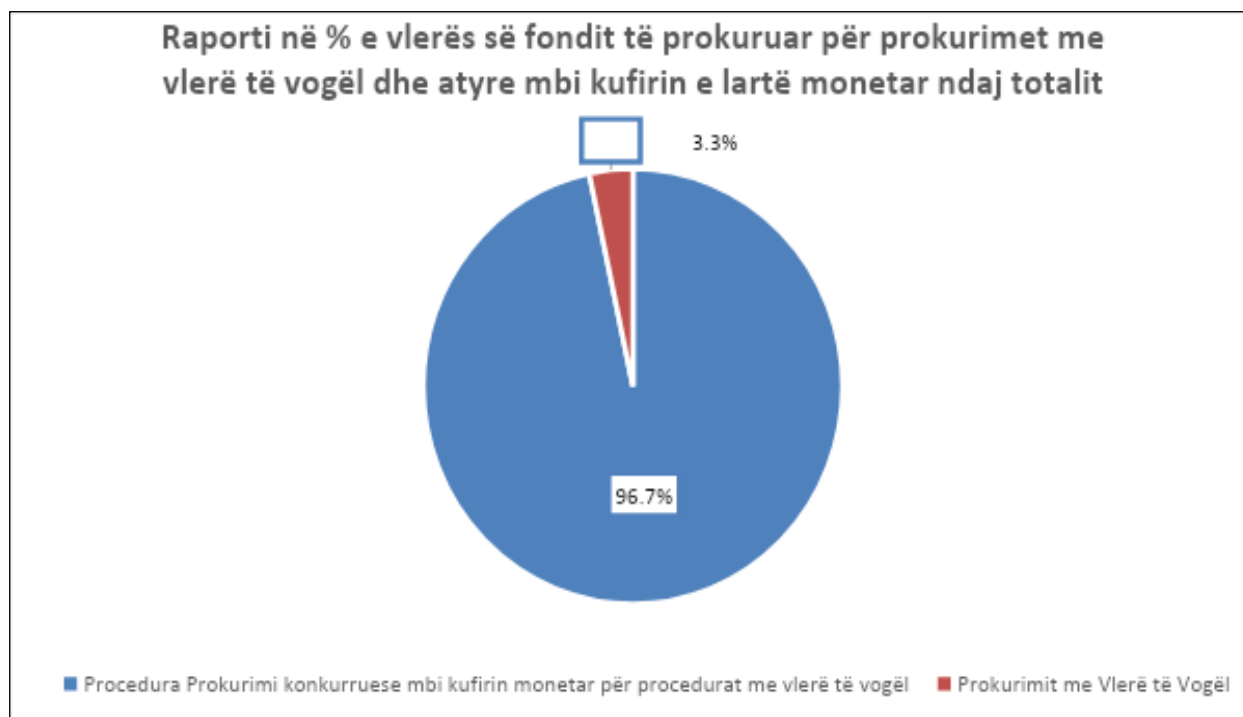


Translation of the chart:

Albanian	English
<i>Raporti në % i numrit të procedurave të vazhduara me vlerë të vogël dhe prokurimeve mbi kufirin monetar ndaj totalit</i>	<i>Ratio in % of the number of Small Value Procurement procedures, which have continued and the procurements above the monetary threshold against the total</i>
<i>Procedura Prokurimi konkurruese mbi kufirin monetar për procedurat me vlerë të vogël</i>	<i>Competitive procurement procedures above the monetary threshold for small value procedures</i>
<i>Prokurimi me vlerë të vogël</i>	<i>Small value procurement</i>

Meanwhile, the ratio in value results in the opposite, where the fund of small value procedures occupies only 3.3% of the entire procured fund.

Chart 26



Translation of the chart:

Albanian	English
<i>Raporti në % i vlerës së fondit të prokuruar për prokurimet me vlerë të vogël dhe atyre mbi kufirin e lartë monetar ndaj totalit</i>	<i>Ratio in % of the value of the procured fund for small value procurements and those above the high monetary limit against the total</i>
<i>Procedura Prokurimi konkurruese mbi kufirin monetar për procedurat me vlerë të vogël</i>	<i>Competitive procurement procedures above the monetary threshold for small value procurements</i>
<i>Prokurimi me vlerë të vogël</i>	<i>Small value procurement</i>

2.14 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 the 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 2022 and the relevant funds compared to 2021 is presented as follows:

Table 40

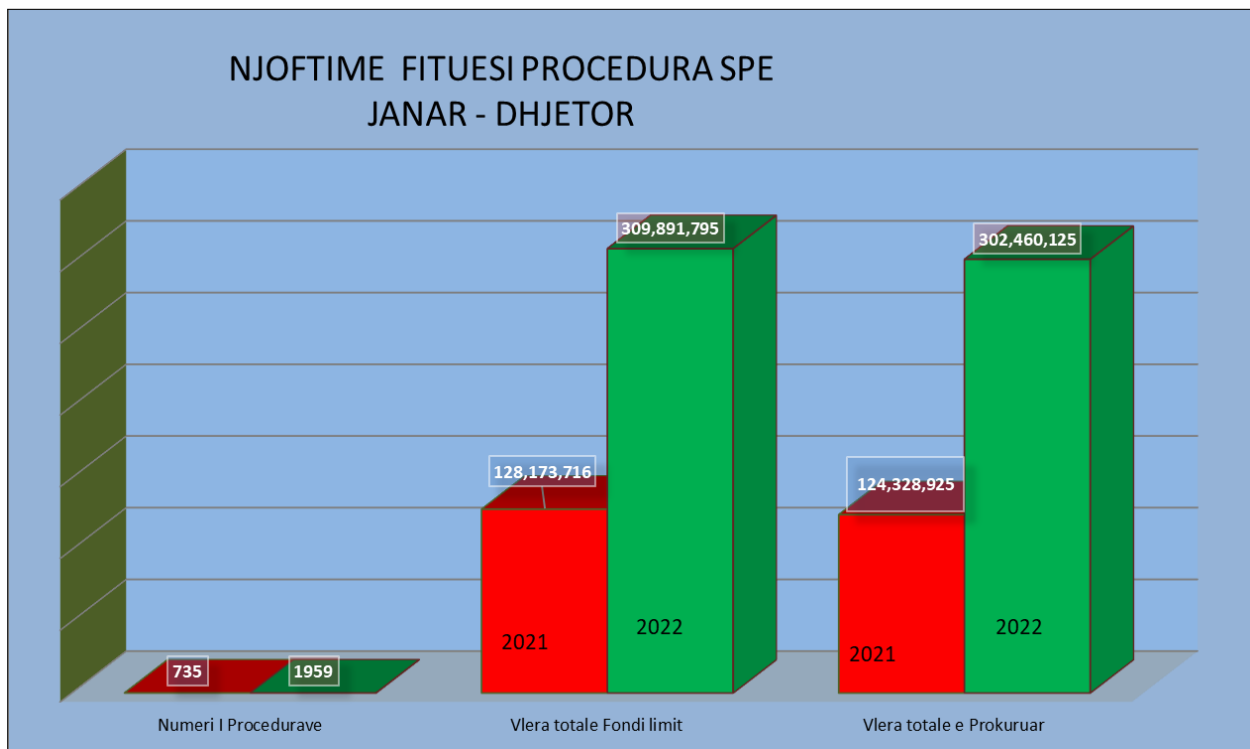
Comparisons related to Dynamic Purchasing System for international air transport tickets			
Year	2021	2022	

Total number of purchase procedures for international air transport tickets	861	2,254
Total number of unfinished (canceled, etc.) procedures	124	290
Total number of ticket purchase procedures that have been concluded with winners	735	1,959
Total awarded value in the purchase procedures for tickets concluded with a winner notice (value in Albanian Leks)	124,328,925	302,460,125

As it may be noticed, the number of procedures for purchasing international air transport tickets published in 2022 is higher compared to 2021. More specifically, there are 1,393 more procedures (816 procedures were published in 2021).

This increase in the number of these procedures is related to the opening of negotiations for EU membership and the holding of explanatory meetings and bilateral meetings in Brussels in September-December 2022, which are also the months with the highest number of procedures as shown by the following data.

Chart 27



Translation of the chart:

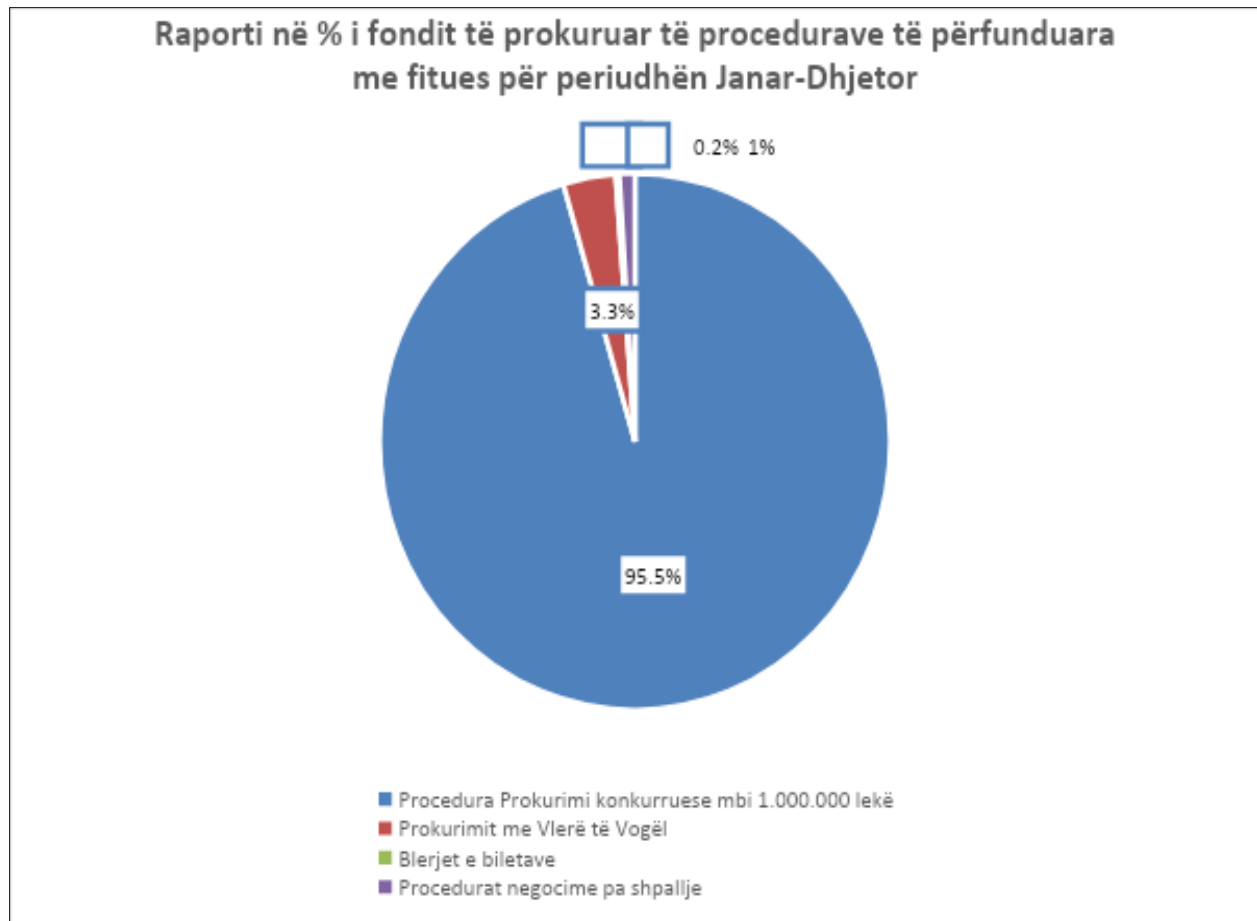
Albanian	English
<i>NJOFTIME FITUESI PROCDURA SPE JANAR-DHJETOR</i>	<i>WINNER NOTICE PROCEDURES IN THE EPS JANUARY-DECEMBER</i>
<i>Numri i procedurave</i>	<i>Number of procedures</i>
<i>Vlera totale Fondi Limit</i>	<i>Total value of the Limit Fund</i>
<i>Vlera totale e Prokuruar</i>	<i>Total Procured Value</i>

The number of procedures and the values of the limit fund and procured fund for the ticket dynamic purchase system, respectively by month for 2022 is provided below:

Table 41

Month	Nr. of Procedures	Limit fund	Procured value
January	22	2,870,774	2,725,225
February	57	6,400,135	6,360,705
March	126	15,850,581	15,494,681
April	159	19,627,845	19,435,692
May	223	31,134,147	31,314,412
June	194	40,932,102	38,750,233
July	94	19,200,662	18,451,227
August	98	13,056,547	12,723,310
September	272	43,955,469	43,444,049
October	276	46,918,321	45,002,184
November	305	45,131,046	44,378,229
December	133	24,814,166	24,380,177
Total	1,959	309,891,795	302,460,125

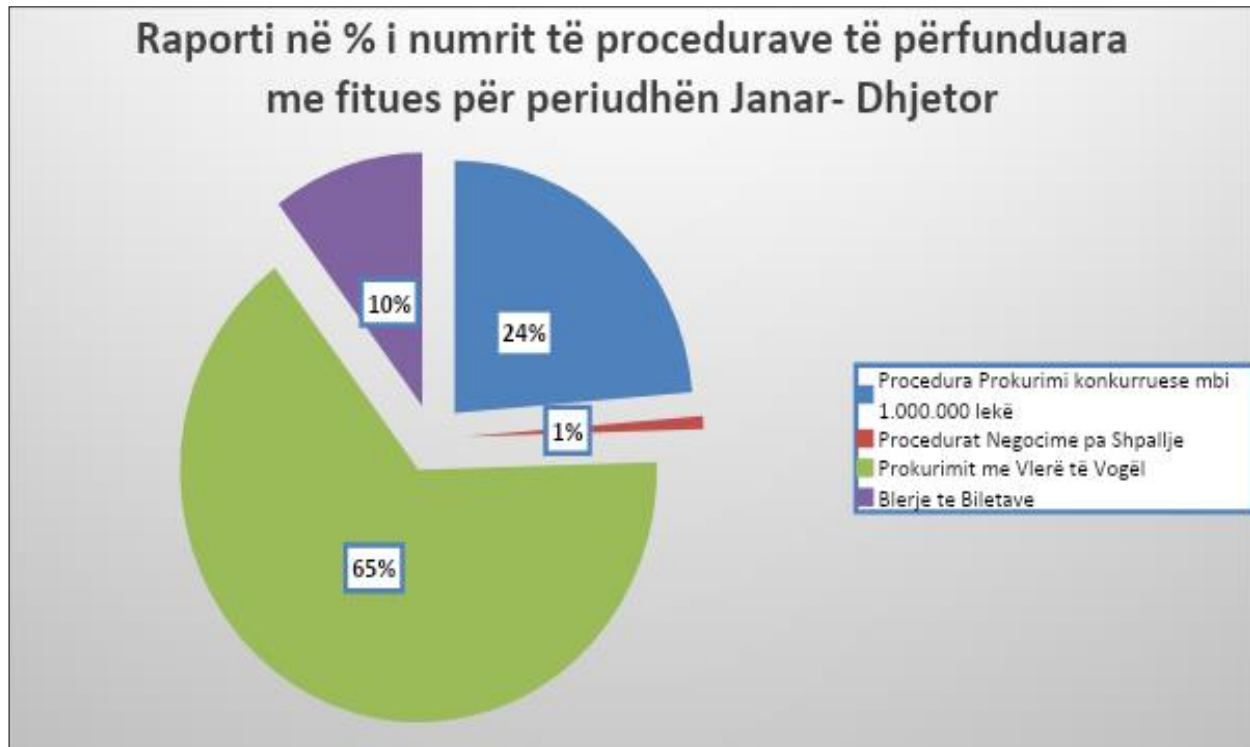
Chart 28



Translation of the chart:

Albanian	English
<i>Raporti në % i fondit të prokuruar të procedurave të përfunduara me fitues për periudhën Janar-Dhjetor</i>	<i>The ratio in % of the procured fund of the procedures concluded with winners for the period of January-December</i>
<i>Procedura Prokurimi konkurruese mbi 1,000,000 lekë</i>	<i>Competitive procurement procedure over 1,000,000 Albanian Leks</i>
<i>Prokurimi me Vlerë të Vogël</i>	<i>Small Value Procurement</i>
<i>Blerjet e biletave</i>	<i>Ticket purchases</i>
<i>Procedurat negocime pa shpallje</i>	<i>Negotiated procedures without publication</i>

Chart 29



Translation of the chart:

Albanian	English
<i>Raporti në % i numrit të procedurave të përfunduara me fitues për periudhën Janar-Dhjetor</i>	<i>The ratio in % of the number of procedures concluded with winners for the period of January-December</i>
<i>Procedura Prokurimi konkurruese mbi 1,000,000 lekë</i>	<i>Competitive procurement procedure over 1,000,000 Albanian Leks</i>
<i>Prokurimi me Vlerë të Vogël</i>	<i>Small Value Procurement</i>
<i>Blerjet e biletave</i>	<i>Ticket purchases</i>
<i>Procedurat negocime pa shpallje</i>	<i>Negotiated procedures without publication</i>

The above charts show that the largest % in the value ratio is occupied by procedures with a value above the monetary threshold for small procurement (96%), while the small value procurement procedures occupy the largest % with (65%) in the number of procedures ratio.

2.15 Statistics about the Contracting Authorities that have created procedures above the monetary threshold for small value procurement procedures

A total number of 1,303 active Contracting Authorities and Entities have generated small value procurement procedures in the Electronic Procurement System in 2022, where **892** of them have created only small value procurement procedures. Meanwhile, **411** Contracting Authorities have created small value procurement procedures above the monetary threshold for small value procurements.

Table 42

Type of procurement procedure Published in the Electronic Procurement System	Number of Contracting Authorities
Contracting Authorities that generate only small value procurement procedures	892
Contracting Authorities that generate procedures above the monetary threshold for small value procurements	411
Total	1,303

The table below provides 10 Contracting Authorities that have published more procedures/lots with a value above the monetary threshold for small value procurement procedures in 2022.

Table 43

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	392	257	135
2	Ministry of Health and Social Protection	296	54	242
3	Directorate of Vlora Regional Hospital	241	151	90
4	State Agency of Centralized Procurement	203	62	141
5	Tirana Municipality	176	15	161
6	Directorate of the Durrës Regional Hospital	161	135	26
7	Kruja Municipality	114	25	89

8	Durrës Municipality	96	15	81
9	Kamza Municipality	87	4	83
10	Elbasan Municipality	86	21	65

As it may be seen from the data, the Contracting Authorities, which have more cancellations, are those, which have health responsibility, and procure the purchase of medications by dividing them into lots.

The table below provides 10 authorities that have published more small value procurement procedures in 2022:

Table 44

No.	Contracting Authority	Number of procedures published in the system	Number of canceled procedures	Number of procedures that have continued
1	Korca Municipality	126	29	97
2	Maliq Municipality	125	41	84
3	Puka Municipality	127	42	85
4	Directorate of the Kolonja Hospital Service	112	69	43
5	Shkodra Municipality	105	23	82
6	Durrës Local Police Directorate	101	37	64
7	Support Command, Military Unit No. 4001	99	15	84
8	SIS - State Information Service	99	48	51
9	Patos Municipality	95	23	72
10	Vlora Municipality	86	7	79

2.16 Statistics about bids submitted during 2022

The following table shows the number of bids submitted in procurement procedures with a value of over 1,000,000 Albanian Leks by the economic operators according to the type of procedure:

Table 45

Type of Procedure	Type of Contract	Number of procedures	Total number of submitted bids	Average number of Bids
-------------------	------------------	----------------------	--------------------------------	------------------------

Consultancy Service and Design contest	Services	98	546	5.6
Open iInternational	Services	248	614	2.5
Open International	Works	39	235	6
Open International	Supplies	556	1121	2
Open Local	Services	286	638	2.2
Open Local	Supplies	854	1217	1.4
Open Local	Works	502	3003	6
Simplified Open	Services	899	2605	2.9
Simplified Open	Supplies	2289	3731	1.69
Simplified Open	Works	541	1306	2.49
Restricted International	Services	18	87	4.89
Restricted International	Works	1	11	11
Restricted International	Supplies	5	10	2
Restricted Local	Services	82	554	6.8
Restricted Local	Supplies	2	6	3
Restricted Local	Works	73	453	6.2
Open for social services	Services	1	1	1
Total		6494	16138	2.5

The following table provides the average bids submitted by the economic operators in procurement procedures with a value of over 1,000,000 Albanian Leks by type of contract.

Table 46

Type of Contract	Number of procedures	Total number of submitted bids	Average number of Bids
Supplies	3706	6085	1.6
Works	1156	5008	4.3
Services	1632	5045	3.1
Total	6494	16138	2.5

Table 47

Type of Contract	Number of procedures	Limit fund value	% that it occupies vs. the total fund
Supplies	3706	28,031,284,141.85	18.5%
Works	1156	85,371,415,907.01	56.2%
Services	1632	38,403,619,951.77	25.3%
Total	6494	151,806,320,000.63	

The data in the table above show that "Works" and "Services" types of contracts occupy the highest average of bids submitted by economic the operators, which make up 81.5% of the funds.

Concerning the small value procurement procedures, the following table shows the average submission of bids by economic operators, according to the type of contract:

Table 48

Type of Procedure	Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
Small value procurement	Supplies	10738	148700	13.8
Small value procurement	Services	5432	38734	7.1
Small value procurement	Works	412	3891	9.4
Total		16582	191325	11.5

Regarding the Dynamic Purchasing System of air transport tickets, the following table shows the average of the submission of bids by economic operators:

Table 49

Type of Procedure	Type of contract	Number of procedures	Total number of submitted bids	Average number of bids
Dynamic System, Purchase of air transport tickets	Services	2111	7354	3.5
Dynamic System, Purchase of air transport tickets	Supplies	142	516	3.6
Total		2253	7870	3.5

2.16.1 Statistics on procurement procedures with one submitted bid and concluded with a winner during 2022

It turns out, according to the data extracted from the Electronic Procurement System that the number of procurement procedures over 1,000,000 Albanian Leks with 1 submitted bid and concluded with a winner notice is 1,645. The following table shows the detailed number of procedures with 1 submitted bid and concluded with winner notice by type of procurement procedure.

Table 50

Type of procurement procedure	Number of procedures	Number of procedures with one submitted bid finalized with winner notice/signing of contract
Consultancy Service	98	0
Open international	843	293

Open for social and other services, under the monetary threshold	1	1
Open	1642	320
Open simplified	3729	1031
Restricted	157	0
Restricted above the upper monetary threshold	24	0
Total	6494	1645

The above table shows that the percentage of procedures carried out with 1 bid in 2022 was at the level of 25%.

2.17 STATISTICS REGARDING THE PARTICIPATION OF SMEs IN PROCUREMENT PROCEDURES

PPA has cooperated during 2022 with the General Directorate of Taxation to cross-check the data that both institutions respectively have in order to estimate the procurement procedures awarded to the Medium and Small Enterprises (SME) as Economic Operators.

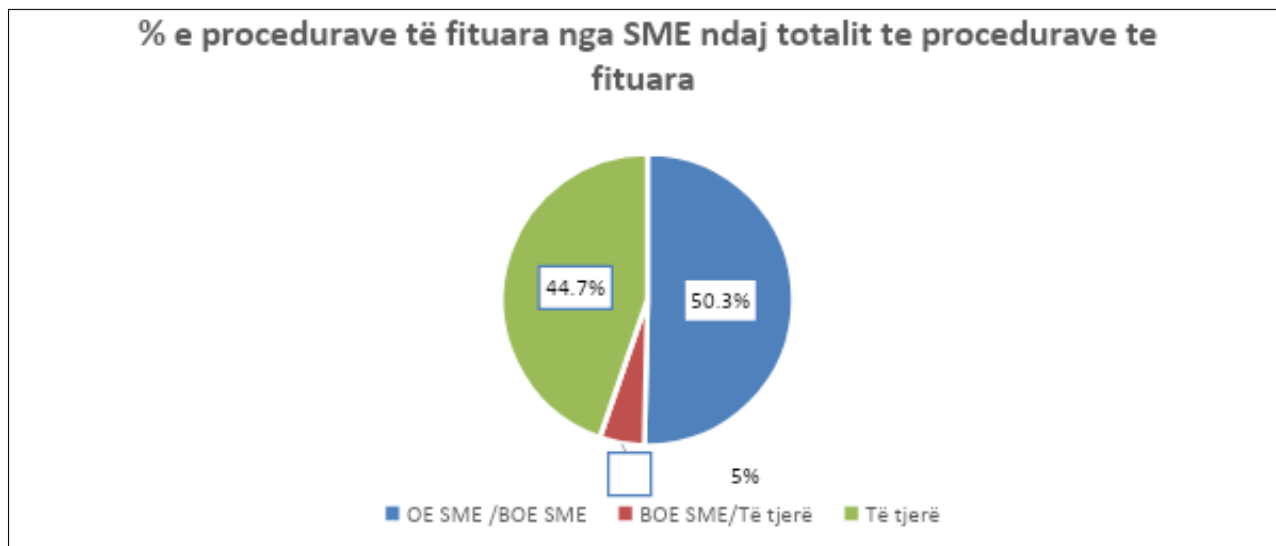
The participation of SMEs in procurement procedures and their awarding as winners in these types of procedures is a very important indicator for the promotion of competition in public procurement.

The following table and chart present the number of procurement procedures awarded to SMEs, either as sole participants, as mergers of operators with other SMEs or as mergers of operators with large businesses or foreign operators versus the total number of procedures concluded with winners.

Table 51

Procedures awarded to SMEs against the total number of awarded procedures		
OE SME /BOE SME	2269	50.3%
BOE SME/Others	224	5.0%
Others	2014	44.7%
Total awarded procedures	4507	100.0%

Chart 30



Translation of the chart:

Albanian	English
<i>% of procedures të fituaranga SME ndaj totalit te procedurave te fituara</i>	<i>% of the procedures awarded to SMEs against the total number of awarded procedures</i>
<i>OE SME /BOE SME</i>	<i>OE SME /BOE SME</i>
<i>BOE SME/Të tjerë</i>	<i>BOE SME/Others</i>
<i>Të tjerë</i>	<i>Others</i>

The above data show that the procurement procedures awarded to SMEs (single bidders or a merger of SME operators) constitute 50.3% of the total number of the awarded procedures.

Meanwhile, SMEs are the winning operators in 5% of the procedures awarded to mergers with other operators (large or foreign business) by bringing the number of procedures awarded to these types of operators to 55.3%.

2.18 STATISTICS ON PROCUREMENTS IN THE FIELD OF DEFENSE AND SECURITY DURING 2022

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 2022 in the Public Notices Bulletin.

The table below shows that 23 procedures belonging to the field of defense and security were published in 2021, of which 5 procedures were canceled, 17 procedures were concluded with winners and 18 contracts were signed.

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 2022, are presented in the table below.

Table 52

Procedures in the field of defense and security	Number of procedures
Contract Notice/Call for proposal	23
Canceled procedures	5
Winner notices	17
Signed contracts	18

2.19 STATISTICS ABOUT THE NUMBER OF CONCESSION/PPP AWARDING PROCEDURES DURING 2022

The Ministry of Infrastructure and Energy published 3 (three) concession procedures in the EPS during the period of January-December 2021, where none of these procurement procedures was cancelled, while 1 (one) concession procedure was concluded with winner (a procedure, which started and ended in 2022).

The number of concession/PPP procedures published to be conducted in the Electronic Procurement System and the winner notices of 2022 are presented in the table below.

Table 53

Concession/PPP granting procedures	Number of procedures	Investment value
Contract notices	3	
Winner notices	1	320,000,000 Euro

2.20 STATISTICS ABOUT PUBLIC AUCTION PROCEDURES CONDUCTED DURING 2022

358 auction notices were published during 2022, of which 120 were cancelled.

Table 54

Month	Auction publications 2022	Auction cancellations 2022
January	24	6
February	29	9
March	47	8
April	28	21
May	33	7
June	21	9
July	27	8
August	30	9
September	29	9
October	43	13
November	28	12

December	19	9
Total	358	120

136 public auction procedures were published in the Public Notices Bulletin during 2022 with winner notices. These are procedures, which are conducted only in writing.

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

Table 55

Public auction procedures	Number	Value bid in Albanian Leks
Auction winner notices	136	233,031,718
Signed contract notices of auctions	43	104,557,973

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

Table 56

Winner notices of auctions during January-December 2022		
Month	Number of procedures	Value bid in Albanian Leks
January	10	3,562,305
February	6	8,409,400
March	11	7,884,139
April	20	36,156,928
May	13	5,025,822
June	10	14,075,803
July	7	25,807,267
August	6	9,906,105
September	16	20,971,905
October	11	4,637,185
November	13	53,024,338
December	13	43,570,521
Total	136	233,031,718

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

Table 57

Signed contract notices of auctions during January-December 2022		
Month	Number of Contracts	Contracted value
January	3	359,557

February	3	396,000
March	1	25,000
April	5	2,158,426
May	2	281,200
June	7	862,250
July	5	10,270,056
August	3	25,662,646
September	3	7,413,309
October	6	53,131,604
November	5	3,997,925
December	0	0
Total	43	104,557,973

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. STRATEGIC OBJECTIVES, THEIR ACHIEVEMENT AND MONITORING

The Public Procurement Agency is responsible for monitoring the implementation of the National Public Procurement Strategy.

At the same time, since Public Procurement is also part of other national strategies, the PPA follows up the implementation of activities and the fulfillment of relevant indicators for these strategies on an ongoing basis.

The PPA has also contributed During 2022 to the process of reviewing and drafting new strategies, which includes procurement.

3.1 National Public Procurement Strategy 2020-2023

The National Public Procurement Strategy 2020-2023 was approved upon the Decision of the Council of Ministers No. 850, dated 04 November 2020 "On the approval of the National Public Procurement Strategy 2020-2023 and the Action Plan pursuant to it" by defining the objectives in the field of public procurement in Albania.

The National Public Procurement Strategy is guided by the vision to guarantee an efficient and sustainable procurement system, in accordance with the principles of transparency, fair and free competition, non-discrimination and equal treatment through the promotion and encouragement of a sustainable system that guarantees the cost-benefit ratio.

This is a cross-cutting strategy and the Public Procurement Agency is, in this complex process, the institution that coordinates and monitors its implementation also through the inputs delivered by the reporting institutions.

Being in the capacity of the institution responsible for coordinating and monitoring the execution of the National Public Procurement Strategy (NPPS) 2020-2023, the PPA has

closely cooperated during 2022 with the institutions, which are responsible for the implementation of measures and reporting on the progress of activities and on the indicators of the foreseen performance.

In this context, the monitoring structure of the National Public Procurement Strategy was reorganized during this year under the supervision of the Steering Committee, which is chaired by the General Director of the PPA, thus continuing with the updates of the members of the Policy Goals Groups and with the Technical Secretariat of the PPA, which ensures the progress of the work. The Steering Committee has held two meetings during 2022, in which it approved the relevant monitoring reports:

(i). The meeting of 07 June 2022, where the 1-year Monitoring Report for 2021 on the National Public Procurement Strategy 2020-2023 was approved;

(ii). The meeting of 22 December 2022, where the I (first) 6-month Monitoring Report for 2022 on the National Public Procurement Strategy 2020-2023 was approved.

The contributing institutions were invited at the meeting of the Steering Committee to cooperate and take measures about the reporting of the unreported activities and performance indicators. The representatives of the Steering Committee highlighted the importance of strengthening the cooperation by aiming at the successful fulfillment of activities and increasing of the foreseen performance indicators.

3.2. CROSS-CUTTING STRATEGIES

Public Procurement is also an important part of the four main cross-cutting Strategies of the Albanian Government, namely:

- (i) Public Financial Management Strategy 2019-2022;
- (ii) The Cross-cutting Strategy against Corruption 2015-2023;
- (iii) Public Administration Reform Strategy 2015-2022, and
- (iv) National Strategy for Development and Integration 2022-2030;

PPA is fully committed by cooperating closely with the coordinating institutions involved in these strategies by giving the relevant contribution in real time and reporting on the fulfillment of the activities or indicators provided for in these documents.

3.2.1 Public Finance Management Strategy 2019-2022

PPA is one of the institutions part of the Public Finance Management Strategy, thus providing its input and information regarding the activities and indicators foreseen in the field of procurement in this strategy.

The activities foreseen in this strategy have been carried out and the foreseen indicator has been met. The percentage of procedures in value terms concluded with winners for the first half of the year vis-a-vis the total fund estimated for this period in the forecast register has been 80.3% in 2022 compared to 60.2% that resulted in 2021, thus marking an increase .

In principle, the high execution of the procedures provided for in the forecast register is a very important indicator that is related to the good planning of the procurement procedures by the Contracting Authorities and to the enhancement of the efficiency when spending public funds.

PPA is also a member of the working group for the drafting of the new Public Finance Management Strategy by providing its input regarding the activities it plans to carry out in the future.

3.2.2 Cross-cutting Strategy Against Corruption 2015-2023

PPA is the institution that reports about the fulfillment of the 3 concrete indicators provided for in the Cross-cutting Strategy Against Corruption on a regular quarterly, semi-annual and annual basis.

It should be noted that, in terms of implementation of measures and fulfillment of the performance indicators according to these strategies, the situation is very positive for 2022 and the PPA has achieved 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 – this value is 13.6% for 2022 (not exceeding the value of 20%);
- A.2.b: Percentage of contracts awarded through negotiated procedures without prior publication of the contract notice – this value is 3.3 in 2022 (without exceeding the value of 10%);
- A.2.c: Percentage of contracts modified during the year- this value is 4,9% in 2002 (without exceeding the value of 10%).

Fulfillment 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.

PPA is also a member of the working group for the drafting of the new Strategy Against Corruption by providing its input regarding the activities it plans to carry out in the future.

3.2.3 National Strategy for Development and Integration 2022-2030

The Public Procurement Agency was one of the institutions part of the working group during 2022 and contributed to the drafting of the National Strategy for Development and European Integration 2022-2030.

The National Strategy for Development and European Integration 2030 is the main strategic document that gives directions and defines the priorities of the sustainable economic and social development of Albania on the way to membership in the European Union. The Draft Strategy expressly provides that the public procurement process is completely digitized, easy, accessible, and transparent across all its stages.

4. EUROPEAN INTEGRATION PROCESS AND COOPERATION WITH THIRD PARTIES

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 5 of the acquis: "Public Procurement" has taken all necessary measures to coordinate activities in terms of fulfilling the obligations arising from this Chapter.

Being in the capacity of the leading and coordinating institution for the Chapter 5 "Public Procurement", PPA contributes in the context of the framework of the National Plan for European Integration (NPEI). PPA periodically reports to the following: Ministry for Europe and Foreign Affairs, the Stabilization and Association Committee, the Subcommittee for "Internal Market and Competition, including Consumer and Health Protection", the Sub-committee for Economic and Financial Affairs and Statistics, Sub-committee for Innovation, Information Society, Social Policies", and gives its contribution to Progress Report.

The 12th meeting of the Stabilization-Association Committee was held online on 15 February 2022. PPA reported about the degree of approximation of the EU Acquis in the field of public procurement, the strategic framework, its monitoring capacities, as well as the statistical information on the performance of the public procurement system in Albania.

The 13th meeting of the "Internal Market and Competition, including Consumer and Health Protection" Sub-committee took place in Brussels in May 2022. The PPA presented a detailed report of the institution's activity concerning the process of approximation of legislation and the initiatives foreseen in the future, statistical information related to procurement procedures, enforcement activities and implementation of the law, as well building of institutional capacities.

PPA presents regular inputs and reports on a monthly, quarterly, semi-annual basis whenever requested by the office of the Minister of State and the Chief Negotiator.

According to the Annual Report for 2022 of the European Commission, Albania is moderately prepared in public procurement. Good progress was made during the reporting period, in particular by adopting further implementing legislation to the new law on public procurement, launching an electronic appeals and complaint system, developing and implementing of certified training course on public procurement, publishing first monitoring reports on the public procurement strategy and deploying real time "open data" on procurement activities, and including procurement related corruption risks in institutions' integrity plans.

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. However, further alignment with the Directives is needed, especially regarding monetary thresholds.

Regarding concessions and PPPs, the degree of alignment with Directive 2014/23/EU has been assessed as a partial one. Based on the legal gap analysis carried out by SIGMA experts, it has been concluded that the current law is based on the previous Directive on concessions and a new law is needed to reflect the provisions of Directive 2014/23.

As for the procurements in the field of defense and security, a very significant approximation of Directive 2009/81/EC has been achieved through the approval of Law No. 36/2020 "On procurements in the field of defense and security", the approval of the rules on procurements in this field in December 2020, as well as the approval of the STDs in April 2021. However, further alignment of the directive is needed, especially as regards monetary thresholds.

In general, the EU acquis on Chapter 5 has been aligned to the widest extent by means of recent legal changes, with the exception of the area of concessions, which will require further alignment. For this reason, the National Plan for European Integration 2023-2025 foresees the adoption of a new law on concessions and PPPs in accordance with Directive 2014/23/EU.

4.1 SCREENING PROCESS

Following the First Intergovernmental Conference held on 19 July 2022 in Brussels, work continued and an explanatory and bilateral meeting was held in the context of the "Screening" process for Chapter 5, as part of Cluster 1 "Fundamentals".

An explanatory meeting was held in Brussels on 15 September in the frame of the "Screening" process for Chapter 5. The Albanian delegation, which participated in this meeting, was chaired by the Minister of State and Chief Negotiator Mrs. Majlinda Dhuka and the General Director of PPA and, at the same time, the Negotiator for Chapter 5, Mrs. Reida Kashta. The Albanian team was briefed in this meeting with the acquis for Chapter 5, including the updates since the last explanatory meeting in 2018, as well as explanations were provided on the organization of the bilateral meeting, planned to be held in November.

The Albania-EU bilateral meeting held in the frame of the "Screening" process for Chapter 5 "Public Procurement" was concluded on 18 November 2022, in Brussels. The Albanian delegation was represented by the Minister of State and Chief Negotiator, Mrs. Majlinda Dhuka, by Deputy Minister of Justice Mrs. Adea Pirdeni, the General Director of the Public Procurement Agency and, at the same time, the Negotiator for Chapter 5 "Public Procurement", Mrs. Reida Kashta.

Information and supporting materials related to the field of public procurement were sent in advance to the services of the European Commission. The services of the European Commission sent a questionnaire with several questions, which were prepared and sent within the set deadlines. These questions covered not only the part of the public procurement procedures, the way of operation and procedural elements, but also the review of the complaints against the procedures of public procurement, statistical data, information about the legal and institutional framework of institutions that deal with public procurement, the proper functioning of the electronic system, etc. The presentations, which would be delivered at the bilateral meeting between the parties and which contained detailed information and covered every aspect related to public procurement were sent there as part of the documentation. 10 topics were presented and discussed during the meeting in accordance with the detailed agenda sent by the European Commission, namely as follows:

1. General considerations and overview of the public procurement legal framework and institutional set-up;
2. Procurements in the classical sector;
3. Procurement in the utility sector;
4. Concessions and Public Private Partnership;
5. Procurement in the field of defense and security;
6. Complaint review system;
7. Electronic procurement;
8. Innovative, social and green procurement, SME, professionalization;
9. The international dimension, including inter-governmental agreements;
10. The fight against corruption in public procurement.

The European Commission, under the guidance of Mr. Marc Jorna, emphasized that the meeting was very successful, where it was stated that the Albanian legislation is to the greatest extent aligned with the EU Acquis and the continuation of work for further improvements in this direction was encouraged.

Regular meetings of the Inter-institutional Working Groups for European Integration have been organized regarding the drafting of various materials and reports at the request of the Ministry for Europe and Foreign Affairs and the Minister of State and the Chief Negotiator. The contribution to the "Internal Market" Sub-committee, the Progress Report, as well as the weekly and quarterly reports for the Minister of State and the Chief Negotiator have been drawn up. The PPA also contributes in the frame of other chapters, in which it participates, in addition to the coordination and leadership of Chapter 5 "Public Procurement".

In addition to Chapter 5, PPA has reported and participated physically and online in the explanatory and bilateral screening meetings for other chapters where public procurement is included. Specifically, PPA has reported on Chapter 20, and "Economic Criterion" Chapter . Additionally, PPA has physically participated in Brussels in the explanatory meeting in the frame of the "screening" process for the "Economic Criterion" Chapter, while the bilateral meeting for this Chapter was followed online. Moreover, PPA has attended the explanatory and bilateral meetings online for Chapter 11, Chapter 20, Chapter 22, Chapters 23 and Chapter 24.

4.2 ALBANIA'S ACCESSION PROCESS TO THE WTO GPA

The Working Group chaired by the General Director of the Public Procurement Agency and composed of representatives of the Ministry of Finance and Economy, the Ministry for Europe and Foreign Affairs, supported by a Technical Secretariat, was established upon the Order of the Prime Minister no. 156, dated 28 September 2022 "On the establishment of the Working Group for the preparation of the conditions for the accession of the Republic of Albania to the Agreement on Government Procurement (GPA) of the World Trade Organization". The working group is responsible for preparing the conditions for following up the process of Albania's accession to the Agreement on Government Procurement. 2023 will be a year of intense work in terms of this process.

4.3 COOPERATION WITH OTHER INSTITUTIONS

The PPA has continued its cooperation during 2022 with institutions, with which it has cooperation agreements in place, such as National Food 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.

The cooperation with these institutions is continuous in terms of reporting by the PPA about the economic operators which have benefited from public funds, and the verification by the National Food Authority and the State Labor and Social Services Inspectorate to find out if these operators have been penalized for failing to comply with the requirements of the labor legislation in force.

In this context, these institutions continue to report cases to the PPA and, therefore, various subjects have been penalized with fines for violating labor legislation or are found as subjects that have failed to exercise their activity in compliance with the legal requirements in force. This has driven the PPA to continue its work regarding the initiation of administrative proceedings for the exclusion of these economic operators from the right to win public contracts since, based on the verifications carried out, it has turned out that a good part of them have participated and are declared as winners in procurement procedures by misinforming the authorities.

PPA has continued cooperation with the Public Procurement Commission, which is also one of the contributing institutions in Chapter 5 "Public Procurement", an important contributor in the process of the bilateral Screening meeting, part of the contributions in the frame of the fulfillment of the activities and the completion of indicators of the National Public Procurement Strategy, etc. There is continuous communication and cooperation between PPA and PPC in the frame of the fulfillment of legal obligations and joint commitments.

PPA held in December 2022 a bilateral discussion table with the Competition Authority in the frame of the organization of multilateral meetings, as well as in the frame of cooperation with third institutions, but also in the frame of the fulfillment of the activities provided for in the National Public Procurement Strategy. This discussion table concluded with the signing of a joint Roadmap by the two institutions. This Roadmap aims to protect free and effective competition in public procurement, with a focus on preventing collusion in public procurement. Representatives of the business community, chambers of commerce and industry, law firms, etc., attended this meeting of December 20, in addition to the representatives of the Competition Authority and the Public Procurement Agency.

The Memorandum of Cooperation was signed in October 2022 between PPA and the School of Magistrates. The aim of the MoU is to increase the cooperation between the School of Magistrates and the Public Procurement Agency in areas of common interest. The parties are committed to cooperate closely on matters of common interest, with the aim of achieving objectives such as the following: continuation of cooperation to include topics on public procurement in the initial training program of the School of Magistrates; continuation of cooperation to include topics on public procurement in the continuous training programs for magistrates, judges and prosecutors, who review cases related to

the procurement process; organization of joint conferences, open lectures or meetings regarding developments in the field of procurement and identified problems; mutual exchange of information regarding various topics in the field of public procurement, etc.

The PPA and the Central Election Commission signed in June 2022 a Memorandum of Cooperation, which aims, among other things, to strengthen the cooperation between the parties, in order to implement the provisions of the Electoral Code, as well as the provisions of public procurement legislation in the frame of good use of public funds in public procurement procedures.

In addition, there has been continuous communication and a draft memorandum has been drawn up, which is in the process of discussion, with the Ministry of Justice, the National Coordinator against Corruption, in view of institutional cooperation to prevent and punish abusive actions and corruption in public procurement procedures and enhance the integrity of the staff who carry out these procedures.

4.4 COOPERATION WITH FOREIGN INSTITUTIONS

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.

What's more, there has been close cooperation with the World Bank in the frame of one of its projects, which aims to assist PPA to prepare a methodology related to green public procurement, as well as to define the legal and regulatory framework for public procurement standards for goods, services and works and to plan procurement procedures for response to natural disasters.

In addition, PPA is collaborating closely with the OSCE Presence and the Albanian School of Public Administration (ASPA) to develop a comprehensive and certified training program aimed at professionalizing the public procurement function in Albania in accordance with international best practices. Currently, the Professionalization Roadmap has been finalized and work is underway to finalize the training curricula.

The first Report was drawn up after the selection phase of international and national experts in public procurement. It is a material, which defines in detail the steps to be followed regarding the continuity of the project. A meeting was held between the experts and representatives of PPA regarding the materials and documents, which will be followed by the preparation of other materials - relevant curricula, which will serve as a basis for the organization of trainings within a multi-year training plan focusing on the establishment of a network of professionals in public procurement.

5. LEGISLATIVE INITIATIVES OF THE PUBLIC PROCUREMENT AGENCY DURING 2022

PPA has continued the work on the drafting of acts to complete the secondary legislation during 2022 pursuant to Law 162/2020 "On public procurement", with the aim of further aligning the regulatory framework of public procurement with the EU Directives in this area, as well as with the aim of addressing the ambiguities or problems arising from the implementation of the law including the period from its entry into force (March 2021), in order to effectively manage and use public funds. In this context, the following acts have been drawn up:

- *Draft decision "On defining the rules of the invalidity of public procurement contracts", which was approved upon the Decision of the Council of Ministers No. 486, dated 21 July 2022;*
- *Draft decision "On setting the fee and the rules about its payment in the appeal procedure before the Public Procurement Commission", for which a draft was drawn up and communication has continued with the Public Procurement Commission, as an institution to whose account the appeal fee will be paid;*
- *Standard Tender Documents for social services and other specific services, which completed the regulatory framework of public procurement, in alignment with European legislation, specifically Directives 2014/24 and 2014/25, approved by PPA Decision, No. 01 date 25 February 2022;*
- *Review of the Standard Tender Documents (STD), for supplies, works, services, for public procurement procedures, approved by the respective Decisions of PPA, No. 02, dated 09 June 2021, No. 03, dated 09 June 2021, No. 04, dated 11 June 2021, No. 05, dated 17 June 2021, No. 06, dated 23 June 2021, No. 07, dated 25 June 2021, No. 08, dated 25 June 2021, No. 09, dated 25 June 2021, No. 10, dated 02 July 2021, No. 11, dated 02 July 2021.*

In addition, in order to help contracting authorities/entities and economic operators to properly implement the legal framework for public procurement, PPA has worked on drafting various guidelines, recommendations and notices. Specifically, 4 (four) guidelines, 1 (one) recommendation and 9 (nine) notices have been drafted.

Guidelines	Recommendations	Notices
4	1	9

These acts have had the following focus:

- Reflecting of the new legal provisions regarding the declaration of conflict of interest, with the aim of preventing it in procurement procedures, in any situation where the supervisor or a staff member of the Contracting Authority or Entity or procurement service provider, acting in name of the Contracting Authority/Entity involved in the conducting of the procurement procedure, may affect the outcome of this procedure, thus undermining their impartiality and independence in the decision-making process of the procurement procedure.
- For this purpose, PPA has cooperated closely with the High Inspectorate of Declaration and Audit of Assets and Conflicts of Interest - HIDAACI, as the competent institution for the prevention of conflict of interest when exercising public functions.
- Reflecting of new legal provisions, as well as the addressing of a number of challenges identified in practice, related to the process of administration of samples in a procurement procedure, in order to guarantee transparency and integrity in this process.
- Recommendation of Contracting Authorities/Entities about better implementation of the new public procurement legislation by means of providing guidance in regard to drafting of the acceptance criteria in procurement procedures.
- Guiding of economic operators, which bid in procurement procedures, about filling out the summary self-declaration form, emphasizing that in any case they must

reflect in this form the correct information that corresponds to their factual situation, in order to avoid situations of misinforming the Contracting Authorities in procurement procedures.

- Guiding of Contracting Authorities/Entities about the use and drafting of the set of Standard Procurement Documents for Social Services and other Specific Services, as well as the fact that they must respect the monetary threshold provided for in the Decisions of the Council of Ministers for service contracts according to the respective codes, for which the procurement procedure will be conducted.

6. ADVISORY AND ASSISTING ACTIVITY OF PPA

6.1. Cases reviewed concerning giving opinions, advice, or guidance

Pursuant to the tasks assigned to it by the legislation, PPA has reviewed during 2022 a considerable number of cases, which had to do with giving opinions, advice, or guidance to help Contracting Authorities/Entities. This has included giving opinions about various draft acts, reviewing of the proposals of the Contracting Authorities/Entities or even of economic operators for the exclusion of various subjects from the right to win public contracts.

PPA has assisted Contracting Authorities/Entities, as well as economic operators, by reviewing their requests for opinion/clarification, presented in writing or electronically.

Specifically:

- 1,589 cases were reviewed in writing concerning issues related to the process of public procurement, concessions/PPPs, and public auctions.
- About 540 requests were reviewed electronically.

PPA has communicated during 2022 with various institutions and, mainly, with the following::

- i. The Public Procurement Commission, for issues related to the public procurement system, in view of the efficiency of this system;
- ii. The Albanian Supreme Audit Institution and other auditing bodies in the country in the frame of close cooperation about the examination of the findings of these institutions in the field of public procurement during the audits carried out in the Contracting Authorities, as well as about issues related to the public procurement system;
- iii. Various contracting authorities and economic operators, which have asked for opinions and clarifications regarding ambiguities on issues related to legislation and the procurement process;
- iv. Central government institutions (ministry) in the context of giving opinions on draft decisions or draft laws, which are submitted to the Council of Ministers for approval in the field of public procurement/concessions/public private partnership and public auctions;
- v. The Prosecution Offices in relation to the various pieces of information requested by them about the procurement procedures carried out by various Contracting Authorities, various law firms, which, based on the right to information, have asked for the documents of procurement procedures to be made available to them or have asked for

information about certain procurement procedures, broadcast media bodies or various journalists, etc.;

- vi. Various economic operators, which have requested to be provided with certificates showing their status as operators that have not been excluded by a decision of PPA from participating in public procurement procedures. It is worth noting that, upon the entry into force of the Decision of the Council of Ministers No. 252, dated 29 April 2022 "On the procedures of providing online services and service providing institutions and on the monitoring and control methodology of the administrative activity of their delivery", the service will be performed only through the e-albania platform;
- vii. The Classified Information Security Directorate at the Prime Minister's Office regarding the verification required for certain economic operators, if there has been an exclusion decision for them from PPA;
- viii. Economic operators, which have challenged various procurement procedures.

Cases when assistance was provided were related to various issues and ambiguities, during the procurement process, such as:

- *The way of filling in the Self-Declaration Form by the economic operators participating in the procurement procedures;*
- *The moment of submission of documentation by the economic operator, before being declared the winner, according to the latest legal amendments;*
- *Regarding the appeal deadlines, when economic operators exercise the right to appeal in procurement procedures, according to the latest legal changes;*
- *The continuation of the execution of contracts/agreements in process with economic operators, who are excluded from the right to win public contracts;*
- *Under the conditions of the declaration of the special situation upon a Decision of the Council of Ministers, due to the increase in the prices of food products and fuel, there has been frequent communication with the Contracting Authorities regarding the impact that the increase of prices will have not only on the signed contracts, but also during the bidding process;*
- *Implementation of procedural rules in the procurement of social services and other specific services;*
- *Cases of modification of the contract or of the Framework Agreement;*
- *The moment of filling in the declarations on the conflict of interest by the officials/staff in the procurement process and the execution of the contract;*
- *On the roles and responsibilities of the Contracting Authority in the procurement process.*

The data about the reviewed cases presented in a table form are as follows:

Table 58

Cases reviewed in the frame of legal assistance	
Type of request	Number
Request for providing opinion/clarification/communication with other institutions, in writing	180
Request for providing an opinion on the draft acts presented	20

Verifications required by the Classified Information Security Directorate	10
Certificates issued to economic operators, which are not in the process of exclusion	1320
Requests for information submitted by various institutions	24
Complaints from economic operators	13
Letters incorrectly addressed/forwarded by PPA to the relevant institutions	22
Request for delivering opinion/clarification/communication with other institutions, electronically	540

6.2. ASSISTING ACTIVITY OF PPA

In the frame of this process, **3,012** procurement procedures out of **6,494** procedures published in the Electronic Procurement System⁸ were assisted **during January-December 2022**. **59** procedures were assisted upon the preliminary request of the Contracting Authorities before publication and **2,953** after their publication in the EPS. **2,953** procedures, which have been assisted by PPA after publication, constitute **45.5%** of the published procedures. **171** out the procedures assisted after their publication in the EPS were canceled whereas **2,782** procedures continued the procurement process.

6.2.1. Analyzing the data related to assisted procedures

The following resulted from the procedures, which have continued the procurement process:

- 53.6% of assisted procedures are procedures published by central government institutions;
- 33.6% of assisted procedures are procedures published by local institutions;
- 7.7% of assisted procedures are procedures published by joint stock companies;
- 5.1% of assisted procedures are procedures published by independent institutions.

The percentage of assisted procedures by the sector, compared to 2021, is presented in the table below:

Procedures	2021	2022
% of assisted procedures versus those published in EPS	60%	45.5%

The decrease of the percentage of assisted procedures is a consequence of the increase of the number of procedures published during 2022. Specifically, 5,079 procurement procedures were published in the EPS in 2021, while 6,494 were published in 2022. However, it is worth noting that from time to time PPA has summarized in general recommendations the main findings, which it has observed in the procedures that have been assisted, thus asking all Contracting Authorities to keep them in mind when

⁸The selection of assisted procedures is based on their limit fund, giving priority to procedures with a higher limit fund.

conducting the procurement procedures. Because of these recommendations, it is observed that the number of procedures assisted by PPA during 2022, for which problems that needed to be addressed were not identified, was higher than in previous years.

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

6.2.2. Analyzing of the data related to procedures that result without problems versus assisted procedures

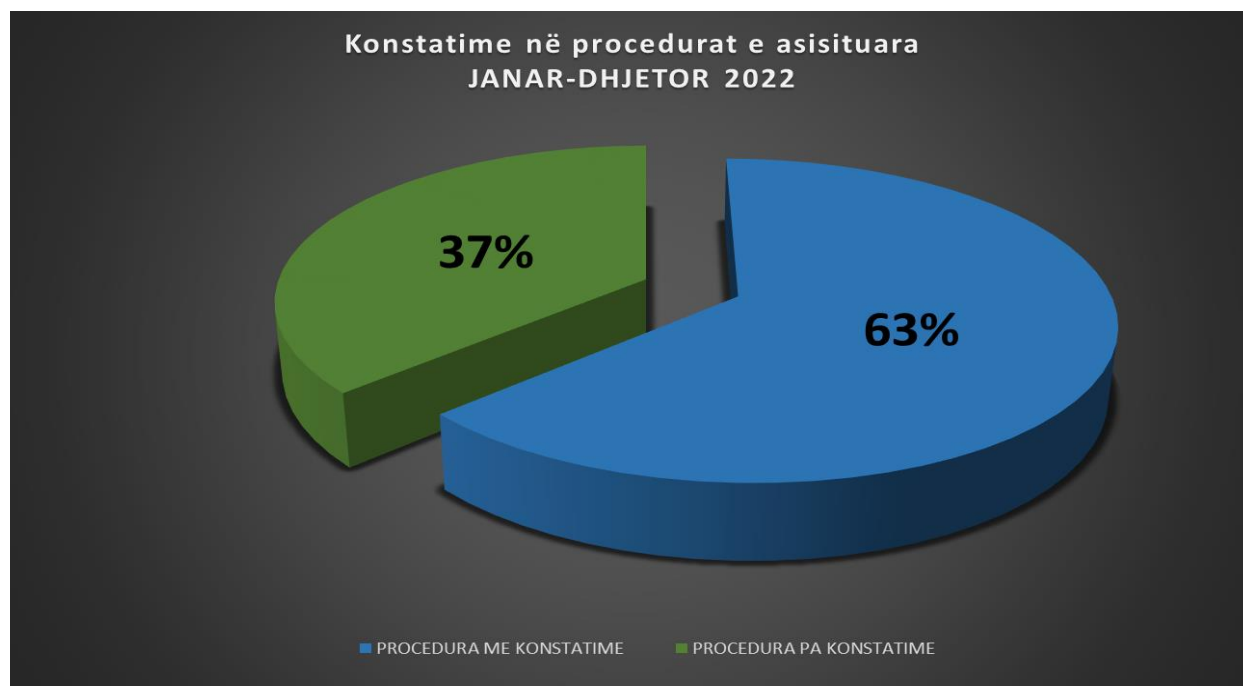
a) Analyzing of data compared to 2021

Out of the 2,782 procedures that were assisted after the publication in the EPS,⁹ during the period January-December 2022:

- 37% of the assisted procedures have generally turned out 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;
- 63% 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 chart presentation of this data is as follows:

Chart 31



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>Konstatime në proceset e asistuar JANAR-DHJETOR 2022</i>	<i>Findings in the assisted procedures JANUARY-DECEMBER 2022</i>

⁹ Në analizë nuk është përfshirë numri i procedurave të anuluarra, si dhe lotet trajtohen si një procedurë e vetme.

<i>PROCEDURA ME KONSTATIME</i>	<i>PROCEDURES WITH FINDINGS</i>
<i>PROCEDURA PA KONSTATIME</i>	<i>PROCEDURES WITHOUT FINDINGS</i>

The analyzed data show that there is an increase of the percentage of the number of procedures resulting without findings, i.e., with criteria that are considered in accordance with public procurement legislation in 2022 compared to 2021. Specifically, the percentage of procedures without findings vs. the assisted procedures is at a degree of 37% and those with findings, at the level of 63%, while these percentages were respectively at the levels of 25% and 75% in 2021.

However, the number of procedures with findings from PPA still remains high. When analyzing the impact of the publication by the Contracting Authorities of the record of the explanation of the technical specifications and special suitability criteria concerning the level of problems, which have been encountered, it turns out that the level of procedures without findings for this period is higher than the previous period. As stated above, a positive impact on the increase of procedures without findings can be observed, namely by 12%.

This is an indicator of increased awareness of CA and the result of assistance and general recommendations provided from time to time by PPA.

b) Analyzing of data according to the typology of Contracting Authorities.

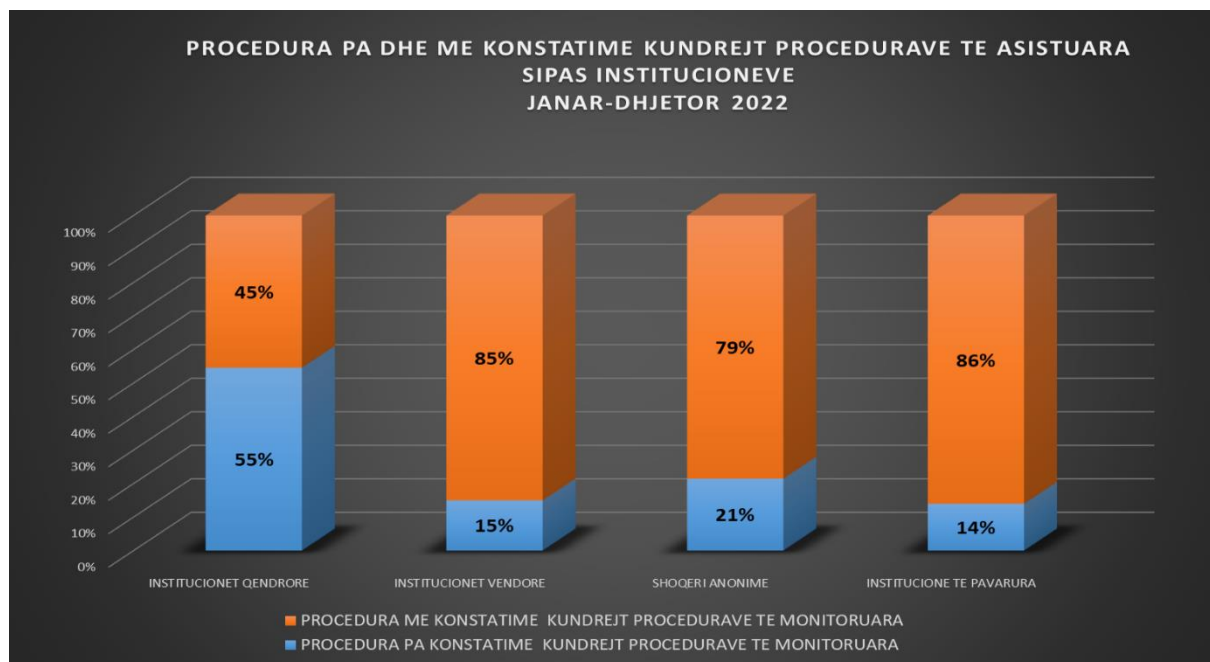
The analysis of the ratio of procedures, which have resulted to be in compliance with the legislation in force and those, which have resulted with findings, versus the assisted procedures, broken down according to the typology of the Contracting Authorities, indicates the following:

- In the case of central institutions and their subordinate institutions, 55% of assisted procedures don't have any findings, whereas 45% of them turned out to 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 turned out to have findings;
- In the case of joint stock companies with state capital, 21.5% of the assisted procedures don't have any findings, whereas 78.5% of them turned out to have findings;
- In the case of independent institutions, 14% of the assisted procedures don't have any findings, whereas 86% of them turned out to 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 54.6% 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 chart presentation of this data is as follows:

Chart 32



Translation of the chart:

Albanian	English
<i>PROCEDURA ME DHE PA KONSTATIME KUNDREJT PROCEDURAVE TE ASISTUARA SIPAS INSTITUCIONEVE JANAR-DHJETOR 2022</i>	<i>PROCEDURE WITH AND WITHOUT FINDINGS AGAINST PROCEDURES ASSISTED ACCORDING TO THE INSTITUTIONS JANUARY-DECEMBER 2022</i>
<i>INSTITUCIONET QENDRORE</i>	<i>CENTRAL INSTITUTIONS</i>
<i>INSTITUCIONET VENDORE</i>	<i>LOCAL INSTITUTIONS</i>
<i>SHOQERI ANONIME</i>	<i>JOINT STOCK COMPANIES</i>
<i>INSTITUCIONE TE PAVARURA</i>	<i>INDEPENDANT INSTITUTIONS</i>
<i>PROCEDURA ME KONSTATIME KUNDREJT PROCEDURAVE TE MONITORUARA</i>	<i>PROCEDURES WITH FINDINGS AGAINST MONITORED PROCEDURES</i>
<i>PROCEDURA PA KONSTATIME KUNDREJT PROCEDURAVE TE MONITORUARA</i>	<i>PROCEDURES WITHOUT FINDINGS AGAINST MONITORED PROCEDURES</i>

6.2.3. Analyzing of the data regarding the reaction/reflection of the Contracting Authorities vis-a-vis the recommendations of the PPA.

a. Analyzing of the data compared to 2021

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 2022 regarding the assisted procedures, for which PPA has sent recommendations.

- Contracting Authorities have reflected on PPA recommendations in 69.2% of cases;
- Contracting Authorities failed to react or reflect on the PPA recommendations in 30.8% of cases.

From a comparative point of view regarding 2021, where the percentage of reaction has been at the level of 73% and the percentage of failure to reflect at the level of 27%, it turns

out that there is a decrease of 3.8% of the level of reaction of Contracting Authorities in 2022 vis-à-vis the recommendations provided by the PPA regarding the drafting of tender documents.

Comparative data for 2021-2022 regarding the number of assisted procedures are provided below :

Table 59

Procedures	2021	2022
Assisted procedures	2860	2782
Procurement procedure, for which no problems were identified when drafting the STD or where the identified problems were reflected by the CA	2282	2239
% of procedures with reflections versus procedures with recommendations	79.8%	80.5%

Chart 33



Translation of the chart:

Albanian	English
% e procedurave me reflektime dhe conform legjislacionit të prokurimit publik kundrejt procesurave të asistuara	% of procedures with reflections and in accordance with public procurement legislation against assisted processes
Viti 2021	Year 2021
Viti 2022	Year 2022

It turns out that there is a slight increase of the number of procedures, for which no problems were identified when drafting the Tender Documents or where the identified problems were reflected by the CA, and, more specifically, it is 80.5%. This is another indicator of the awareness increase of the CAs when drafting of the Tender Documents,

where the provision of continuous assistance by PPA in addition to the providing of recommendations has had an impact.

b. Analyzing of data according to the typology of Contracting Authorities

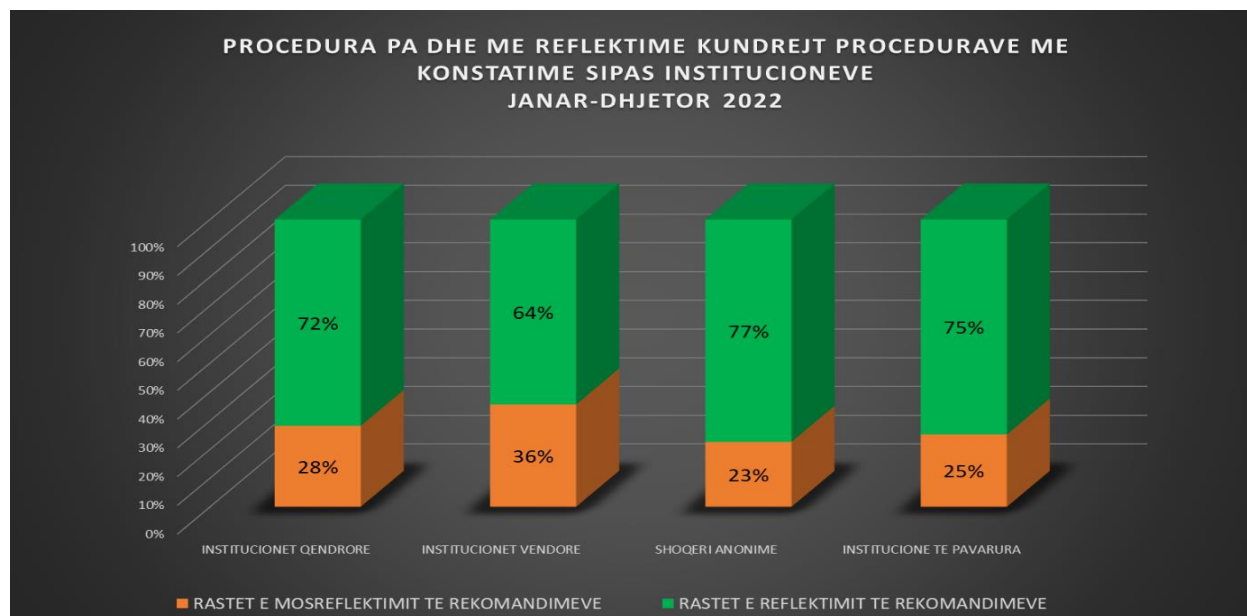
The ratio of reflections and non-reflections, against the recommendations delivered by PPA turns out to be different for the institutions, according to their typology.

Namely:

- In the case of joint-stock companies with state capital, the ratio of the level of reflections against the recommendations of the PPA is 77%, while the ratio of the level of non-reflections against the recommendations of the PPA is 23%;
- In the case of independent institutions, the ratio of the level of reflections against the recommendations of the PAP is 75%, while the ratio of the level of non-reflections against the recommendations of the PPA is 25%;
- In the case of the central institutions and their subordinate institutions, the ratio of the level of reflections against the recommendations of the PPA is 72%, while the ratio of the level of non-reflections against the recommendations of the APP is 28%.
- In the case of local institutions and their dependent institutions, the ratio of the level of reflections against the recommendations of the APP is 64%, while the ratio of the level of non-reflections against the recommendations of the PPA is 36%.

The chart presentation of these data is as follows:

Chart 34



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>PROCEDURA PA DHE ME REFLEKTIME KUNDREJT PROCEDURAVE ME KONSTATIME SIPAS INSTITUCIONEVE JANAR-DHJETOR 2022</i>	<i>PROCEDURES WITHOUT AND WITH REFLECTIONS AGAINST PROCEDURES WITH FINDINGS ACCORDING TO THE INSTITUTIONS JANUARY-DECEMBER 2022</i>
<i>INSTITUCIONET QENDRORE</i>	<i>CENTRAL INSTITUTIONS</i>

<i>INSTITUCIONET VENDORE</i>	<i>LOCLA INSTITUTIONS</i>
<i>SHOQERI ANONIME</i>	<i>JOINT STOCK COMPANIES</i>
<i>INSTITUCIONE TE PAVARURA</i>	<i>INDEPENDANT INSTITUTIONS</i>
<i>RASTET E MOSREFLEKTIMIT TE REKOMANDIMEVE</i>	<i>CASES OF FAILURE TO REFLECT THE RECOMMENDATIONS</i>
<i>RASTET E REFLEKTIMIT TE REKOMANDIMEVE</i>	<i>CASES OF REFLECTION OF RECOMMENDATIONS</i>

Referring to what is stated above, it turns out that the joint-stock companies have the highest percentage of reflections on the recommendations of the PPA, namely 77% of the procedures with findings, while the local government institutions have the lowest percentage of reflections on the recommendations of the PPA, namely, 64 % of procedures with findings.

In any case, it is important to emphasize that the recommendations of the PPA are a general assessment of the information obtained from the procedures published in the EPS and are aimed at increasing the accountability of CAs when drafting the tender documents. Meanwhile, any economic operator, which has concrete claims for specific criteria, in specific procedures, should follow the appeal procedures while the final decision-making on the legality of said criteria belongs to the Public Procurement Commission.

6.2.4. Analyzing the data regarding the average number of submitted bids and qualified bids in the procedures assisted by the PPA

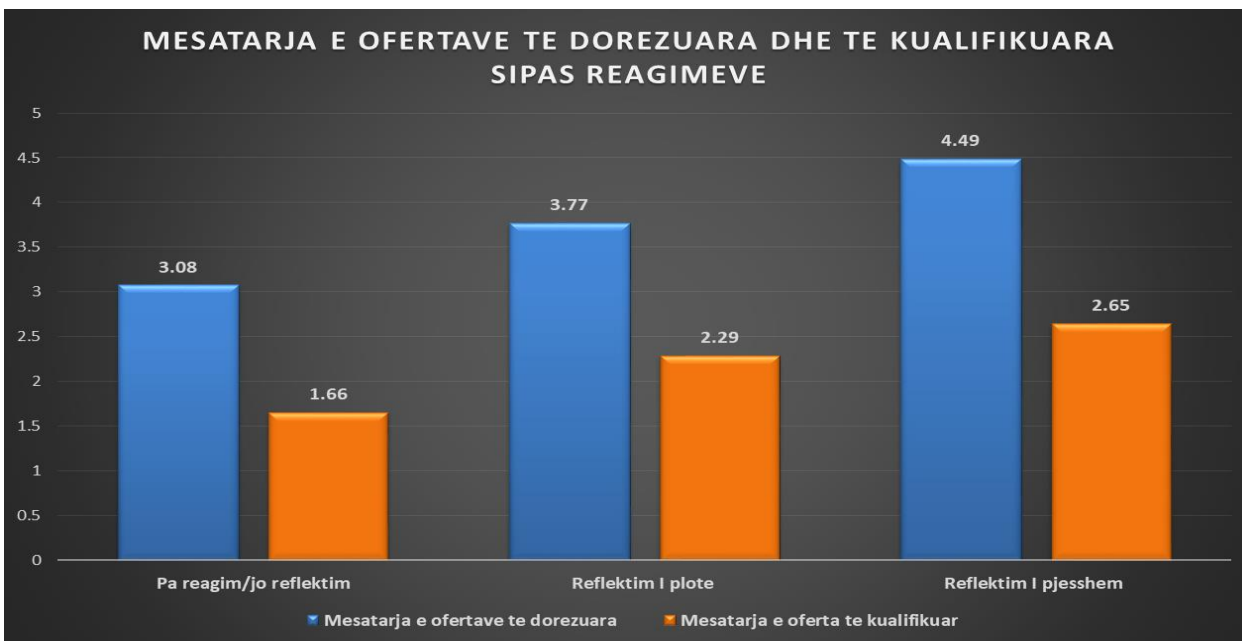
The number of participants, as a direct indicator of competition in public procurement procedures, is a very important indicator, which PPA monitors regarding assisted procedures.

According to the examination of the data regarding the number of submitted and qualified bids in the procedures assisted by PPA during January-December 2022, for which recommendations have been sent, it results that:

- The average number of bids submitted in the procedures, which have partially reflected the recommendations of PPA, is 4.49 while the average number of qualified bids is 2.65.
- The average number of bids submitted in the procedures, which have fully reflected the recommendations of PPA, is 3.77 while the average number of qualified bids is 2.29.
- The average number of bids submitted in the procedures, which have failed to react/reflect the PPA recommendations, is 3.08 while the average number of qualified bids is 1.66.

The average number of bids submitted and qualified in the assisted procedures, divided according to reactions/reflections to the PPA recommendations, are graphically presented in the following chart:

Chart 35



Translation of the chart:

Albanian	English
MESATARJA E OFERTAVE TE DOREZUARA DHE TE KUALIFIKUARA SIPAS REAGIMEVE	AVERAGE OF BIDS SUBMITTED AND QUALIFIED ACCORDING TO REACTIONS
Pa reagim/jo reflektim	Without reaction/no reflection
Reflektim i plote	Full reflection
Reflektimi i pjesshem	Partial reflection
Mesatarja e ofertave te dorëzuara	The average of submitted bids
Mesatarja e ofertave te kualifikuara	Average of qualified bids

Referring to what is provided above, it turns out that the highest average of bids submitted is in the procedures, which have fully or partially reflected the recommendations of PPA, respectively at the range of 3.77 and 4.49 submitted bids, whereas the average of qualified bids is 2.29 and 2.65.

Additionally, the above data about participation have been analyzed according to the typology of contracting authorities. Specifically:

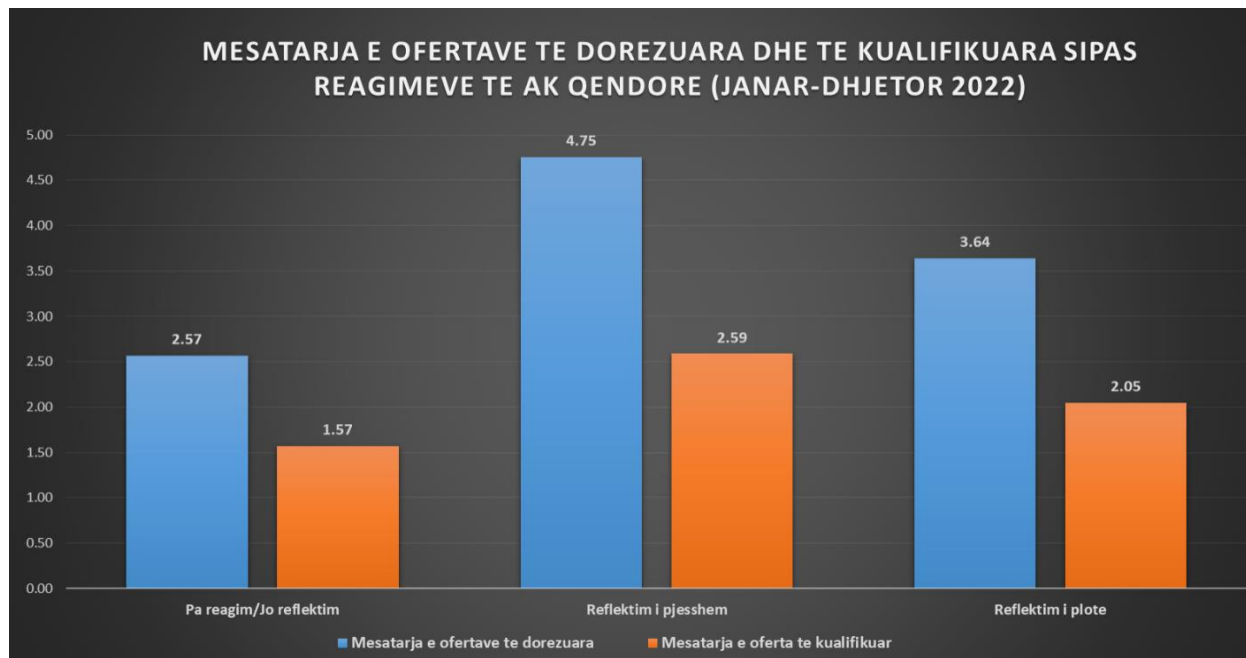
According to the examination of the data regarding the number of bids submitted and qualified in the procedures of the Contracting Authorities at central level, which were assisted by the PPA during January-December 2022, for which recommendations were provides, it turns out that:

- The average number of bids submitted in the procedures, which have partially reflected the recommendations of PPA, is 4.75 while the average number of qualified bids is 2.59.
- The average number of bids submitted in the procedures, which have fully reflected the recommendations of PPA, is 3.64 while the average number of qualified bids is 2.05.

- The average number of bids submitted in the procedures, which have failed to react/reflect the PPA recommendations, is 2.57 while the average number of qualified bids is 1.57.

The average number of bids submitted and qualified in the assisted procedures of central institutions are graphically presented in the following chart:

Chart 36



Translation of the chart:

Albanian	English
<i>MESATARJA E OFERTAVE TE DOREZUARA DHE TE KUALIFIKUARA SIPAS REAGIMEVE TE AK QENDRORE (JANAR-DHJETOR 2022)</i>	<i>AVERAGE OF BIDS SUBMITTED AND QUALIFIED ACCORDING TO REACTIONS OF CENTRAL ACs (JANUARY-DECEMBER 2022)</i>
<i>Pa reagim/Jo reflektim</i>	<i>Without reaction/no reflection</i>
<i>Reflektimi i pjesshem</i>	<i>Partial reflection</i>
<i>Reflektim i plote</i>	<i>Full reflection</i>
<i>Mesatarja e ofertave te dorëzuara</i>	<i>The average of submitted bids</i>
<i>Mesatarja e ofertave te kualifikuara</i>	<i>Average of qualified bids</i>

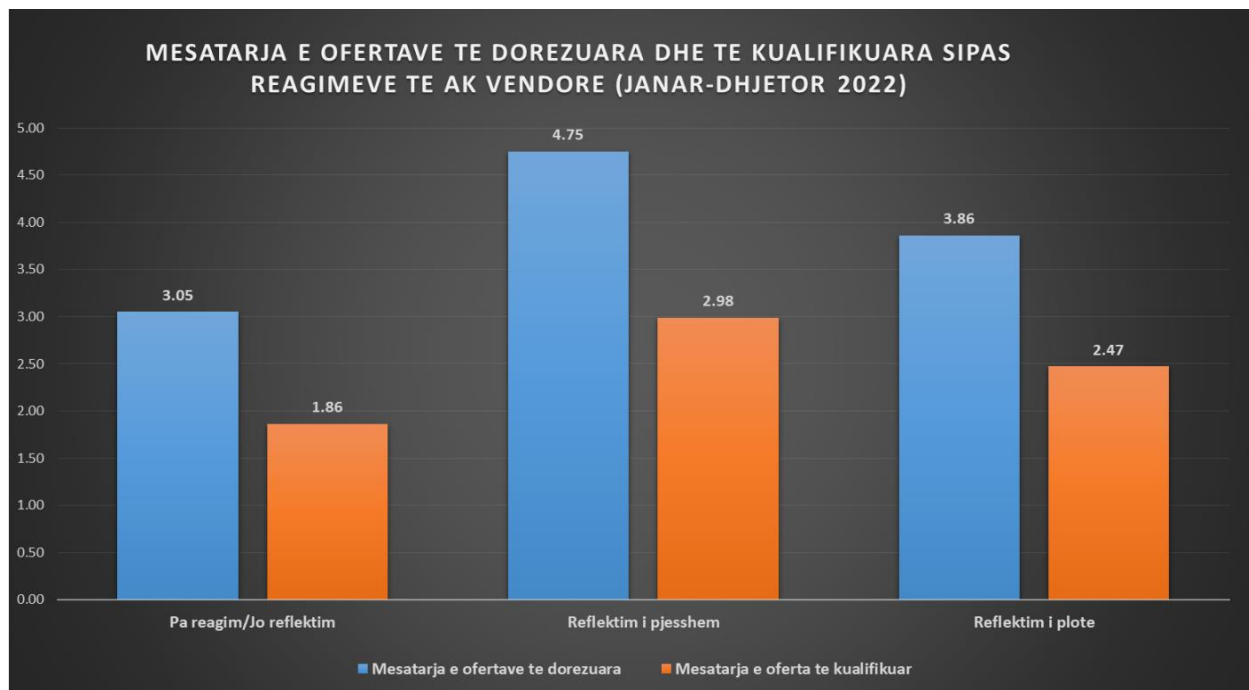
Based on the above analysis, it turns out that the highest average number of submitted and qualified bids of the Contracting Authorities of the central level is in the procedures, which have fully or partially reflected the recommendations of PPA, respectively at the level of 3.64 and 4.75 submitted bids and 2.05 and 2.59 qualified bids.

Based on the examination of the data regarding the number of bids submitted and qualified in the procedures of the Contracting Authorities of the local level, which have been assisted by PPA during January-December 2022, for which recommendations have been sent, it turns out that:

- The average number of bids submitted in the procedures, which have partially reflected the recommendations of PPA, is 4.75 while the average number of qualified bids is 2.98.
- The average number of bids submitted in the procedures, which have fully reflected the recommendations of PPA, is 3.84 while the average number of qualified bids is 2.47.
- The average number of bids submitted in the procedures, which have failed to react/reflect the PPA recommendations, is 3.05 while the average number of qualified bids is 1.86.

The average number of bids submitted and qualified in the assisted procedures divided according to reactions/reflections to APP recommendations, are graphically presented in the following chart:

Chart 37



Translation of the chart:

Albanian	English
<i>MESATARJA E OFERTAVE TE DOREZUARA DHE TE KUALIFIKUARA SIPAS REAGIMEVE TE AK VENDORE (JANAR-DHJETOR 2022)</i>	<i>AVERAGE OF BIDS SUBMITTED AND QUALIFIED ACCORDING TO REACTIONS OF LOCAL ACS (JANUARY-DECEMBER 2022)</i>
<i>Pa reagim/jo reflektim</i>	<i>Without reaction/no reflection</i>
<i>Reflektimi i pjesshem</i>	<i>Partial reflection</i>
<i>Reflektim i plote</i>	<i>Full reflection</i>
<i>Mesatarja e ofertave te dorëzuara</i>	<i>The average of submitted bids</i>
<i>Mesatarja e ofertave te kualifikuara</i>	<i>Average of qualified bids</i>

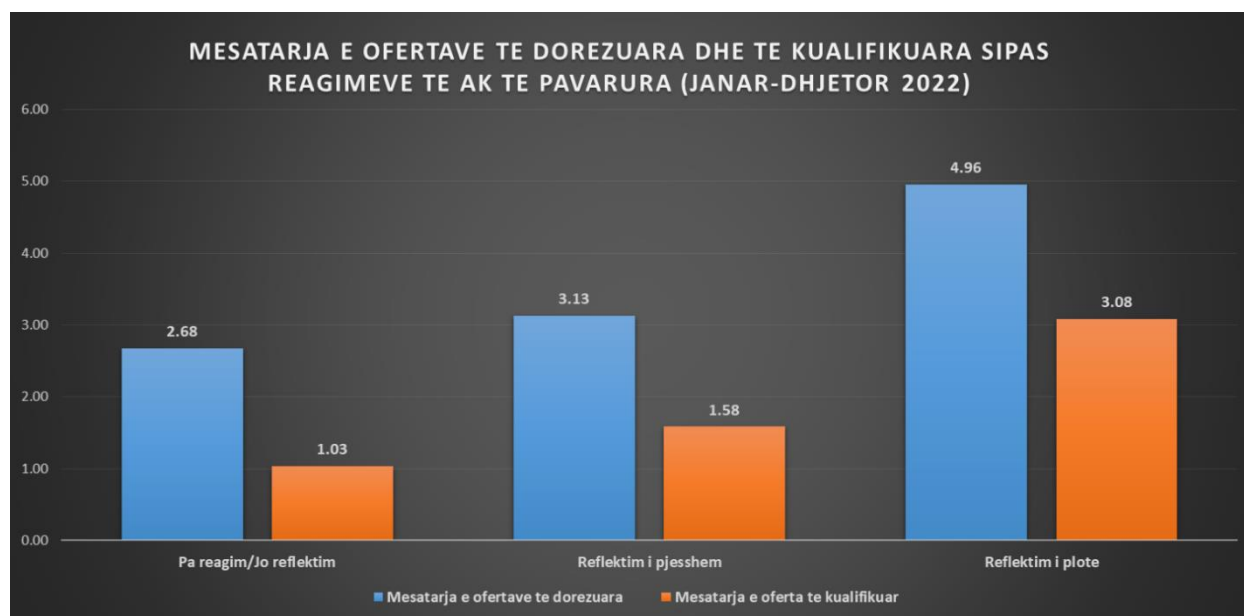
Based on the above analysis, it turns out that the highest average number of submitted and qualified bids of the Contracting Authorities of the local level is in the procedures, which have fully or partially reflected the recommendations of PPA, respectively at the level of 3.86 and 4.75 submitted bids and 2.47 and 2.98 qualified bids.

Based on the examination of the data regarding the number of bids submitted and qualified in the procedures of the **independent** Contracting Authorities of the local level, which have been assisted by PPA during January-December 2022, for which recommendations have been sent, it turns out that:

- The average number of bids submitted in the procedures, which have partially reflected the recommendations of PPA, is 3.13 while the average number of qualified bids is 1.58.
- The average number of bids submitted in the procedures, which have fully reflected the recommendations of PPA, is 4.96 while the average number of qualified bids is 3.08.
- The average number of bids submitted in the procedures, which have failed to react/reflect the PPA recommendations, is 2.68 while the average number of qualified bids is 1.03.

The average number of bids submitted and qualified in the assisted procedures divided according to reactions/reflections to APP recommendations, are graphically presented in the following chart:

Chart 38



Translation of the chart:

Albanian	English
MESATARJA E OFERTAVE TE DOREZUARA DHE TE KUALIFIKUARA SIPAS REAGIMEVE TE AK TE PAVARURA (JANAR-DHJETOR 2022)	AVERAGE OF BIDS SUBMITTED AND QUALIFIED ACCORDING TO REACTIONS OF INDEPENDENT ACs (JANUARY-DECEMBER 2022)
Pa reagim/Jo reflektim	Without reaction/no reflection
Reflektimi i pjesshem	Partial reflection
Reflektim i plote	Full reflection
Mesatarja e ofertave te dorëzuara	The average of submitted bids
Mesatarja e ofertave te kualifikuara	Average of qualified bids

Based on the above analysis, it turns out that the highest average number of submitted and qualified bids of the independent Contracting Authorities belongs to the procedures, which have fully or partially reflected the recommendations of PPA, respectively at the level of 4.96 and 3.13 submitted bids and 3.08 and 1.58 qualified bids.

Based on the examination of the data regarding the number of bids submitted and qualified in the procedures of the Contracting Authorities, which are Joint-Stock Companies and, which have been assisted by PPA during January-December 2022, for which recommendations have been provided, it turns out that:

- The average number of bids submitted in the procedures, which have fully reflected the recommendations of PPA, is 3.32 while the average number of qualified bids is 2.28.
- The average number of bids submitted in the procedures, which have partially reflected the recommendations of PPA, is 2.84 while the average number of qualified bids is 1.88.
- The average number of bids submitted in the procedures, which have failed to react/reflect the PPA recommendations, is 2.69 while the average number of qualified bids is 1.85.

The average number of bids submitted and qualified in the assisted procedures divided according to reactions/reflections to APP recommendations, are graphically presented in the following chart:

Chart 39



Translation of the chart:

Albanian	English
MESATARJA E OFERTAVE TE DOREZUARA DHE TE KUALIFIKUARA SIPAS REAGIMEVE TE SH.A (JANAR-DHJETOR 2022)	AVERAGE OF BIDS SUBMITTED AND QUALIFIED ACCORDING TO REACTIONS OF JSCs (JANUARY-DECEMBER 2022)
Pa reagim/jo reflektim	Without reaction/no reflection

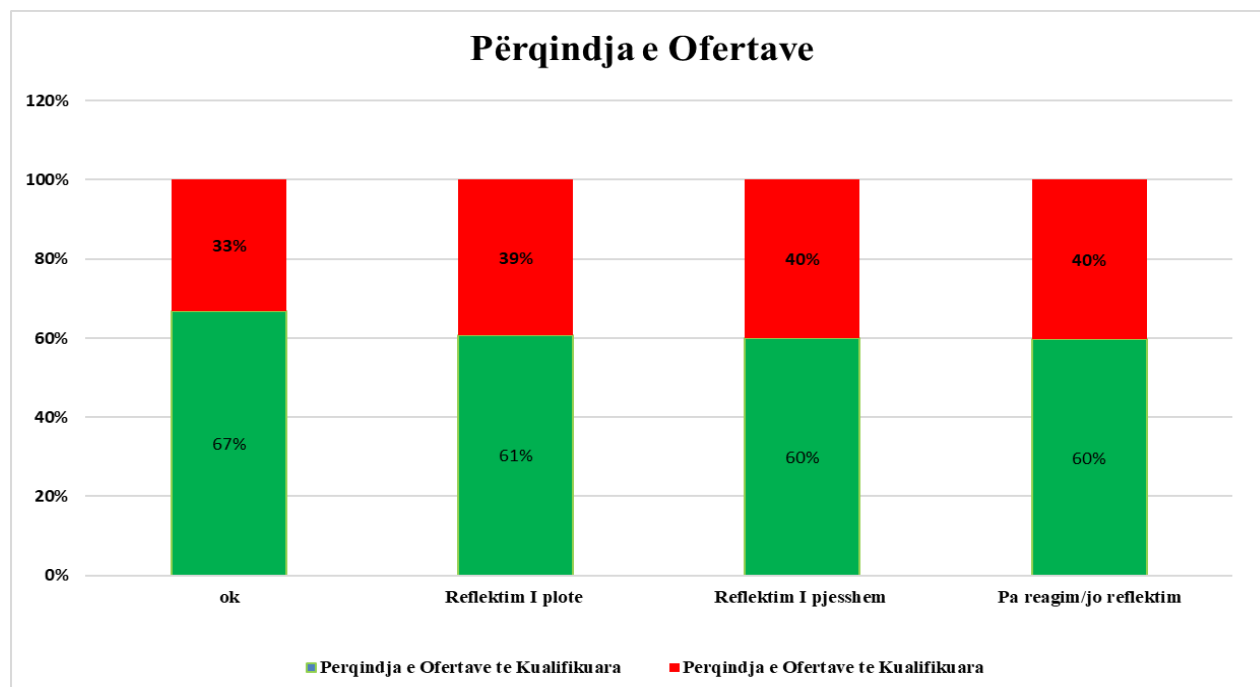
<i>Reflektimi i pjesshem</i>	<i>Partial reflection</i>
<i>Reflektim i plote</i>	<i>Full reflection</i>
<i>Mesatarja e ofertave te dorëzuara</i>	<i>The average of submitted bids</i>
<i>Mesatarja e ofertave te kualifikuara</i>	<i>Average of qualified bids</i>

Finally, according to the analysis of the ratio of the qualified and disqualified bids, compared to the bids submitted in the procedures assisted by PPA during January-December 2022, it turns out that:

- The percentage of bids qualified in the procedures, which resulted without problems, is 67% of the submitted bids, while the percentage of disqualified bids is 33%.
- The percentage of qualified bids in the procedures, which have fully reflected the recommendations of PPA, is 61% of the submitted bids, while the percentage of disqualified bids is 31%.
- The percentage of qualified bids in the procedures, which have partially reflected the recommendations of PPA, is 60% of the submitted bids, while the percentage of disqualified bids is 40%.
- The percentage of qualified bids in the procedures, which failed to react/reflect the recommendations PPA, is 60% of the submitted bids, while the percentage of disqualified bids is 40%.

The ratio of qualified and disqualified bids, against the submitted bids, in the assisted procedures, divided according to reactions/reflections to the PPA recommendations, is graphically presented in the following chart:

Chart 40



Translation of the chart:

Albanian	English
<i>Përqindja e Ofertave</i>	<i>Percentage of bids</i>

<i>ok</i>	<i>ok</i>
<i>Reflektim i plote</i>	<i>Full reflection</i>
<i>Reflektimi i pjesshem</i>	<i>Partial reflection</i>
<i>Pa reagim/jo reflektim</i>	<i>Without reaction/no reflection</i>
<i>Perqindja e ofertave te dorëzuara</i>	<i>Percentage of submitted bids</i>
<i>Perqindja e ofertave te kualifikuara</i>	<i>Percentage of qualified bids</i>

Referring to what is stated above, it turns out that the percentage of qualified bids is higher in the procedures, which have resulted without problems, namely at the range of 67%.

6.2.5. Drafting of recommendations pursuant to the public procurement legislation and cooperation with CAs

After analyzing the most frequent problems encountered during the assistance of procurement procedures in relation to the drafting of tender documents and, in particular, the special qualification criteria, PPA has drafted and published Recommendation No. 1797/1, dated 10 March 2022 "On drafting the qualification criteria of procurement procedures for supplies, works, services" pursuant to proper enforcement of the legislation on public procurement.

The APP has held an information meeting with the Local Government Units in the frame of the cooperation with the CAs regarding the drafting of the qualification criteria, the minutes of the justification and reflections to the recommendations provided by the PPA.

As a conclusion, we hereby estimate that the process of assistance given to contracting authorities during January-December 2022 concerning the drafting of standard tender documents, especially concerning the drafting of special qualification criteria, has continued normally by assisting almost half of the published procedures in the EPS, as well as addressing any preliminary requests presented by the Contracting Authorities. The level of problem-free procedures when drafting the tender documents has increased by 12% compared to 2021, as well as the level of reflection of Contracting Authorities to the recommendations of PPA results in almost the same levels compared to 2021.

The level of reflections and cooperation remains high with the Contracting Authorities of the central level, independent Contracting Authorities, as well as with the Joint-Stock Companies.

Meanwhile, although the level of reflections of the Contracting Authorities at the local level remains at lower levels than other Contracting Authorities, we hereby inform you that it has increased by 8% compared to 2021, where the information meeting with the Local Government Units organized by the Coordination sector resulted as a positive impact.

7. PPA MONITORING ACTIVITY

7.1 VERIFICATION OF THE ENFORCEMENT OF THE LEGALITY OF THE PROCEDURES

7.1.1 Ex-post verification of public procurement procedures

PPA conducts administrative investigation related to the enforcement of the legality of public procurement procedures, after the stage of signing the procurement contract or canceling the procedure. The deadline for conducting the investigation is no later than 3 years from the signing of the relevant procurement contract/cancellation of the procedure.

The administrative investigation by the PPA is carried out through the drafting of Monitoring Plans or direct verification, as well as based on the indications of auditing bodies such as ALSAI, internal audits of institutions, the Directorate of Financial Inspection, the National Coordinator for Anti-Corruption or by other institutions, which ask the PPA to conduct the investigation and take administrative actions against the responsible persons.

PPA does not only aim to penalize through the investigation/verification process persons who are found to have committed actions contrary to the legal provisions of procurement, but also to provide relevant recommendations to avoid the identified problems and improve the process in the future .

Specifically, PPA has conducted during 2022 administrative investigations/verifications, according to the data as provided in the following table:

- Data about the number of Contracting Authorities subject to verification and data about ex post verified procedures are presented in the following table:

Table 60

Data on verifications of public procurement procedures in 2022	
Contracting Authorities, subject to verification	42
Verified procurement procedures	177

The data about the types of verified procurement procedures are presented in a table form as follows:

Table 61

Type of public procurement procedure	Number
Open procedure	45
Request for proposal	36
Simplified open procedure	2
Negotiated without publication	3
Design contest	1
Small value procurement procedure	57
Dynamic purchasing system for international air transport tickets	33
TOTAL	177

- Data on the decision-making of PPA at the end of the verifications of the public procurement procedures are presented in the following table:

Table 62

PPA decision-making at the end of verifications	
Decisions with administrative actions (fine and/or proposal for disciplinary action)	35
Decisions to close the administrative investigation/rebuke/no irregularities found	8

- The data on the administrative actions (fine/proposal for disciplinary action) imposed by PPA, at the end of public procurement verifications, are presented in the following table:

Table 63

Fine	Proposal for disciplinary action
For 130 staff members in the Contracting Authorities, subject to verification	For 95 staff members in the Contracting Authorities, subject to verification

Moreover, the data about the decisions given according to the role of the person in the verified procurement procedures and according to the number of contracting authorities, are reflected in the following tables:

Table 64

Penalizing with fine	
Role of the official	Number
Member of the working group for the estimation of the limit fund and technical specifications	2 Contracting Authorities
Member of the Committee for drafting technical specifications, qualification criteria/technical capacities	4 Contracting Authorities
Member of the Procurement Unit	15 Contracting Authorities
Member of the Bid Evaluation Committee	15 Contracting Authorities
Member of the Complaints Review Committee	3 Contracting Authorities

Table 65

Proposal for disciplinary action	
Role of the official	Number
Head of the Contracting Authority	3 Contracting Authorities
Person responsible for drafting technical specifications	1 Contracting Authority
Member of the Committee for the estimation of the limit fund/ of the working group for the preparation of the budget for the works	5 Contracting Authorities
Person Responsible for Procurement	2 Contracting Authorities
Member of the Procurement Unit	7 Contracting Authorities
Member of the Bid Evaluation Committee	9 Contracting Authorities
Member of the Low Value Procurement Committee	3 Contracting Authorities
Member of the Dynamic Ticket System Commission	5 Contracting Authorities

Referring to the procedures verified during this year;

- **59** procurement procedures have been subject to verification mainly by PPA (verification plan, denunciations filed by economic operators), as well as based on the decisions of the Public Procurement Commission.
- **118** procurement procedures have been subject to verification because of indications from the final reports of the Albanian Supreme Audit Institution and internal audits.

Contracting Authorities, which are subject to verification mainly by PPA, based on the decisions of the Public Procurement Commission and those decisions sent by the Albanian Supreme Audit Institution and internal audits, belong for the most part to the central level institutions. Meanwhile, a small part of them is local institutions (municipality and institutions depending on them or independent institutions).

The process of administrative investigation/verification during this year was initiated *ex officio* by PPA, on the basis of verification plans, or following the denunciations filed by economic operators, in addition to the indications of auditing bodies and the decisions of the Public Procurement Commission, based on which initiation of the administrative investigation has been proposed to PPA.

According to the investigations/verifications carried out, various violations and deficiencies have been found, either from the procedural aspect, such as the following:

- *Failure to specify the responsible person/s in the procurement order, as defined in the public procurement rules. Meanwhile, the person responsible for the procurement has the task of continuously following the progress of the procurement process, according to the obligations assigned upon Decision of Council of Ministers to this role.*
- *Failure to assign the field specialist in procurement procedures, the object of which requires specific knowledge. Failure to assign the field expert has happened even in the composition of the Bid Evaluation Committee, taking into consideration the special knowledge needed for the procurement object.*
- *Assigning of persons who have participated in the preparation of the tender documents as members of the Bid Evaluation Committee, in violation of public procurement rules.*
- *Lack of justification and documenting of technical specifications, special suitability criteria, estimation of the limit fund, according to procurement rules.*
- *Failure to define the technical specifications in the relevant appendix of the tender documents.*
- *Failure to establish a working group or to appoint the representative/s of the Contracting Authority to verify the legality of the technical specifications, in cases where the latter have been prepared by private entities.*
- *Requests, in which the specific document to be submitted by the economic operators is not clearly defined, which may create problems or confusion both in terms of the fulfillment of the criteria by the bidding economic operators, and during the evaluation of the bids.*

- *Failure to document the verification process of the documentation of the winning economic operator submitted in written form.*

In addition to those with an essential character, such as the following:

- *Special criteria or technical specifications that prevent the wide participation of economic operators, such as:*
 - *Technical staff/Category of unnecessary licenses for the object being procured;*
 - *Different certifications to be presented by the same staff member of the economic operator, which creates conditions for an obstacle to the participation of economic operators, which have staff members with these certifications, but which are not presented simultaneously by the same staff member;*
 - *Request for product certificates conforming to European standards, without specifying the Albanian variant in the criteria, for those standards, which have been adopted in this variant;*
 - *Request for authorization by the manufacturer without justifying this request, under the conditions where economic operators can provide the products subject to procurement from authorized distributors and not necessarily directly from the manufacturer itself.*
- *Wrong qualification of economic operators, with deficiencies or irregularities in the submitted documentation, in view of the fulfillment of the qualification criteria.*
- *Completion in a number of procedures of the declaration forms about the state of conflict of interest according to public procurement rules has failed. Specifically, it was found that members of the Bid Evaluation Committee signed the respective declarations related to the participating bidders, before the day of the opening of the bids, thus making this declaration just for the sake of making it, because the members of the Bid Evaluation Committee did not have any information about the participating bidders on the date when the declaration was made.*

What's more, members of the procurement unit have not signed the declarations at the time when they were appointment in this capacity, or other persons designated for various procurement processes, such as those for the estimation of the limit fund or for the review of complaints of economic operators.

PPA has brought to the attention of the authorities the provisions of the procurement rules regarding the obligation to fill in the relevant declaration forms, depending on the role of the persons involved in the procurement processes.

7.1.2 Ex post verification of public auctions, concessions and procurements in the field of defense and security

Pursuant to the duties assigned to it by the respective legislation in the field of public auctions, concessions and procurements in the field of defense and security PPA has carried out as a monitoring institution during 2022 a series of measures and activities, such as building of administrative monitoring capacities in these areas, as well as the establishment of work practices and processes, according to the requirements of the legislation in force.

A special monitoring sector was established upon the reorganization and new institutional set-up in March of this year for the procedures in the above-mentioned fields. Meanwhile, recruitment procedures were undertaken to fill the vacant positions where a supervisor and an inspector were hired in the sector in August whereas the organization of the competition for the vacant position of an inspector is still expected.

Work continued with the verification processes immediately after the establishment of this sector. Work was initially focused in the field of public auctions by initiating in June a written communication with all the institutions that acted as Sales Authorities in the prior year, 2021 (77 such ones) to collect information on the progress of the auction activities carried out by them, as well as the legal obligation for regular semi-annual reporting to PPA.

The aim of the collection of this information was to make an analysis of the progress of the process in order to evaluate the performance of a more in-depth monitoring in regard to the verification of the implementation of the legality of the auction procedures that have been finalized with a contract. The intention was to highlight the problems related to the carrying out of the process, as well as those related to the legislative aspect in addition to drawing conclusions and making recommendations to improve the situation in this field.

It turned out based on the administered information that a total number of 336 auction procedures were conducted during 2021, of which only 122 were finalized with the signing of the contract.

The verification plan for 8 auction procedures was drawn up based on the information, which was made available. It was divided into two phases, where 4 Sales Authorities were included in Phase I of the plan. The Sales Authorities, which have carried out, at least, 2 auction procedures during 2021 finalized with signing of contract, were taken into consideration when selecting them. Whereas, the selection of procedures was based on the following criteria:

- Type of procedure used;
- Initial auction value;
- The object of the auction;
- Awarded value.

As far as Phase I of the plan is concerned, the administrative investigation has been completed for 2 procedures, which were concluded with the imposing of administrative actions pursuant to Article 7, Paragraph 2/c of the PAL, due to the finding of violations/shortcomings and actions or omissions of the Sales Authorities contrary to the provisions of the public auction legislation. In addition, the administrative investigation is in progress for 2 other procedures.

The statistical data about the administrative actions imposed by PPA, at the end of the administrative investigation, are presented below:

Table 66

Fine	Proposal for disciplinary action
------	----------------------------------

for 3 staff members in the Sales Authority, subject to verification	for 3 staff members in the Sales Authority, subject to verification
--	--

Based on the person's role in the verified procurement procedure, data by number of Sales Authorities are presented in the table below:

Table 67

Penalizing with fine	
Role of the official	Number
Member of the auction unit	1 Sales Authority

Table 68

Proposal for disciplinary action	
Role of the official	Number
Member of the auction unit	1 Sales Authority

- PPA has taken a series of actions during 2022 **concerning the verification of the legality of procurements in the field of defense and security**, both for building administrative capacities, as well as for creating work processes according to the requirements of the legislation in force as one of the powers assigned by Law 36/2020.

Given that PPA's activity is related to the handling of information classified as "State Secret", constant contacts were maintained with the Classified Information Security Directorate (hereinafter CISD) in the frame of the implementation of the system of safeguarding, managing and processing of classified information, which PPA staff members will access when fulfilling the functional tasks. The outcome of the aforementioned included the following:

- *A request has been presented to the Classified Information Security Directorate to provide the Head of the institution with Authorization from the Prime Minister to make the original "State Secret" classification of the information produced by PPA.*
- *The Prime Minister has authorized in October 2022 the Head of PPA to make the original "State Secret" classification of the information produced by the institution.*
- *Following this process, the Commission for the Classification of "State Secret" Information was established in PPA upon Order no. 100, dated 18 October 2022.*
- *Order no. 99, dated 18 October 2022 "On the appointment of the Security Officer in the Public Procurement Agency" was approved in order to define as clearly and as comprehensively as possible the duties of the Security Officer. It's a set-up, which was established upon Order with Protocol no. 9168, dated 24 May 2019 "On the exercising of duties".*
- *After that, the draft list of information classified as "State Secret", with the corresponding level of classification, as well as the time of storing the classification, was consulted and agreed upon with the officials of the Classified Information Security Directorate.*

- *The Commission approved upon Decision no. 1, dated 21 November 2022 "On the list of information classified as "State secret" in the Public Procurement Agency" the list of information classified as "State secret", which the institution will produce during its activity, and which is forwarded to the Classified Information Security Directorate.*
- *The list of functions, which will have access to classified information due to official duties was approved and sent to the Classified Information Security Directorate upon Order no. 110, dated 16.12.2022 "On defining the functions, which should be provided with the "Personnel Security Certificate" to get access to the information classified as "State Secret" in the Public Procurement Agency".*
- *The PPA staff completed, according to the approved functions, the documentation defined in Article 10 of the Decision of the Council of Ministers no. 188, dated 04 March 2015 "On the approval of rules for personnel security" in regard to providing them with Personnel Security Certificate and currently the request has been forwarded to the Classified Information Security Directorate.*

In this context, upon the completion of the sector with staff and the building of its administrative capacities through attending trainings in the respective fields of activity, as well as providing of the staff with the Personnel Security Certificate, it is intended that the focus of the verification process in 2023 will be placed in the procurement procedures in the field of national defense and security, as well as the concessionaire ones.

7.2 MONITORING OF CONTRACTS

7.2.1 Drafting of the necessary acts for the control of the implementation of legality during the contract monitoring process

In order to improve and facilitate the work of the Contracting Authorities for reporting the progress of the contract execution, PPA drafted Guideline no. 2, dated 18 March 2022, "On reporting about the contract execution", and the Standard Reporting Form, in accordance with the provisions of Article 125, of Law No. 162/2020, dated 23 December 2020 "On Public Procurement" and Article 107 of the Decision of the Council of Ministers No. 285, dated 19 May 2021 "On the Approval of Public Procurement Rules", as amended.

The purpose of drafting this guideline is to help the Contracting Authorities when reporting the progress of the execution of the signed contract. The Contracting Authorities/Entities must report according to the standard form approved upon the above-mentioned guideline, whenever different situations and problems are identified, which affect the contract execution according to its terms and conditions, or according to the conditions defined in the tender documents and in legislation in force, as well as at the completion of the concluded contract, in terms of the accuracy and quality of the contract execution.

7.2.2 Data about the number of signed contracts/Framework Agreements at the end of the procurement procedures conducted during January - December 2022

Referring to the data of the Electronic Procurement System, it results that a total of **3992 contracts/Framework Agreements** were signed during January - December 2022. The number of signed contracts, divided by type of contract (service, supplies, works), is as follows:

- **2,068** are contracts/ Framework Agreements of the Supply type.

- **1,092** are contracts/ Framework Agreements of Services type.
- **832** are contracts/ Framework Agreements of the Public works type.

7.2.3 Data about the reporting of contract execution plans by the Contracting Authorities.

3,659 contract execution plans signed by **352** Contracting Authorities were administered in electronic and/or written form during January - December 2022. Referring to the data presented by the CA in the relevant forms, it results that out of **3,659** execution plans registered during this period, **638** are execution plans for **call-offs** (contracts based on a Framework Agreement) and **445** execution plans are for **small value procurement contracts**.

Out the total number of 3,659 execution plans sent by the Contracting Authorities, it turns out that:

- **3,438** are execution plans, for contracts concluded during **2022**, of which **596** are for **call-offs** and **473** are for **small value procurement contracts**;
- **147** are execution plans for contracts concluded **during 2021**, of which **26** are for **call-offs** and **13** are for **small value procurement contracts**;
- **3** are execution plans for contracts concluded during **2020**, of which **2** are for **call-offs**;
- **71** execution plans (**14** of which are for **call-offs** and **5** are for **small value procurement contracts**) do not contain **the date of conclusion of the contract** in the form

Meanwhile, taking into consideration the fact that Contracting Authorities fail in many cases to fill in the appropriate data (if the contract is concluded on the basis of a Framework Agreement, or they send contract execution plans even for contracts concluded at the end of a small value procurement procedure by failing to register this fact in the relevant form), the above-mentioned data may change.

Based on the total number of contracts signed at the end of the procurement procedures above the threshold of small value procurements during January-December 2022, which is specifically 3, 992 contracts/Framework Agreements, it turns out that 2,965 execution plans were administered by the PPA for this period for contracts signed during this year, which is at the level of 74.3% of signed contracts. For the contracts concluded during the end-of-year period, mainly during the month of December, CAs continue to send the execution plans also during January 2023 and beyond.

Moreover, it is worth emphasizing the fact that during the period of 18 July 2022 - 04 August 2022, the electronic communication of the electronic address monitorimi.kontratat@app.gov.al was interrupted because of the cyber attack against the entire state electronic systems. Consequently, the contract execution plans, or other reports sent electronically by the Contracting Authorities during this period, were not administered, therefore being unable to record the exact number of CAs and plans sent by them. Taking this fact into consideration, it turns out that the percentage of the number of contract execution plans and Contracting Authorities is even higher than 74.3% of signed contracts.

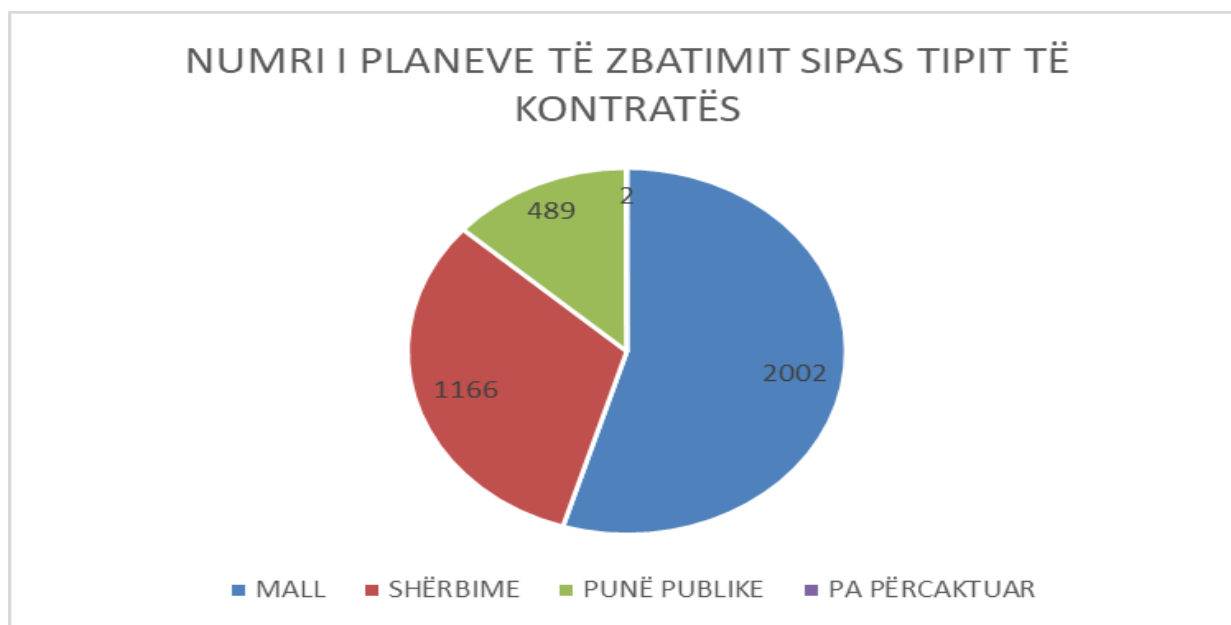
- **Execution plans grouped by contract type**

The number of contract execution plans, administered during January-December 2022, divided by the type of contract (service, supplies, works), turns out to be as follows:

- **2,002** are execution plans for contracts/Framework Agreements of the *Supply* type;
- **1,166** are re execution plans for contracts/Framework Agreements of *Services* type;
- **489** are re execution plans for contracts/Framework Agreements of the *Public works* type;
- **2** execution plans do not the type of contract and the object defined

The above data are graphically presented in the following chart:

Chart 46



Translation of the chart:

Albanian	English
NUMRI I PLANEVE TË ZBATIMIT SIPAS TIPIT TË KONTRATËS	NUMBER OF EXECUTION PLANS BY CONTRACT TYPE
MALL	SUPPLY
SHËRBIME	SERVICES
PUNË PUBLIKE	PUBLIC WORKS
PA PËRCAKTUAR	UNDEFINED

- **Execution plans grouped by type of Contracting Authority**

Meanwhile, the number of contract execution plans, divided by type of institutions, which have sent these execution plans, is as follows:

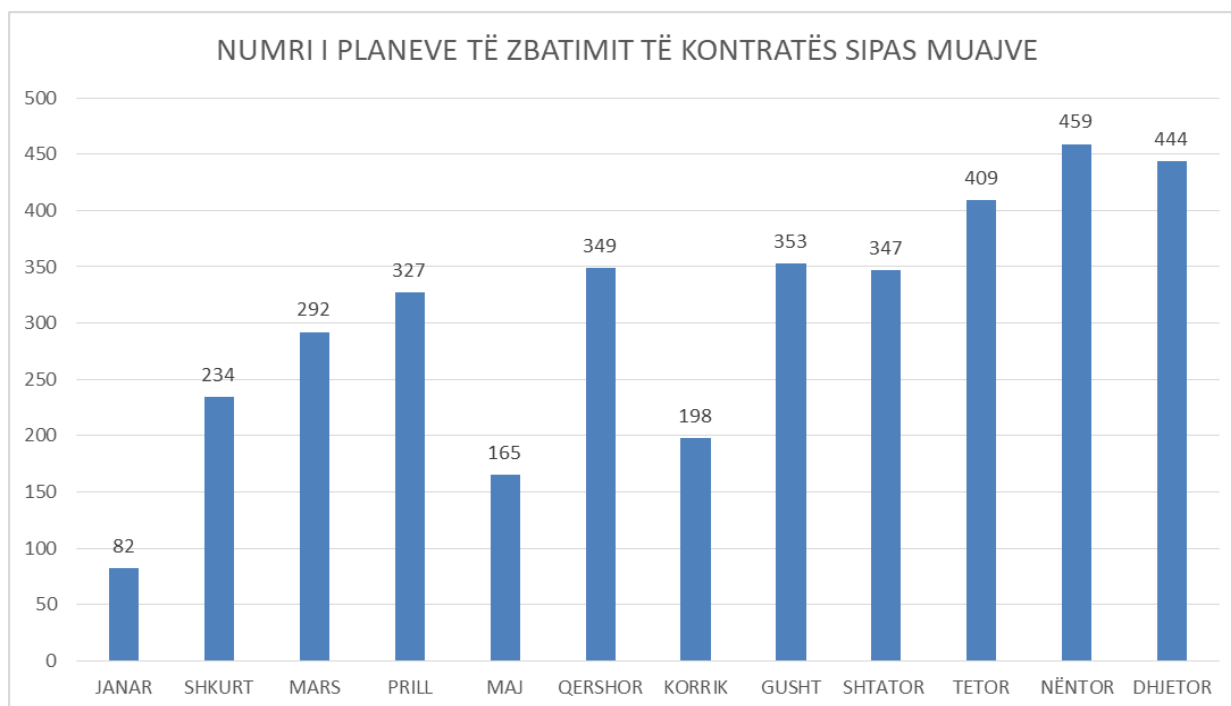
- **1,594** are execution plans for contracts concluded by central level institutions;
- **1,179** are execution plans for contracts concluded by local level institutions;
- **517** are execution plans for contracts concluded by **independent institutions**;
- **361** are execution plans for contracts concluded by **Joint Stock Companies**;
- **8** are execution plans for contracts concluded by **other** institutions
- **Execution plans grouped by the month when they were sent**

Additionally, the number of contract execution plans, administered for the period of January-December 2022, divided by month, is presented as follows:

- **82** contract execution plans were sent in **January**;
- **234** contract execution plans were sent in **February**;
- **292** contract execution plans were sent in **March**;
- **327** contract execution plans were sent in **April**;
- **165** contract execution plans were sent in **May**;
- **349** contract execution plans were sent in **June**;
- **198** contract execution plans were sent in **July**;
- **353** contract execution plans were sent in **August**;
- **347** contract execution plans were sent in **September**;
- **409** contract execution plans were sent in **October**;
- **459** contract execution plans were sent in **November**;
- **444** contract execution plans were sent in **December**;

The above data are presented according to the following chart:

Chart 47



Translation of the chart:

Albanian	English
<i>NUMRI I PLANEVE TË ZBATIMIT SIPAS TË KONTRATËS SIPAS MUAJVE</i>	<i>NUMBER OF CONTRACT EXECUTION PLANS BY MONTHS</i>
<i>Janar</i>	<i>January</i>
<i>Shkurt</i>	<i>February</i>
<i>Mars</i>	<i>March</i>
<i>Prill</i>	<i>April</i>
<i>Maj</i>	<i>May</i>
<i>Qershor</i>	<i>June</i>
<i>Korrik</i>	<i>July</i>

<i>Gusht</i>	<i>August</i>
<i>Shtator</i>	<i>September</i>
<i>Tetor</i>	<i>October</i>
<i>Nentor</i>	<i>November</i>
<i>Dhjetor</i>	<i>December</i>

When examining this chart, it turns out that the highest number of contract execution plans, respectively 459 execution plans, was in November 2022 , while the lowest number was in January, specifically 82 execution plans.

PPA has registered the data of 3,659 contract execution plans, which were sent to the institution.

PPA has continuously communicated with the Contracting Authorities about the deficiencies found in the drafting of the contract execution plans, in order to raise their awareness and assist them in this process. Specifically, about 563 communications were made electronically (via official e-mail), where they were asked to fill in the identified deficiencies for each respective section of the forms and were assisted as appropriate on how to complete the execution plan of the contract.

Additionally, due to the deficiencies identified when the drafting and sending the contract execution plan by the Contracting Authorities, PPA brought to the attention of the Contracting Authorities , upon Notification with Protocol no. 2638, dated 14 April 2022, the completion of the form of the contract execution plan without deficiencies in addition to the observance of legal deadlines of drafting and sending of the contract execution plan.

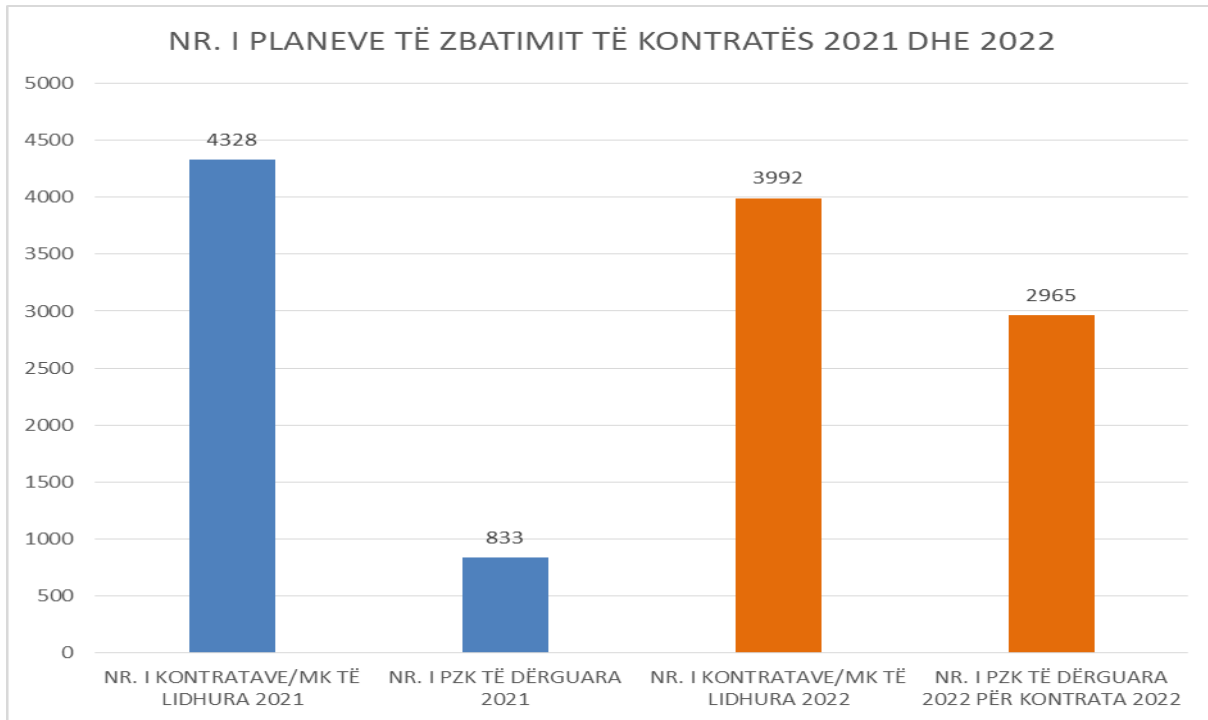
Subsequently, since the same deficiencies were found in the drafting of the execution plans, the Contract Monitoring Sector drafted Recommendation with Protocol No. 6858, dated 07 October 2022 "On the method of drafting the contract execution plan forms", addressed to Contracting Authorities.

The awareness of CAs regarding the process of drawing up the contract execution plan has kept increasing while it is observed an increase of the number of contract execution plans, which are sent to PPA.

When the data of 2021, where 4,328 contracts/Framework Agreements were concluded and 833 execution plans (which constitute 19.2% of the concluded contracts/Framework Agreements) were sent by the CAs are compared with the data of 2022 where 3,992 contracts/Framework Agreements were concluded and 2,965 execution plans for contracts concluded during this year (which constitute 74.3% of the contracts/framework agreements concluded) were drafted, it turns out that there is a significant increase of the number of contract execution plans sent by the CAs for contracts concluded during 2022.

The following chart presents comparative data regarding the number of contract execution plans sent by the CAs for 2021 and 2022.

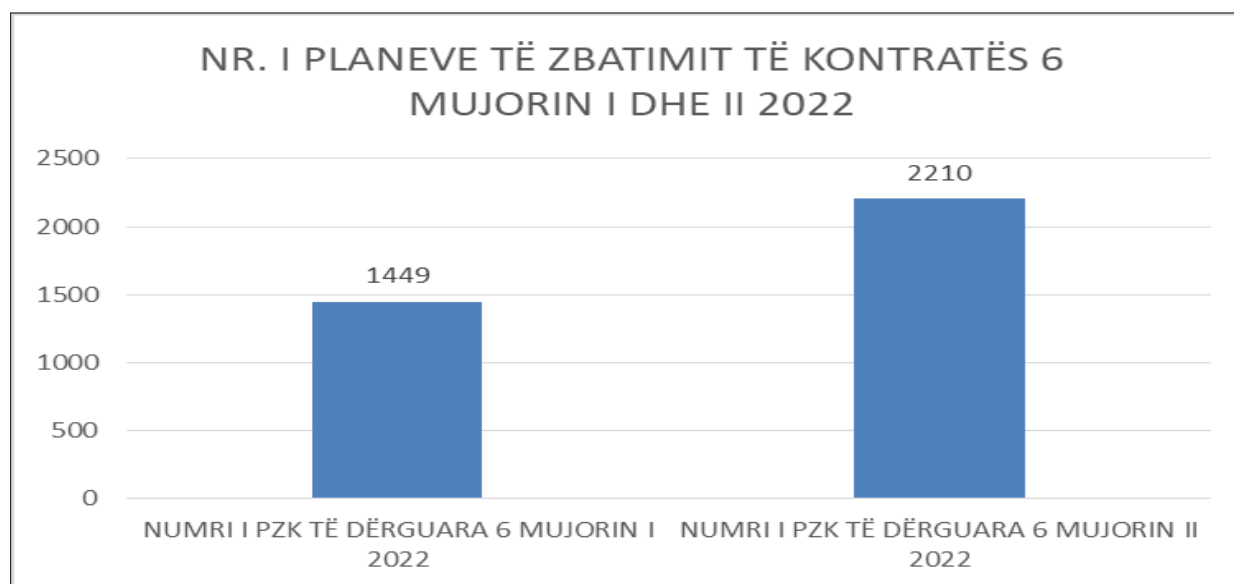
Chart 48



Translation of the chart:

Albanian	English
<i>NR. I PLANEVE TË ZBATIMIT TË KONTRATËS 2021 DHE 2022</i>	<i>NUMBER OF CONTRACT EXECUTION PLANS 2021 AND 2022</i>
<i>NR. I KONTRATAVE/MK TË LIDHURA 2021</i>	<i>NR. OF CONTRACTS/FA SIGNED 2021</i>
<i>NR. I PKZ TË DËRGUARA 2021</i>	<i>NR. OF CONTRACT EXECUTION PLANS SENT IN 2021</i>
<i>NR. I KONTRATAVE/MK TË LIDHURA 2022</i>	<i>NR. OF CONTRACTS/FA SIGNED 2022</i>
<i>NR. I PKZ TË DËRGUARA 2022 PËR KONTRATA 2022</i>	<i>NR. OF CONTRACT EXECUTION PLANS SENT IN 2022 FOR CONTRACTS 2022</i>

In addition, the number of contract execution plans administered by PPA has been increasing from the first half to the second half of the year. There were 2,210 contract execution plans in the second half of this year compared to 1,449 execution plans sent that were sent by the CAs during the first 6 half of 2022. The following chart presents the comparative data regarding the contract execution plans sent during the first and the second half of 2022.



Translation of the chart:

Albanian	English
NR. I PLANEVE TË ZBATIMIT TË KONTRATËS 2021 DHE 2022	NUMBER OF CONTRACT EXECUTION PLANS 2021 AND 2022
NR. I KONTRATAVE/MK TË LIDHURA 2021	NR. OF CONTRACTS/FA SIGNED 2021
NR. I PKZ TË DËRGUARA 2021	NR. OF CONTRACT EXECUTION PLANS SENT IN 2021
NR. I KONTRATAVE/MK TË LIDHURA 2022	NR. OF CONTRACTS/FA SIGNED 2022
NR. I PKZ TË DËRGUARA 2022 PËR KONTRATA 2022	NR. OF CONTRACT EXECUTION PLANS SENT IN 2022 FOR CONTRACTS 2022

Drafting of the contract execution plan has an important role in the process of monitoring the progress of the execution of the contract to ensure its proper execution according to the conditions, on the basis of which it was signed, and to guarantee that it is executed on time, with the defined quality and value, in compliance with the conditions defined in the tender documents and with the legislation in force. The contract execution plan is the document that helps the persons responsible for monitoring the contract to systematically follow the fulfillment of the contractual obligations.

7.2.4 Data about the accuracy of the contracts execution reported by CAs through reporting forms, during January - December 2022

The Contracting Authorities send in written and/or electronic form to monitorimi.kontratat@app.gov.al the reports on the progress of the execution of the contracts concluded by them, where it is reported in a summarized form, according to the standard reporting form, according to the cases, whether the contracts have been completed successfully, or not, or whether any problems have been encountered, or not, during their execution, as well as the measures taken to solve the problems.

The reporting forms were administered for the period of January - December 2022 regarding the execution of 2,622 **contracts** sent by 246 Contracting Authorities, of which:

- **1,434** reporting forms are for contracts concluded in **2022**;
- **1,101** reporting forms are for contracts concluded in **2021**;
- **84** reporting forms are for contracts concluded in **2020**;

- 3 reporting forms are for contracts concluded in **2019**.

Referring to what is described above, it is noted that the Contracting Authorities report also about contracts concluded during 2019/2020, which is an indicator of the awareness work that PPA has done for this process.

Comparing the data with the period of January - December 2021, where 1,619 reports were sent, it turns out that there is an increase of the number of the contract execution report forms sent by the CAs during January - December 2022. The chart below presents comparative data regarding the CAs reporting for January-December 2021 and January-December 2022.

Chart 50



Translation of the chart:

<i>Albanian</i>	<i>English</i>
NR I RAPORTEVE TË DËRGUARA NGA AK PËR VITIN 2021 DHE 2022	NUMBER OF REPORTS SENT BY ACs FOR 2021 AND 2022
VITI 2021	YEAR 2021
VITI 202E	YEAR 2022

Out of the total of 2,622 contracts/Framework Agreements reported in January - December 2022, it turns out that:

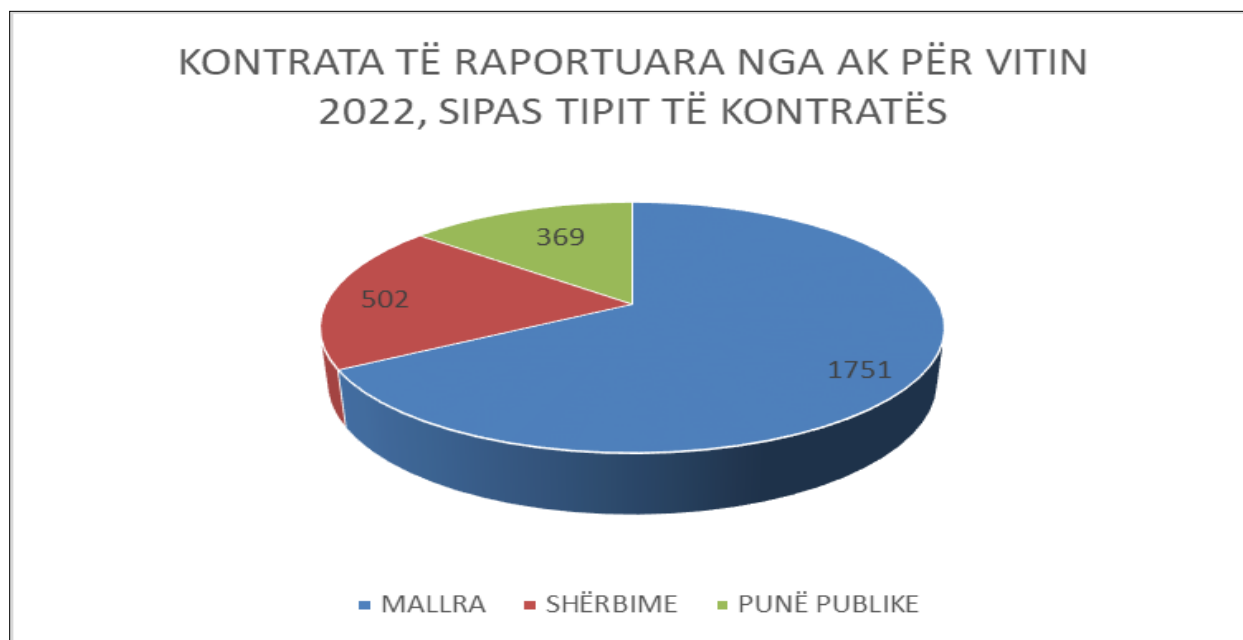
- 1,751 contracts, or approximately 66.8% of the reported contracts, are contracts / Framework Agreements of supply type;
- 502 contracts, or approximately 19.1% of the reported contracts, are contracts / Framework Agreements of service type;
- 369 contracts, or approximately 14.1% of reported contracts, are contracts / Framework Agreements of works type.

The table and chart below present data regarding the number of contracts/Framework Agreements reported for the period of January-December 2022, divided by type of contract (service/supplies/works).

Table 69

CONTRACTS/Framework AGREEMENTS REPORTED BY THE CONTRACTING AUTHORITIES BY TYPE OF CONTRACTS/Framework AGREEMENTS FOR THE PERIOD OF JANUARY- DECEMBER 2022		
TYPE OF CONTRACT/Framework AGREEMENT	NUMBER OF REPORTED OF CONTRACTS/Framework AGREEMENTS	NUMBER IN (%) OF REPORTED OF CONTRACTS/Framework AGREEMENTS
SUPPLIES	1751	66.8 %
SERVICES	502	19.1%
PUBLIC WORKS	369	14.1 %
TOTAL	2622	100%

Chart 51



Translation of the chart:

Albanian	English
KONTRATA TË RAPORTUARA NGA AK PËR VITIN 2022, SIPAS TIPIT TË KONTRATËS	CONTRACTS REPORTED BY THE CAS IN 2022 BY TYPE OF CONTRACT
MALLRA	SUPPLIES

<i>SHĚRBIME</i>	<i>SERVICES</i>
<i>PUNĚ PUBLIKE</i>	<i>PUBLIC WORKS</i>

Out of 2,622 reported contracts, it comes out that according to the data presented in the relevant forms:

- 928 of them are reports on call-offs (contracts based on a Framework Agreement).
- 1,694 of them are for contracts, of which 187 are for small purchase contracts.

The data reported in the 2,622 report forms for the execution of the contract sent to PPA were recorded by the Contract Monitoring Sector.

Moreover, the Contract Monitoring Sector has continuously communicated with the Contracting Authorities about the deficiencies found in the contract execution reports. About 475 cases of communication were carried out by e-mail and 37 with official letters, where additional information was requested on the progress of the execution of the contracts. This communication has included also the completion of the respective deficiencies of the forms, their re-sending after the full payment of the financial obligation, as well as bringing to the attention of the contracting authorities the fulfillment of legal obligations regarding the execution of contracts, according to the conditions with which they were procured.

Subsequently, since the same shortcomings and problems have been repeated when drafting the reporting forms of the contract execution, the Contract Monitoring Sector drafted Recommendation with Protocol No. 6818, dated 06 October 2022, "On the method of drafting the report of the contracts execution", addressed to Contracting Authorities/Entities, in order to avoid deficiencies and problems identified during the period subject to reporting.

Additionally, the Contract Monitoring Sector has verified the number of reports on the execution of the contracts sent by the Contracting Authorities for the contracts concluded by them during the second half of 2021, which have the date of the conclusion and the deadline of implementation as defined in the EPS, the term of which has ended by 28 February 2022 where it resulted that there is a significant number of contracts, for which Contracting Authorities/Entities have failed to report to PPA on their execution. Referring to what is described above, the Contract Monitoring Sector designed a methodology according to which it drafted a Monitoring Plan for 27 Contracting Authorities.

7.2.5 Challenges identified by the CA when executing the contracts based on the analysis of standard forms of reporting the progress of the contracts execution.

According to the analysis of the data of the standard forms of reporting on the contract execution submitted to PPA, it turns out that during January - December 2022 problems were reported for 113 contracts when they were executed. Based on the total number of 2,622 reports sent to PPA on the contracts execution, it results that about 4.3% of the reported contracts had problems when they were executed.

Specifically:

- The CAs applied penalties to the respective contractors for **40 contracts**, or for 1.53% of the reported contracts, of which:

- Penalties were applied in 33 cases due to failure to comply with the contract execution deadline;
- They were applied in 4 cases, because the supplies failed to meet the technical specifications, and the works were not carried out according to the procured conditions;
- They were applied in 3 cases due to failure to fully executing the contract or violation of other terms of the contract.
- CAs have reported suspension of works for **30 contracts**, or for 1.14% of the reported contracts, due to revision or clarification of the project, problems related to the release of the construction site, or obtaining the necessary permits for the progress of the works subject to the contract, or problems affecting the execution of the contract.
- Failure to fulfill the contractual obligations was reported for **11 contracts**, or for 0.42% of the reported contracts, where termination of the contract in 7 cases was also reported. In cases where CAs have not reported about the submission of the request for EO exclusion, the Contract Monitoring Sector has brought the legal provisions to the attention of CAs.
- Termination of the contract, or the termination of the contract before the stipulated deadline has been reported for **16 contracts**, or for 0.61% of the contracts subject to reporting, due to the change of the needs of the CA/because the execution of the contract has become impossible/due to the insolvency of the CA, or the reduction of funds/due to the increase of the price of fuel, the estimated quantities have been spent before the end of the contract deadline.
- Problems related to the execution of the project or inaccuracies of the project were reported for **11 contracts**, or for 0.42% of the reported contracts. These problems were resolved through the revision of the project, or inconsistencies with the technical specifications, which were subsequently corrected
- Lack of funds, or delays in the payment of the financial obligation due to the blocking of funds, or for 0.19% of the reported contracts, were reported for **5 contracts**.

Meanwhile, according to the examination of the data reported by the CAs on the date of full repayment of the financial obligation and the provision in the contract of the repayment period (for cases where these data have been completed by the CAs), referring to the reports, which were submitted according to the new standard reporting form as approved by PPA Guideline No. 2, dated 18 March 2022 "On the reporting of the contract execution", which includes the section of the contract provision about the repayment of the financial obligation, it comes out that there were delays in about 4.4% of the reported contracts concerning the repayment of the financial obligations from CAs. This issue has also been addressed in Recommendation with Protocol No. 6818, dated 06 October 2022, "On the method of drafting the reports about the execution of contracts", addressed to Contracting Authorities/Entities.

7.2.6 Modifications of contracts

Referring to the data in the EPS sent by the Database Management Sector under the Directorate of Database Management and Publication, it turns out that 16 contracting authorities have reflected the modification of 22 contracts as an item in the forecast register during January - December 2022 concerning their value, which constitutes 0.55% of the contracts concluded during 2022.

Based on the type of the modified contract, it turns out that:

- 9 modifications are for "Service" type contracts;
- 8 modifications are for "Work" type contracts.
- 5 modifications are for "Supplies" type contracts;

In addition, PPA has been notified also about **5** other **modifications** of the contract in terms of their value, carried out by 3 Contracting Authorities, which are not reflected as a register item in the EPS. In relation to these notifications, the Contract Monitoring Sector, in cooperation with the Publication Sector under the Directorate of Database Management and Publication has prepared the relevant documents, where it brings to the attention of the CAs the legal provisions in the case of contract modification.

Meanwhile, the reporting forms about the execution of the contracts, which were sent by the Contracting Authorities, and which were reviewed during January - December 2022, it results that the CAs postponed the execution deadline of **144 contracts**, or approximately 5.5% of the contracts subject to reporting. The Contracting Authorities have clarified that the postponement of the deadline for the execution of the contract mainly came as a result of the Covid-19 pandemic, bad weather conditions, delays of international transport due to force majeure, changes in the project, failure to release the construction site, unforeseen works, or other conditions that prevented the timely execution of the contract.

Additionally, referring to the reported forms, it results that the CAs made modifications to the contract price for **9 contracts**, where in one case the modification came as a result of the increase of the inflation index, and the other 8 modifications came as a result of the entry into force of a by-law that affected the terms of the contract (change of the minimum wage, as well as the fuel price).

Whereas, the CAs reported modification of 8 contracts in regard to changes of items or volumes of works, or improvements of the project, but which did not change the value of the contract, as well as for 1 contract with modification of the quantities of items, without changing the total value of the contract.

Recently, the CAs have reported other modifications for 8 contracts related to the change of the technical manager of the project, change of the persons responsible for the follow-up of the contract, change of the name of the CA after the re-establishment of the Joint Stock Company. In addition, there was a change of the technical specifications of the supplies for **1 contract**, which were delivered under more favorable conditions than those procured.

In total, when referring to the reports sent by the CAs and the data in the EPS, it results that there are 198 modified contracts, which make up about 4.96% of the contracts concluded in 2022.

The reporting of the progress of the execution of the contracts by the Contracting Authorities is an important process and plays a role in terms of raising the awareness of

the Contracting Authorities for rigorously following the execution of the contracts concluded by them, according to the procured conditions and in accordance with the legislation in force.

7.2.7 Reviewing of the final reports about the progress of the contract execution sent by the Centralized Purchasing Agency

The Centralized Purchasing Agency has sent 14 final reports to our institution for the period of January - December 2022 on the accuracy of the execution of the contracts for the contracts concluded based on the Framework Agreements by 14 Contracting Authorities.

This Agency has conveyed through these reports the problems and recommendations that have been made during the execution of the contracts concluded by these CAs.

Regarding the recommendations made by the Monitoring Group of the Centralized Purchasing Agency, the Contract Monitoring Sector has called the attention of 5 CAs through official letters to take into consideration the recommendations of the Monitoring Group during the execution of the contract.

Meanwhile, PPA has started the administrative investigation concerning the problems and violations found by the Centralized Purchasing Agency and presented in 9 Monitoring Reports, thus asking the Contracting Authorities to send objections regarding the observed violations.

At the end of the administrative investigation, APP has decided to propose **taking disciplinary action** for 5 Contracting Authorities against the persons responsible for following up the execution of the contracts subject to investigation. Meanwhile, PPA has decided to **close the administrative investigation** for **4 Contracting Authorities**.

7.2.8 Drafting of the Contracts Monitoring Plan

The PPA follows the progress of the execution of the contracts concluded by the CAs through the reporting forms the execution of the contracts. The PPA carried this out pursuant to its objectives closely related to the awareness of the CAa in regard to the fulfillment of legal obligations.

PPA has monitored this process through Monitoring Plan with Protocol No. 2772, dated 21 April 2022, the purpose of which is to verify the drafting of reports on the execution of contracts, which have been concluded by various Contracting Authorities during the second half of 2021, the term of which has ended as of 28 February 2022.

Internal Order No. 63, dated 21 April 2022 "On monitoring the drafting and sending of the report on the execution of contracts by 27 Contracting Authorities" was approved for the implementation of this monitoring plan.

Based on this monitoring plan, the administrative investigation has been completed for 27 Contracting Authorities, where the relevant decisions have been made. Specifically, it has been decided to propose **taking of disciplinary action** for **11 CAs** against the persons responsible for following up the contracts execution, because violations of the legal provisions related to the sending of the contract execution report forms have been found. Whereas, **the administrative investigation has been closed for 16 CAs** by drawing the attention of the Contracting Authorities to send the report forms on the contract execution

by the legal deadlines. According to the procedure, decisions are published on the official website of PPA.

What's more, at the end of the monitoring plan PPA drafted Recommendation with Protocol No. 6818, dated 06 October 2022, "On the method of drafting the contract execution report", which is published on the official website of PPA. It addresses the deficiencies and problems identified when drafting and sending of reports on the contracts execution, as well as the deficiencies identified during the continuous review of the reports sent by the CAs.

In the meantime, PPA has drafted the Monitoring Plan with Protocol No. 7628, dated 09 December 2022, with the object "Monitoring the execution of contracts concluded by various Contracting Authorities (based on the Framework Agreements that were signed during 2020-2021 by the State Centralized Procurements Agency (former Centralized Purchasing Agency). Order No. 108, dated 09 December 2022, was approved based on this Monitoring Plan while the administrative investigation regarding the execution of the contracts concluded by 6 Contracting Authorities has been initiated. The administrative investigations are still in process.

7.2.9 Organization of information meetings on issues related to the process of monitoring the contracts execution

PPA organized informative meetings with Local Government Units on June 14 and 15 pursuant to the objectives of the National Public Procurement Strategy 2020-2023, as well as based on the analysis made regarding the documentation sent by the Local Government Units related to the process of contracts execution, where deficiencies or inaccuracies have been found in the data completion.

Discussions at the meetings focused on the issues, which are closely related to the responsibilities and measures, which must be taken by the individuals/working groups, which are appointed by the head of the institution to monitor the contracts. In addition, the discussions focused mainly on the issues related to the following:

- The importance of drafting the contract execution plan and the necessary elements for its drafting;
- Following up the contract execution process, based on the execution plan;
- Contract modifications during their execution;
- Administration of contract execution documentation;
- Reporting to PPA on the progress of contract execution.

8. EXCLUSION OF ECONOMIC OPERATORS

The examination of cases for the exclusion of economic operators from the right to win public contracts is one of the main tasks of PPA. These cases are found during the process of verification or review of the reports of the audit bodies carried out by the PPA, or as a result of proposals of Contracting Authorities, economic operators, other auditing bodies when exercising their functions requiring the exclusion of economic operators.

112 cases were examined during the year concerning the exclusion of economic operators from the right to win public contracts.

This is presented in a table for as follows:

Table 70

Cases examined for the exclusion of economic operators	
Cases identified during the monitoring of the execution of the contract/verification of the implementation of the procedures, by PPA	5
Proposals initiated by Economic Operators	15
Proposals initiated by Contracting Authorities	77
Proposals initiated by the Public Procurement Commission	3
Proposals initiated by ALSAI/Financial Inspection	9
Implementation of the decision made by the Court	3
TOTAL	112

Out of the 112 cases proposed for exclusion:

- **57 cases** are referred for misinformation and submission of documents with false data, under the provisions of Article 78/1/a of the PPL;
- **1 case** is referred for misinformation and submission of documents with false data, under to the provisions of Article 7 of the Public Auction Law;
- **54 cases** are referred for failure to fulfill the contractual obligations, under the provisions of Article 78/1/b of the PPL.

This is presented in a table for as follows:

Table 71

Cases examined for the exclusion of economic operators, with legislation	
Proposals for misinformation and submission of documents with false data	58
Proposals for failure to fulfill the contractual obligations	54
TOTAL	112

Out of the cases reviewed:

- Administrative proceedings have started for 67 economic operators.
- **45** requests have turned out to be incomplete or, after the verifications carried out, it has turned out that the conditions provided for by the legal provisions for the initiation of administrative proceedings by the PPA did not exist..

Table 72

Examination of requests for exclusion	
Start of administrative proceedings	67 requests
Failure to initiate administrative proceedings	45 requests

- **Decisions made at the end of administrative proceedings against economic operators**

In the frame of administrative proceedings against economic operators:

- **It was decided to exclude 38 economic operators** from the right to win public contracts, under the provisions of Article 78/1 of the PPL.

- It was decided **not to exclude 13 economic operators**, because they did not meet the conditions provided for in Article 78 of the PPL.
- It was decided to **suspend the proceedings for 11 economic operators**, due to the court process.

The data about the decisions made at the end of the administrative proceedings are presented in a table form as follows:

Table 73

Data about the decisions	
Decisions on exclusion for misinformation for qualification purposes (Article 78/1/a of the PPL)	12 economic operators
Decisions on exclusion for submission of documents with false data for qualification purposes (Article 78/1/a of PPL)	6 economic operators
Decisions on exclusion for failure to fulfill the contractual obligations (Article 78/1/b of the PPL)	20 economic operators
Decisions not to exclude, based on the provisions of Article 78/1/a of Law 162/2020	8 economic operators
Decisions not to exclude, based on the provisions of Article 78/1/b of Law 162/2020	5 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, while the verifications have shown that the shareholder/administrator have been criminally convicted;*
 - *Misinformation through the presentation of the statement that there is no legal measure in force, while the reports sent by State Labor and Social Services Inspectorate showed that there were fines in force;*
 - *Misinformation in the delivered statement maintaining that the machines, with which it has bid, are not involved in other contracts, while the verifications have shown that its machines were in fact involved;*
 - *Misinformation through the submission of a tax invoice to prove the availability of a vehicle, while it turned out that the tax invoice has not been declared to the tax authorities.*
 - *Misinformation in the delivered statement about the possession of the fuel cards system,*
 - *Misinformation in the delivered statement about the technical staff.*
- The following may be mentioned as **cases when documents with false data are found**:
 - *After the verifications carried out by the issuing body, the professional training certificates presented in regard to the fulfillment of special qualification criteria have turned out not to have been issued by it;*

- After the verifications carried out by the Conformity Assessment Body, it turned out that the ISO certificates presented in the bidding were not issued by them;
- After the verifications carried out by the competent body, it turned out that the data of the Performance Certificate presented in the bidding were not the same as the data of the Certificate issued by this body;
- It is also worth mentioning the execution of the Decision of the Supreme Court No. 00-2022- 347(88), dated 28 February 2022, which provided that the company in the capacity of the plaintiff used a false document (accepted in both trials that it has incorrect content), and this constitutes a cause, which is reasonable and based on the law to exclude it from public procurement.

Additionally, PPA has decided the execution of Criminal Decision No. 34, dated 26 May 2022 of the Special Court of First Instance for Corruption and Organized Crime for two economic operators, which under Articles 8, 10 and 15 of Law No. 9754, dated 14 June 2007 "On the criminal liability of legal entities", banned them from participating in public funds procurement procedures either with state, central or local institutions, for a period of 2 (two) years.

As far as cases of failure to fulfill the contractual obligations, it turns out that there were 20 decisions on exclusions of economic operators.

The exclusion decisions made in these cases have been about failure to fulfill the contractual obligations during contracts signed mainly at the end of small value procurement procedures, but also for failure to fulfill the obligations of contracts signed after the conducting of a competitive procurement procedure.

Moreover, the administrative proceedings initiated by PPA are ongoing for 5 economic operators.

- In summary, examination of all requests for the exclusion of economic operators from the right to obtain public funds during 2022 are presented below in a table form:

Table 74

Examination of requests by PPA during 2022 for the exclusion of economic operators	
Decision	Number
Exclusion decisions	38
Non-exclusion decisions	13
Suspended administrative proceedings	11
Administrative procedures in process for decision-making	5
Incomplete requests	45
TOTAL	112

It is worth noting that, thanks to the institutional cooperation and mutual reporting with National Food Authority and State Labor and Social Services Inspectorate during this year, out of 10 (ten) administrative proceedings initiated based on bilateral reports, it was concluded as follows:

- 7 (seven) exclusion decisions for the economic operators;

- 2 (two) non-exclusion decisions;
- 1 administrative proceeding has been suspended, because the case is in Court.

PPA has signed in 2022 a Memorandum of Cooperation with the State Election Commission in order to implement the provisions of the Electoral Code, as well as of the PPL in the frame of the good use of public funds in public procurement procedures.

In addition, there has been continuous communication and a draft memorandum has been drawn up, which is in the process of discussion with the Ministry of Justice, the National Coordinator against Corruption, in view of institutional cooperation for the prevention and punishment of abusive actions and corruption in public procurement procedures and enhancement of the integrity of the staff who carry out these procedures.

9. REPRESENTATION OF PPA 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, as well as by the economic operators, against which a decision has been made to exclude them from the right to win public contracts.

Table 75

Court hearings attended by the Public Procurement Agency according to Court instance	
Court Instance	Number
Administrative Court of First Instance, Tirana	48
Court hearings in the districts	2
TOTAL	50

Table 76

Court hearings attended by the Public Procurement Agency in the Court of First Instance, Tirana, by type of lawsuit	
Type of lawsuit	Number
Against Public Procurement Agency decisions on the exclusion of economic operators	18 ¹⁰
Against the administrative act for the initiation of administrative proceedings for exclusion	2
Against PPA decisions to penalize officials	27
Employment relations	1
TOTAL	48

- **Court cases against the decisions made by PPA about the exclusion of economic operators**

¹⁰ Vlen te theksohet se, në këtë numër nuk janë përfshirë edhe dy çështje gjyqësore që kanë vijuar nga viti 2021 si dhe nuk janë përfshirë rastet kur për te njëjtin vendim është ankumuar me shumë se një herë nga operatori ekonomik.

If the decisions made by PPA about the exclusion of economic operators during the year (38 decisions) are analyzed, it turns out that **18 decisions** were appealed to the Administrative Court of First Instance, respectively through 23 lawsuits.

Therefore, only 47% of the decisions made by PPA have been appealed to the Court.

Specifically, according to the chart and table:

Chart 41



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>vendim perjashtimi</i>	<i>Exclusion decision</i>
<i>ankimuae ne gjykate</i>	<i>appealed to the court</i>

Table 77

Exclusion decisions	Lawsuit filed with the Administrative Court of First Instance
38	23¹¹

Concerning these 23 lawsuits, the Administrative Court of First Instance has decided, according to the data provided in the table below:

Table 78

Court cases against the Public Procurement Agency decisions on the exclusion of economic operators by Court decision	
Court decision	Number
Lawsuit rejected	8
Lawsuit granted	1
Lawsuit partially granted	5
Lawsuit returned	1

¹¹ For a decision of PPA about an exclusion request, the lawsuit may have been filed 2 times, because the Court has returned the lawsuit or closed the case.

Case dismissed	4
In process	4

So, as it may be seen from the chart below, the lawsuit was rejected in 35% of the cases, the lawsuit was partially granted in 22% of the cases, while the lawsuit was granted only in 1.4% of the cases.

Likewise, the lawsuit was returned in 1.4% of cases, while the case was dismissed by the Court in 18% of the cases.

Chart 42



Translation of the chart:

Albanian	English
<i>Vendimet e dhena nga Gjykata</i>	<i>Decissions made by the Court</i>
<i>rrezim</i>	<i>rejected</i>
<i>pranuar pjeserisht</i>	<i>partially granted</i>
<i>pranuar kerkese padia</i>	<i>lawsuit granted</i>
<i>kthim padie</i>	<i>lawsuit returned</i>
<i>pushuar</i>	<i>dismissed</i>
<i>Ne proces</i>	<i>in process</i>

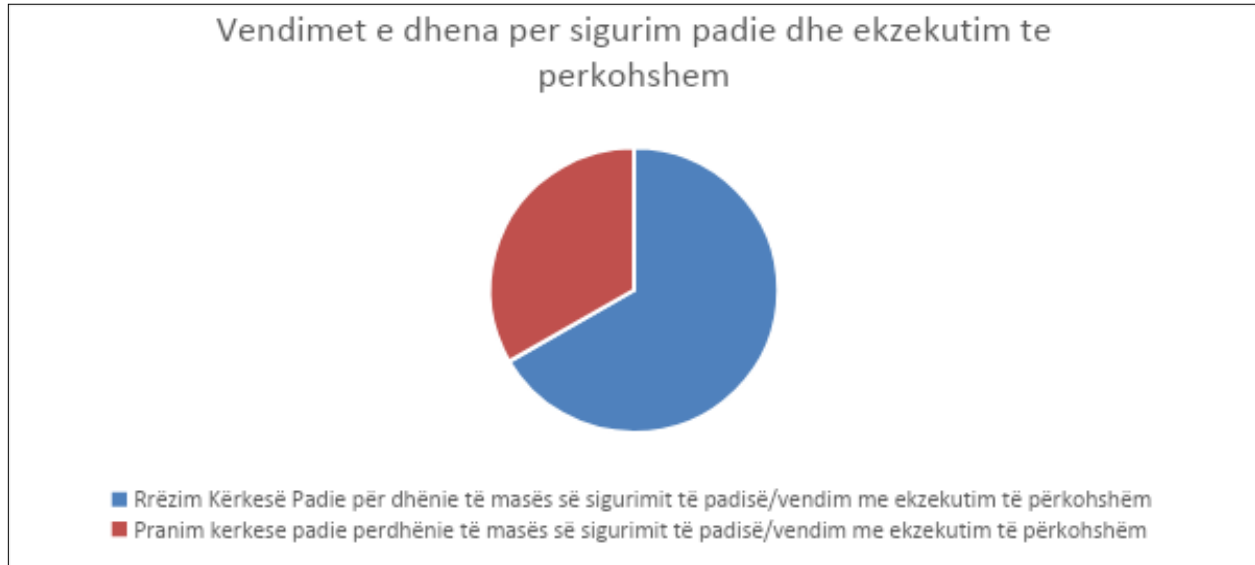
- In 18 cases out of 23 appeals to the Administrative Court of the First Instance, it was requested to secure a lawsuit or to make a decision of temporary execution. It should be noted that, **out of 18 appeals** filed with the Administrative Court of the First Instance, the latter has examined the lawsuits about granting the request for securing the lawsuit or requests for making a decision with temporary execution in only **6 cases**.

Table 79

Granting of the request for securing the lawsuit / decision with temporary execution	Rejection of the request for securing the lawsuit / decision with temporary execution
6	12

So, as it may be seen from the table, the Court decided to reject 67% of the lawsuits filed for the granting of the request for securing the lawsuit or request for making a decision with temporary execution, while it decided to grant them only in 33% of the cases.

Chart 43



Translation of the chart:

Albanian	English
<i>Vendimet e dhena per sigurim padie dhe ekzekutim te perkohshem</i>	<i>Decisions made for lawsuit security and temporary execution</i>
<i>Rrëzim Kërkesë Padie për dhënie të masës së sigurimit të padisë/vendim me ekzekutim të përkohshëm</i>	<i>Rejection of the request for securing the lawsuit / decision with temporary execution</i>
<i>Pranim kërkesë Padie për dhënie të masës së sigurimit të padisë/vendim me ekzekutim të përkohshëm</i>	<i>Granting of the of the request for securing the lawsuit / decision with temporary execution</i>

- **Court cases against the decisions made by PPA for penalizing the officials of the Contracting Authorities**

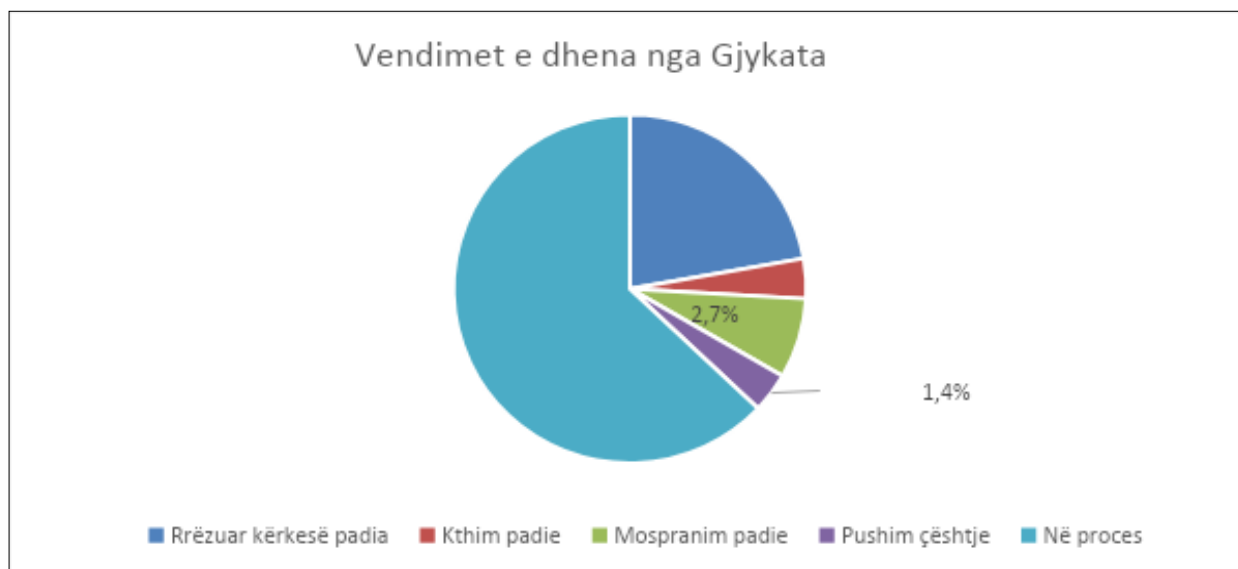
Concerning the Court cases against the decisions of PPA to penalize officials, at the end of the monitoring process or the review of audit reports, the Court has ruled as follows:

Table 80

Court cases against the decisions on fines by Court Decisions	
Court Decision	Number
Lawsuit rejected	6
Lawsuit returned	1
Lawsuit not accepted	2
Case dismissed	1
In process	17
TOTAL	27

As it may be seen from the table, in the case of lawsuits filed against the decision made for penalizing the staff of the Contracting Authorities/Entities, the Court has decided to dismiss the lawsuit in 63% of cases, to return the lawsuit in 4% , not to accept the claim in 2.7% of cases and to dismiss the case in 1.4% of the cases. Meanwhile, 22% of the initiated cases are in process.

Chart 44



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>Vendimet e dhena nga Gjykata</i>	<i>Decisions made by the Court</i>
<i>Rrëzuar kërkesë padia</i>	<i>Lawsuit rejected</i>
<i>Kthim padie</i>	<i>Lawsuit returned</i>
<i>Mospranim padie</i>	<i>Lawsuit not accepted</i>
<i>Pushim çështje</i>	<i>Case dismissed</i>
<i>Në proces</i>	<i>In process</i>

- Court cases closed by decision, in the first instance**

Out of 48 court cases examined this year in the Administrative Court of First Instance Tirana, only **27 court cases** have **ended** with the decision of the Court, whereas 21 cases are still in process.

Table 81

Court cases examined the Administrative Court of First Instance Tirana	
Court cases	Number
Ended with the decision	27
In process	21

Out of 27 court hearings concluded with a decision by the Court, 21 of them are appealable, whereas 6 are final decisions.

They are presented in a table form as follows:

Table 82

Final decisions	Appealable decisions
6	21

Meanwhile, out of 21 cases, for which the decision was appealable, the PPA itself exercised the right of appeal for **10** of them (as *decisions that granted a lawsuit by repealing the decision of PPA or changing the range of punishment imposed for the exclusion of economic operators*) at the Administrative Court of Appeal, Tirana.

About **85 cases** remain registered at **Tirana Administrative Court of Appeal** and examination is expected where PPA is the defendant/third party, or even the plaintiff (2 cases).

Table 83

Cases at the Administrative Court of Appeal	
Total	85

This Court made 1 (one) decision during this year, where it was decided to uphold the decision made by the Court of First Instance to reject the lawsuit.

In addition to the judicial cases before the administrative courts, as analyzed above, PPA is also a party to cases brought before the High Court, including cases carried over from previous years.

Thus, out of 26 cases carried over from previous years, 11 cases were closed by this Court during this year, in which PPA was the defendant, while 15 cases are currently in process.

Table 84

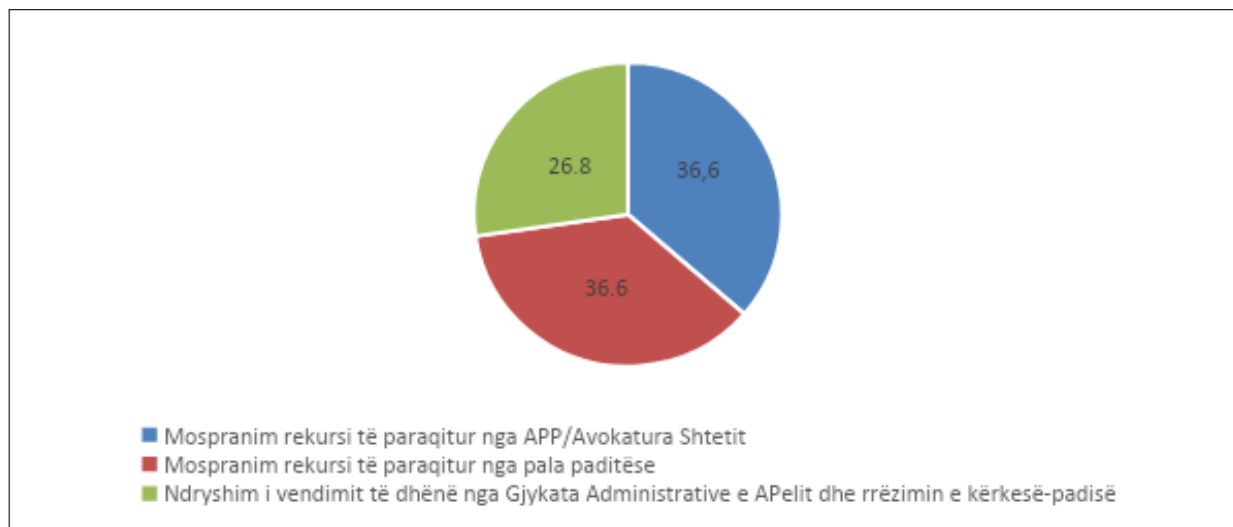
Cases at the High Court	
Total	15

The High Court has ruled in these **11 decisions** during this year as follows:

Table 85

High Court ruling in closed cases during 2022	
Curt cases	Number
Rejection of recourse filed by PPA/State Advocate Office	4
Rejection of recourse presented by the plaintiff	4
Amendment of the decision made by the Administrative Court of Appeal and rejection of lawsuit	3

Chart 45



Translation of the chart:

Albanian	English
Mospranim rekursi të paraqitur nga APP/Avokatura Shtetit	Rejection of recourse filed by PPA/State Advocacy Office
Mospranim rekursi të paraqitur nga pala paditëse	Rejection of recourse presented by the plaintiff
Ndryshim i vendimit të dhënë nga Gjykata Administrative e APelit dhe rrëzimin e kërkesë-padisë	Amendment of the decision made by the Administrative Court of Appeal and rejection of lawsuit

- It is worth noting that, pursuant to the Guideline of the Council of Ministers No. 1, dated 26 May 2022 "On defining the rules of waiving resources filed by the state administration under the responsibility of the Council of Ministers, not reviewed by the High Court, for **a number of cases of a civil and administrative nature**", PPA has communicated with the State Advocacy Office for the judicial processes, represented also by this institution, for some of which the right of recourse to the High Court has been exercised.

Specifically, pursuant to this Guideline, PPA, in the capacity of the defendant, has sent for examination to this institution, the administrative issues for which recourse has been filed with the High Court, with a value of less than forty times the minimum wage, and for which Courts of Appeal or the Administrative Court of Appeals has decided to uphold the decision of the Court of First Instance to reject the lawsuit.

PPA waits for the judgment of this institution, whether the cases according to the table sent to it, for which recourse has been filed with the High Court, under the provisions of this Guideline, should be waived, or not.

10. INDICATORS OF THE ACTIVITY REGARDING PUBLICATION

PPA checks all the items of the forecast registers of the public procurement procedures by approving or rejecting the elements of the Electronic Procurement System, 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. Then, it 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.

The preparation of the Public Notices Bulletin in accordance with the PPL, Decision of the Council of Ministers No. 176, dated 29 March 2006 "On the publication of the Public Notices Bulletin" and in accordance with the rules of public procurement, which is published on the main website of PPA is one of the main tasks.

During this period, 179 Public Notices Bulletins (of which 127 were Special Bulletins related to public procurement procedures for reconstruction) were prepared for publication, with a total number of 33,268 pages or an average of 186 pages per week.

PPA performs the following tasks when exercising this function:

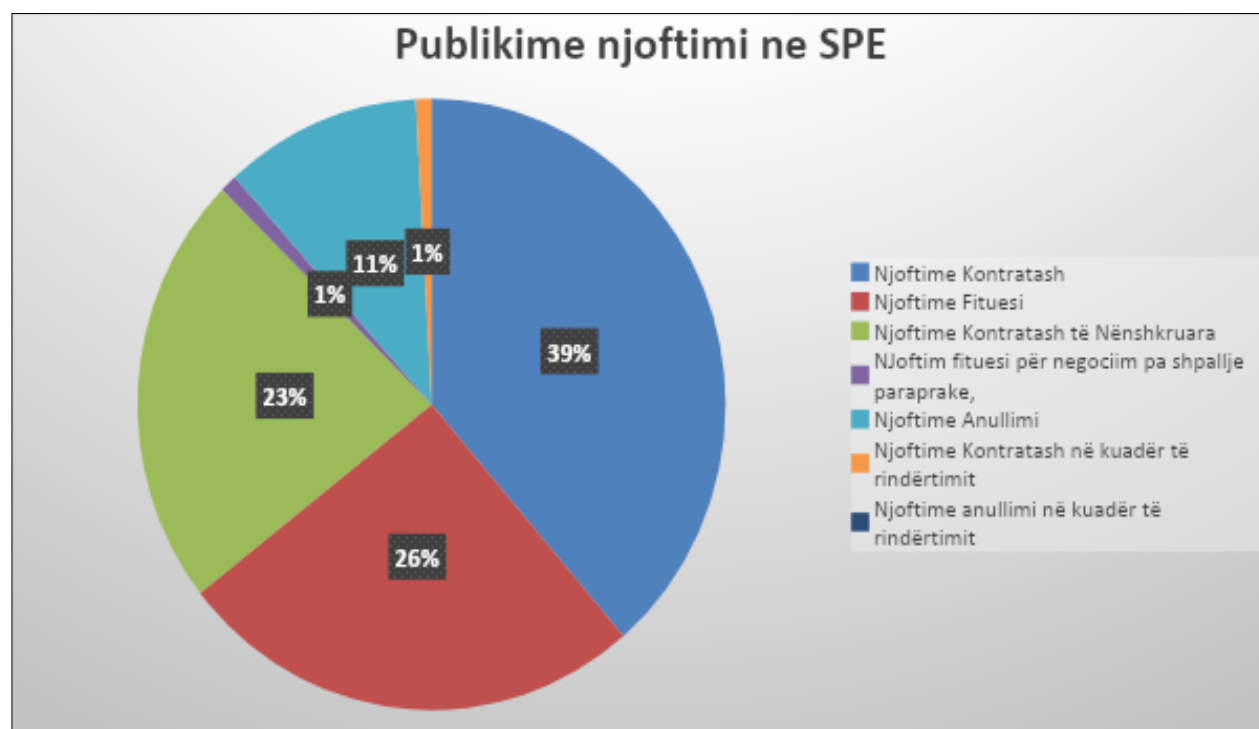
- Checks the data uploaded by the responsible persons in the register of forecasts and realizations of public procurement, approves or rejects their publication in the Electronic Procurement System.
- Checks the data uploaded in the Electronic Procurement System in accordance with procurement rules and concession rules, contract notices, winner notices, signed contract notices, cancellation notices, error correction notices for public procurement procedures /competitive procedures of concessions/PPP conducted by CAs, approves or rejects their publication in the EPS.
- Publishes in the Public Notices Bulletin in accordance with the rules of the public auction, contract notice, preliminary winner notices and, if the law provides, the final winner, signed contract notices, cancellation notices, error correction notices of auction procedures conducted by CAs.
- Publishes in the Bulletin of Public Notices the notices of mining permit procedures carried out by CA.
- Publishes in the Public Notices Bulletin, according to provisions of the Decision of the Council of Ministers 176/2006, any job vacancy notice or other notices required by CAs.
- Publishes in the Public Notices Bulletin the list of economic operators excluded from participation in public procurement, from concessions/Public Private Partnership or from participation in public auctions, as well as the grounds for this exclusion, based on the PPL, Article 7/d of the Law on Public Auction and Article 11/b of Law 125/2013 "On Concessions and Public Private Partnership" as amended.
- Publishes in the Electronic Procurement System any information or notice in accordance with the PPL, the rules of public procurement, as well as with the Decision of the Council of Ministers No. 176, dated 29 March 2006 "On the publication of the of Public Notices Bulletin", as well as in accordance with other laws.
- Prepares and sends the Public Notices Bulletin to be published on the PPA portal.
- Performs any other task as assigned by the Director of the Department or the General Director, in order to fulfill the objectives.

- Provides telephone or verbal support to the users of the Electronic Procurement System regarding the preparation of procedures and contract notices, winner notices, signed contract notices, cancellation notices, etc.
- Reports on procurement notices and procedures established in the system by the Contracting Authorities if irregularities are found.
- Represents the institution as appropriate.

10.1. Publication of notices in the Electronic Procurement System

The following were verified and published during 2022 in the Electronic Procurement System and then in the next Public Notices Bulletin:

- **6,494** 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;
- **4,321** Winner notices coordinated also with the Public Procurement Commission decisions about the suspension of procurement procedures by publishing in the Electronic Procurement System only the notices, for which the appeal deadlines were respected, without including reconstruction procedures, for which the second phase is not conducted in the system;
- **3,855** Signed contracts notices for the procedures carried out in the Electronic Procurement System, without including reconstruction procedures, for which the second phase is not conducted in the system;
- **157** Winner notice for negotiated procedures without prior publication;
- **1,815** Cancellation notices coordinated with the Public Procurement Commission decisions on suspension of procedures by publishing in 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 by publishing in the Electronic Procurement System only the notifications, for which the complaint deadlines have been respected;
- **16** Cancellation notices for procedures in the frame of reconstruction, coordinated with the decisions of the Public Procurement Commission for the suspension of procedures.

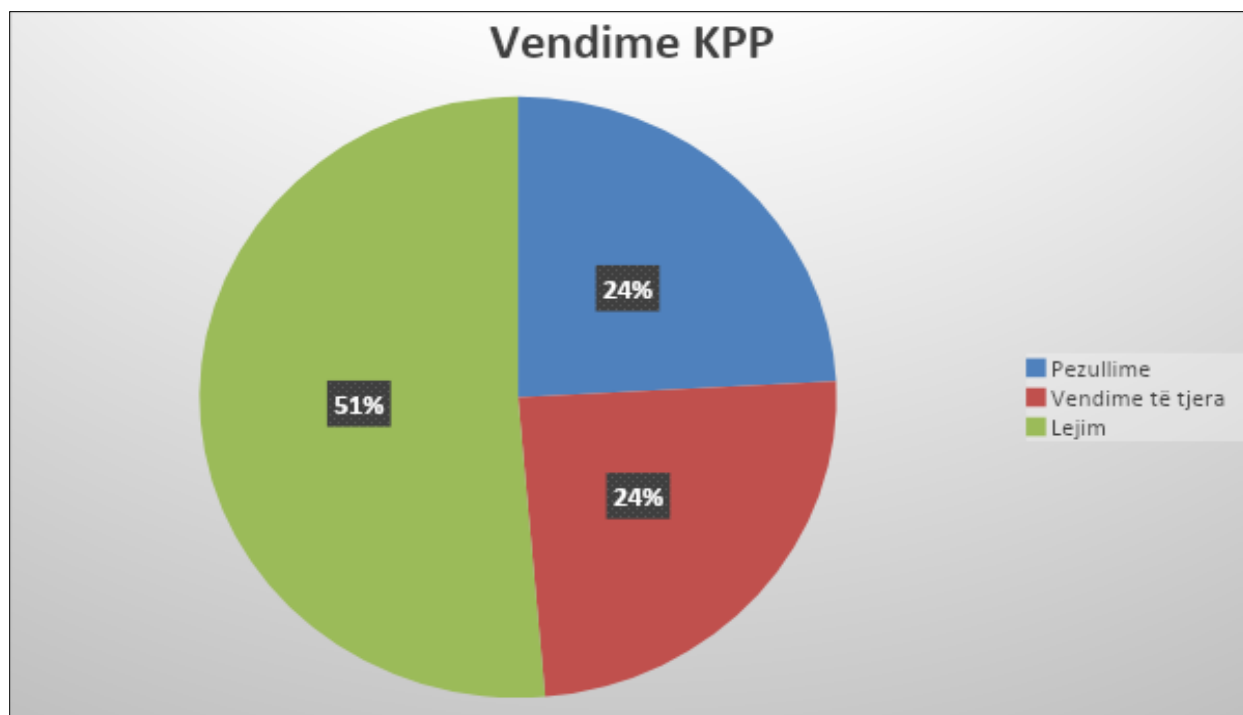


Translation of the chart:

Albanian	English
<i>Publikime njoftimi ne SPE</i>	<i>Publications of notice in the EPS</i>
<i>Njoftime Kontratash</i>	<i>Contract Notices</i>
<i>Njoftime Fituesi</i>	<i>Winner Notices</i>
<i>Njoftime Kontratash të Nënshkruara</i>	<i>Signed Contracts Notices</i>
<i>Njoftim fituesi për negociim pa shpallje paraprake</i>	<i>Winner Notices for negotiation without prior publication</i>
<i>Njoftime Anullimi</i>	<i>Cancellation Notices</i>
<i>Njoftime Kontratash në kuadër të rindërtimit</i>	<i>Contract notices in the frame of reconstruction</i>
<i>Njoftime anullimi në kuadër të rindërtimit</i>	<i>Cancellation notices in the frame of reconstruction</i>

PPA has handled 1,250 Decisions of the Public Procurement Commission regarding the suspension of procurement procedures at different stages by publishing in the Electronic Procurement System only the notices, for which the appeal deadlines have been respected. These (1,250) Decisions of the Public Procurement Commission of the period of January-December 2022 are detailed as follows:

- **302** initial suspensions of procurement procedures;
- **306** other decisions (cancellation, modification, interim suspension, reassessment, etc.);
- **642** permitting decisions.



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>Vendime KPP</i>	<i>PPC Decisions</i>
<i>Pezullime</i>	<i>Cancellations</i>
<i>Vendime të tjera</i>	<i>Other decisions</i>
<i>Lejim</i>	<i>Permission</i>

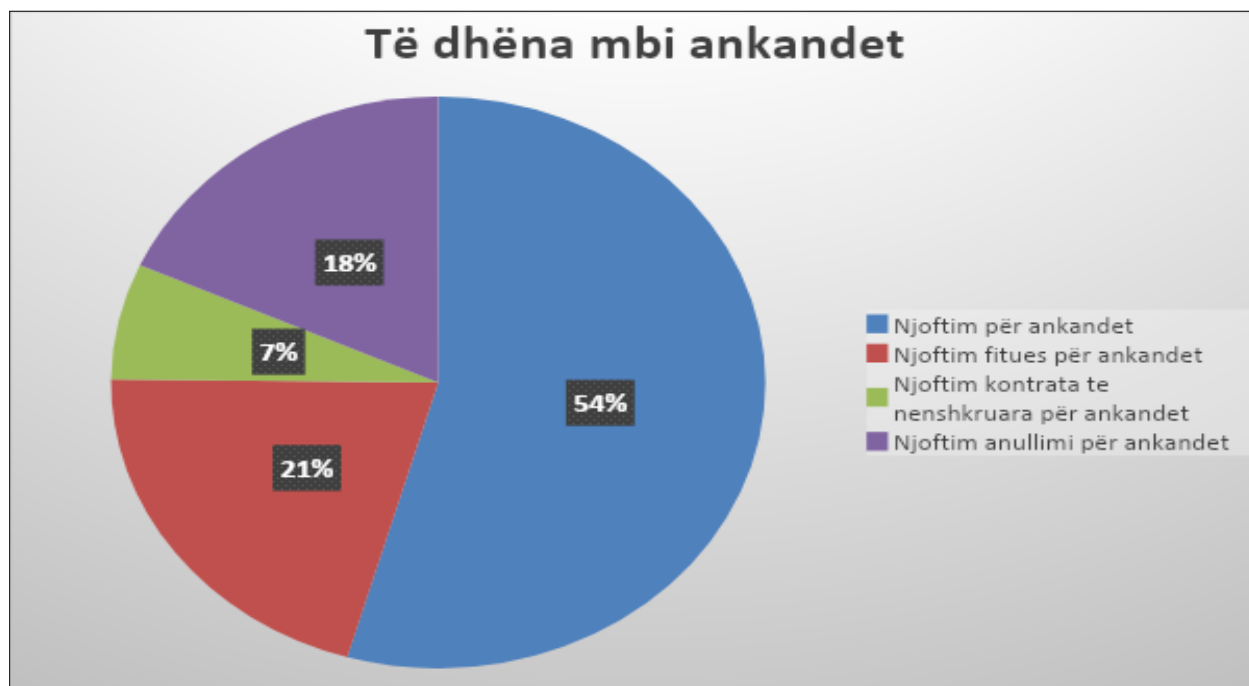
It is hereby emphasized that only the approved and published notices have been cited above, while they are rejected often due to errors found in the notice forms sent for publication by the Contracting Authorities or due to non-compliance with the appeal deadlines, PPC decisions, etc.

10.2. Publication of Public Auction Notices in the Public Notices Bulletin

The following notices of public auction procedures were published during 2022 in the Public Notices Bulletin:

- 358 Notices for public auctions conducted by the selling authorities;
- 136 Winner notices for public auctions conducted by the selling authorities;
- 43 signed contract notices for public auctions conducted by the selling authorities;
- 120 cancellation notices for public auctions conducted by the selling authorities;

Chart 54



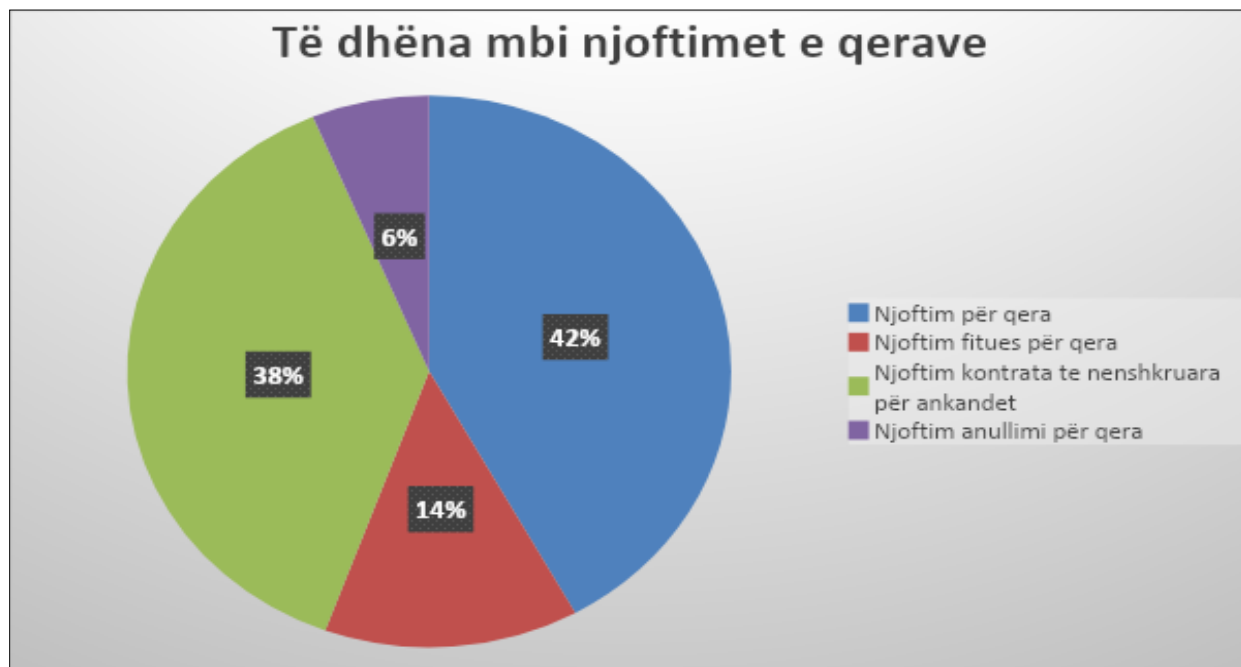
Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>Të dhëna mbi ankandet</i>	<i>Data about auctions</i>
<i>Njoftim për ankandet</i>	<i>Auctions notices</i>
<i>Njoftim fitues për ankandet</i>	<i>Auction winner notices</i>
<i>Njoftim kontrata të nënshkuara për ankandet</i>	<i>Signed contracts notices for auctions</i>
<i>Njoftim anulimi për ankandet</i>	<i>Auctions cancellation notice</i>

10.3. Publication of Rent Notices in the Public Notices Bulletin

The Publication Sector has published during January-December 2022 in the Public Notices Bulletin regarding lease rental procedures the following:

- 120 Notices for renting;
- 39 Winner notices for renting;
- 109 Signed contract notices for renting;
- 18 Rent cancellation notices.



Translation of the chart:

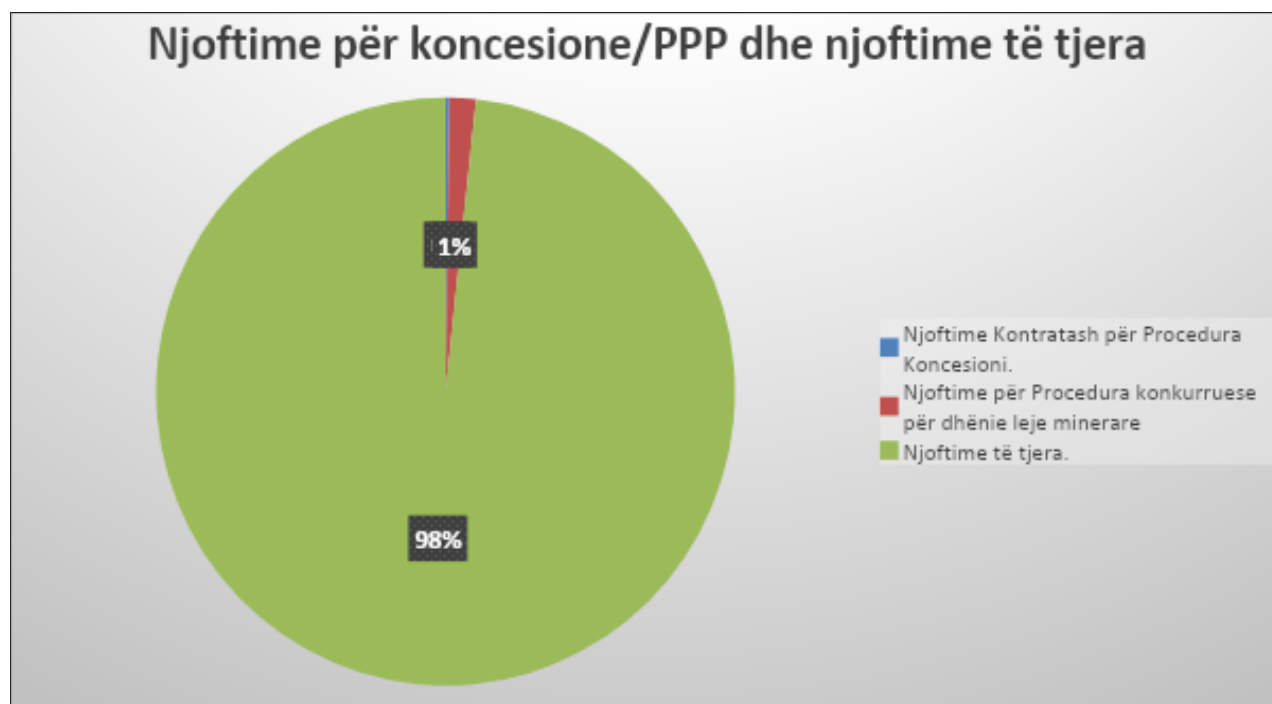
Albanian	English
<i>Të dhëna mbi njoftimet e qerave</i>	<i>Data about rent notices</i>
<i>Njoftim për qera</i>	<i>Rent notices</i>
<i>Njoftim fitues për qera</i>	<i>Rent winner notices</i>
<i>Njoftim kontrata të nënshkruara për qera</i>	<i>Signed contracts notices for rents</i>
<i>Njoftim anulimi për qera</i>	<i>Rent cancellation notice</i>

10.4. Notices of Concessions/Public Private Partnerships and other notices

The following notices were published during 2022 in the Public Notices Bulletin:

- 3 Contract Notices for Concession Procedures;
- 21 notices for competitive procedures of issuing mining permits;
- 1401 other notices.

Chart 56



Translation of the chart:

<i>Albanian</i>	<i>English</i>
<i>Njoftime për koncesione/PPP dhe njoftime të tjera</i>	<i>Notices of Concessions/Public Private Partnerships and other notices</i>
<i>Njoftim Kontratash për Procedura Koncesioni</i>	<i>Contract Notices for Concession Procedures</i>
<i>Njoftime për Procedura konkurruese për dhënie leje minerare</i>	<i>Notices for competitive procedures of issuing mining permits</i>
<i>Njoftime të tjera</i>	<i>Other notices</i>

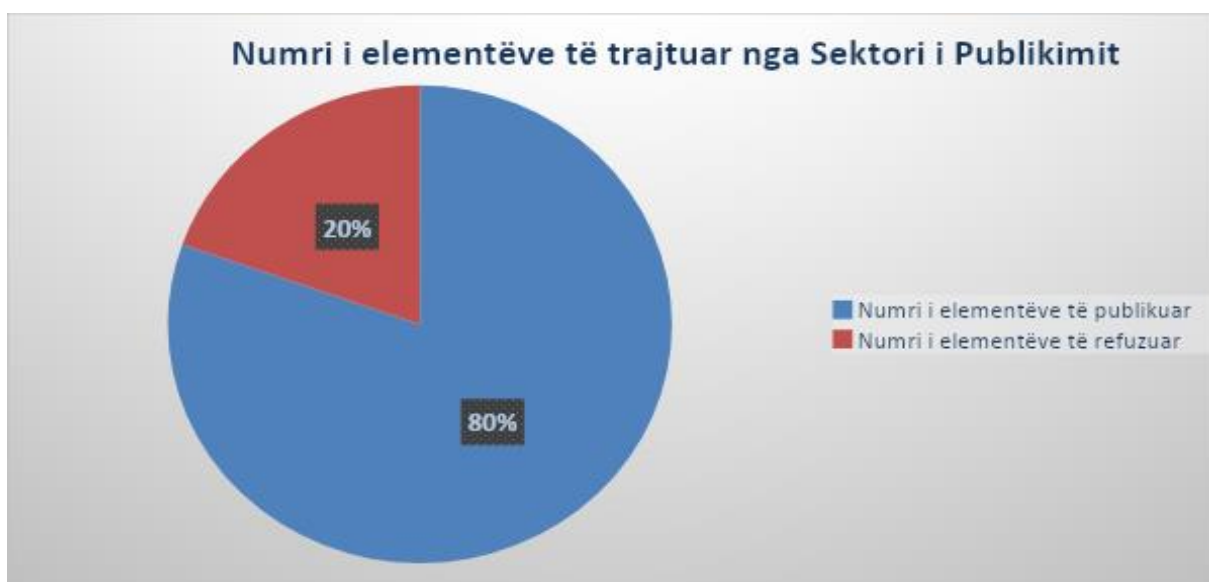
10.5. Publication of register elements in the system

Additionally, **39,687** registers elements were processed during the period of January-December 2022 (new items and changes made during January-December 2022) in the Forecasts Register of Procurement Procedures, of which **31,921** are published elements while **7,766** are elements rejected due to failure of the authorities to accurately complete the data.

Table 86

Number of elements handled by the Publication Sector	
Number of published elements	31921
Number of rejected elements	7766
Total	39687

Chart 57

***Translation of the chart:***

Albanian	English
<i>Numri i elementëve të trajtuar nga Sektori i Publikimit</i>	<i>Number of elements handled by the Publication Sector</i>
<i>Numri i elementëve të publikuar</i>	<i>Number of published elements</i>
<i>Numri i elementëve të refuzuar</i>	<i>Number of rejected elements</i>

PPA has been ready to publish most of the elements of the register within 24 hours of sending them for publication to PPA.

10.6. Reviewed cases

3,928 detailed cases (paper documents) are handled during January-December 2022 as follow:

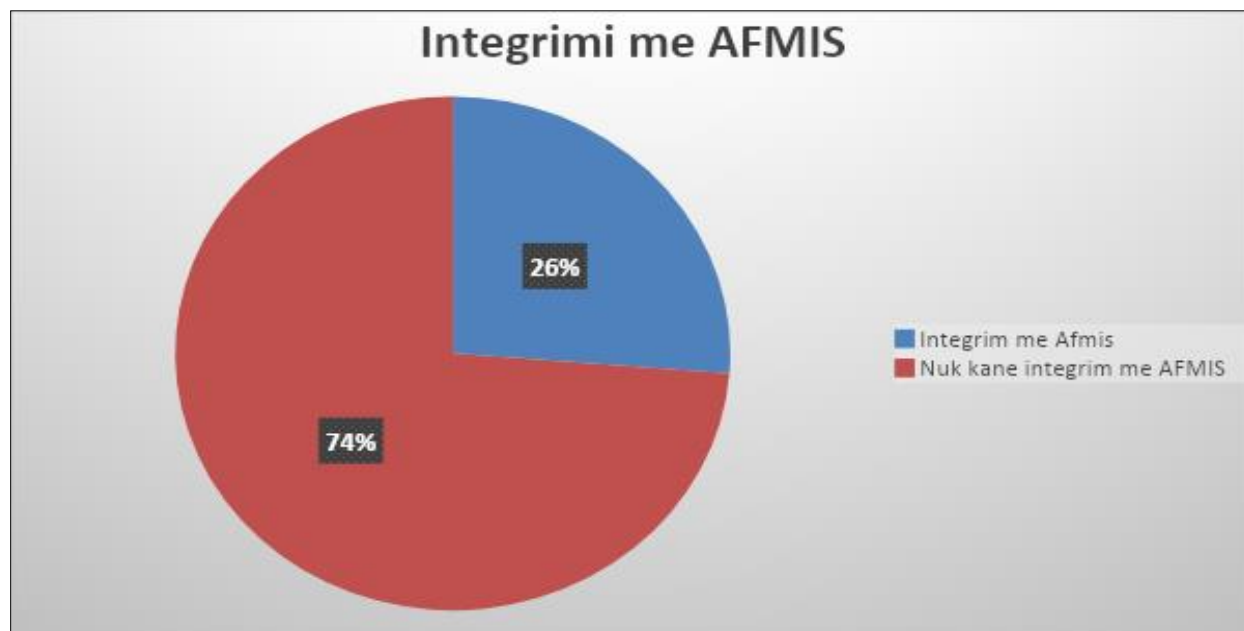
Table 87

Type of request	Number:
Paper documents reviewed and archived	3524
Paper documents reviewed and the response provided	404

10.7. Statistics on transactions approved by AFMIS

The Treasury System (AFMIS) has been integrated with the Electronic Procurement System (EPS) in cooperation with the Ministry of Finance for a part of the institutions that currently operate with AGFIS.

After the improvement of the integration of the Electronic Procurement System with the Treasury (AFMIS) during 2022, 1,222 competitive procurement procedures were published after the control of funds with AFMIS, that is, the control of funds was carried out for 26% of the published procurement procedures.



Translation of the chart:

Albanian	English
<i>Integrimi me AFMIS</i>	<i>Integration with AFMIS</i>
<i>Integrim me AFMIS</i>	<i>Integration with AFMIS</i>
<i>Nuk ka integrim me AFMIS</i>	<i>There is no integration with AFMIS</i>

11. INDICATORS OF THE ACTIVITY REGARDING DATA BASE MANAGEMENT AND PUBLICATIONS

The management of the EPS database, the assistance for all system users, as well as the reporting of problems with the aim of solving them with NAIS and the maintenance company, being part of the follow-up of the maintenance contract, is a functional task of PPA.

The goal is the continuous improvement of the procurement process in the EPS. For this purpose, PPA assists all EPS users in writing, by phone or by email.

PPA was subject to an audit by ALSAI during 2022 for the Electronic Procurement System. During the audit period and after that, PPA has cooperated with ALSAI about issues raised during the audit and improvement of work processes in cooperation with NAIS as a key institution in this direction.

PPA representatives have participated in trainings or in conferences organized in cooperation with ASPA to train all users of the system. They have cooperated with OSCE and the media of the civil society in "Data monitoring and analysis-Good practices from the SEE region-Good practices from Albania" also in the frame of Cyber security, in addition to the cooperation with the U.S. Department of Commerce and Infrastructure Security Agency (CISA) at the Workshop about Data monitoring and analysis-Good practices from the SEE region-Good practices from Albania.

PPA manages BI Reports with the aim of generating data from the system of processing statistical data. Namely, the reports that are generated are as follows:

- Participation of economic operators per month;
- Trend of the participation of economic operators;
- Published Electronic Procurement Statistics;
- Statistics about published winner notices;
- Statistics about signed contract notices;
- Participation of economic operators in procurement;
- Register of realizations;
- Statistics about the forecasts register;
- Statistics about call-offs;
- Statistics about the cancellation grounds;
- Statistics about procedures with one bid;
- Transactions approved by AFMIS and Integration with AFMIS.

PPA has supported all users of the electronic procurement system during January - December 2022 to solve problems or provide technical assistance. Additionally, PPA has prepared manuals and various notices in addition to the opinions for the improvement of the EPS.

PPA has worked a lot to provide services with high security for all Contracting Authorities, Economic Operators, Auditors, as well as any other authority that uses the Electronic Procurement System when fulfilling its duties.

In the same way, PPA has been available for any request for assistance, questions or uncertainties, as well as it has rigorously followed the monitoring processes and weekly checks, or any problems reported until their final solution, etc.

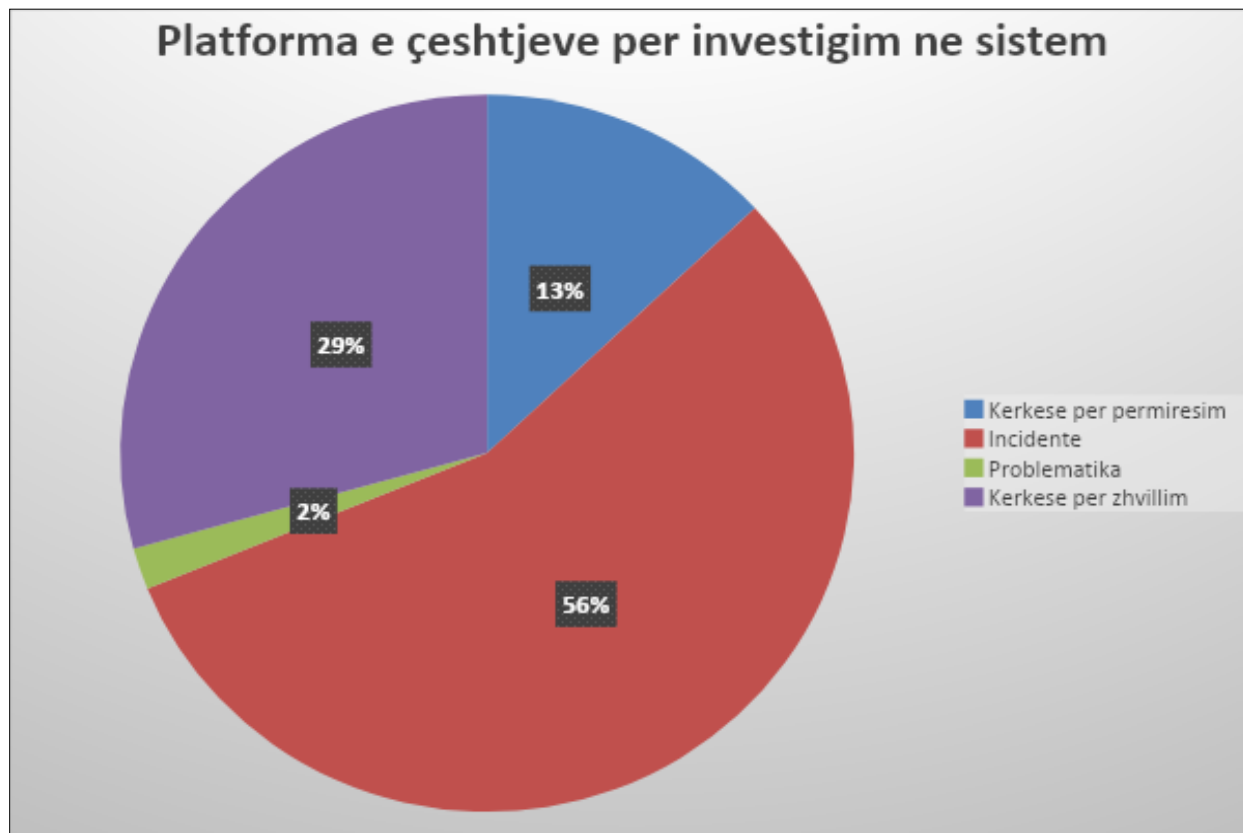
Moreover, despite the difficult situation created in our country due to cyber attacks, even with the continuous support of NAIS, the Electronic Procurement System has been working (on-line) 24 hours a day, every day of the week.

- **One of the main objectives of PPA is the continuous improvement and optimization of the interface in order to improve and facilitate the work of users**

PPA has continued its work with the identification of requirements for improvements and the addition of some new functionalities to the Electronic Procurement System.

Specifically, 215 cases/requests for improvement of the functions and interfaces of the roles in the system, data analysis, verifications in the system, etc., were reported during January - December to the maintenance company.

All open issues in CRM are divided as follows:



Translation of the chart:

Albanian	English
Integrimi me AFMIS	Integration with AFMIS
Integrim me AFMIS	Integration with AFMIS
Nuk ka integrim me AFMIS	There is no integration with AFMIS

The following improvements were made during 2022 in the Electronic Procurement System:

- **Creation of social services procedure and other specific services in EPS**

Under the Decision of the Council of Ministers No. 768, dated 15 December 2021 "On defining the types of social and other services" the procurement procedure "Social services" has been created in the system so that the Contracting Authorities may develop it in the system referring to the aforementioned DCM. This development was carried out both for the elements of the register and for the procurement procedure.

- **The stage of the preliminary winner notice and the final winner notice**

Referring to the legal provisions in force for public procurement, it is possible to separate the preliminary winner notice and the final winner notice in the EPS, because referring to the STDs of public procurement procedures, all Contracting Authorities should first upload the preliminary winner notice and then the winner notice after the end of the appeal period (standstill period).

- **Defining of the appeal deadlines**

The appeal deadlines defined in the legislation begin after the publication of the preliminary winner. This development was carried out in the EPS, because the Contracting Authorities can not proceed with the winner notice after the appeal unless these deadlines are completed.

- ***Notification of economic operators at the beginning of the appeal deadlines for each procurement procedure***

Improvement of the role of the economic operator by notifying it about the beginning of the appeal deadlines for each procurement procedure, in which it has participated and submitted its bid. Economic operators may exercise their right to complain after receiving this notice in the EPS.

- ***Integration with the treasury system***

No Contracting Authority, which interacts with the Treasury System, can proceed with the creation of the procurement procedure without approving and controlling the funds in the system. In addition, a user and notification manual has been prepared, in cooperation with the Ministry of Finance and Economy, for all EPS users on how to proceed with the creation of the procurement procedure.

- ***Implementation of the investment and services output code***

Contracting Authorities, which do not interact with the Treasury or are with their own funds, should first determine in the system whether the procurement procedure is investment or service, as well as the corresponding code and fund, and then continue with the creation of other stages of the procurement procedure.

- ***The first stage of new procedures: - Negotiated Competitive Procedures, Innovation Partnership and Competitive Dialogue***

Under the Decision of the Council of Ministers No. 384, dated 30 June 2021, the Negotiated Competitive Procurement Procedure, Innovation Partnership and Competitive Dialogue were created in the system, the first stage of these procedures also under the quoted Decision of the Council of Ministers.

- ***Password change mandatory for each user account in the system within 90 days.***

In order to protect EPS and all user accounts from cyber attacks, it is mandatory to change the password within 90 days by respecting also the character setting or the length of the password.

- ***Improvement of BI Reports***

In order to process statistical data, improvements have been made in the reports generated by the EPS.

During this period, improvements were made in the display of fields or information necessary for the implementation of daily user tasks such as:

- Improvements of the Publisher Role interfaces, adding Preliminary Winner Notice and Final Winner Notice;

- Improvements of the Reports that are generated by the system for the Procurement Analyst role, etc.;
- Improvements of the role of the procurement unit or BEC by sending an email 24 hours before the opening and evaluation of the procedure.

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

- Technical manual for the creation of the procurement procedure for small value procurements;
- Technical manual and notification for the creation of the procedure for the control of funds after integration with the treasury;
- Technical manual and notification for the creation of the procedure when the authorities are not connected with the treasury;
- One of the main objectives is to guarantee timely and quality work progress for all users of the Electronic Procurement System (EPS) and the Electronic Archive System (EAS), as well as guaranteeing of the confidentiality of the economic bid by carrying out encryption and decryption, which has made highly sensitive information usable only by those persons authorized to see or use it.
- **Providing technical assistance to users of the Electronic Procurement System**
- One of the tasks of the PPA is to guarantee technical assistance for any request (requests for decryption of documents, requests for clarification, complaints regarding technical aspects) received by the PPA, guaranteeing of the technical assistance for PPA staff, guaranteeing of the technical assistance for phone calls and e-mails received at PPA;
- The technical assistance provided to all Contracting Authorities, as well as to all foreign and domestic economic operators who use the Electronic Procurement System, through e-mails, telephone or consultations at the PPA premises, is a daily job for this Directorate. Here it is worth mentioning that there has been a high number of phone calls or e-mails;
- PPA has sent about 2,414 e-mails in total, a number smaller than in 2021, because, due to cyber attacks the official e-mail address did not work, in regard to the following:
 - Contracting authorities - clarifications prepared by PPA for Contracting Authorities (clarifications and instructions of a technical nature);
 - Economic operators (for confirmation of registrations made online, for restoring the password to the initial condition, for clarifications, instructions and complaints);
 - Clarifications prepared for the Contracting Authorities (clarifications and instructions of a technical nature);
 - Other institutions (for sending data and information);
- Guaranteeing of technical assistance for audit accounts for each auditor of the Contracting Authorities, as well as the Albanian Supreme Audit Institution.
- **Enrichment of PPA portal with appropriate information**

PPA has published all the updated information regarding the procurement process, specifically the following have been published on the portal:

- 179 weekly bulletins (where 52 of them are Public Notice Bulletins and 127 are Special Bulletins);
- Decisions from PPA Monitoring - 63 decisions;
- Decisions from Audit Reports - 13 decisions;
- Decisions on Exemptions of Economic Operators - 56 decisions;
- DCM 2022 - 4 decisions;
- STD 2022 - 2 publications;
- Guidelines 2022 - 5 publications;
- Recommendations 2022 - 3 publications;
- Bringing of issues to the attention of CAs – 4 publications;
- Notifications for economic operators - 2 publications;
- Notices - 23 notices for Contracting Authorities and economic operators;
- Creation, updating, and closing of Electronic Procurement System accounts.

The creation of 23 accounts in the role of administrator for Contracting Authorities has been completed.

- Monitoring of procurement procedures left pending in the system and calling the attention of the responsible persons in accordance with the legislation in force;
- Archiving of all procedures left pending by the Contracting Authorities for procurement procedures with 2 stages where the second stage is carried out in a written form. This process makes it possible for the operational system, in which all public procurement procedures are carried out, to be significantly simplified by increasingly reducing the number of procedures that are in it and, as a result, facilitating the work of system users (Contracting Authorities , Economic Operators, Auditors);
- Testing of EPS developments and improvements before moving to the live system;
- Follow-up of the maintenance contract for the Electronic Procurement System and all its components by monitoring all system components.

11.1. Reviewed cases

1,372 paper documents and memos were reviewed in total during 2022, which include:

- Account creation/closure in the CA Admin role, as well as password reset to initial stage (281);
- Clarification letters with Contracting Authorities and Economic Operators (484);
- Letters for sending data and cooperation with other institutions (122);
- Internal memos (163);
- Paper documents for archiving and responsible persons (485), etc.

Table 88

Cases reviewed during 2022 by type of request	
Request type	Number
Request for account closure/password change for the Contracting Authorities	281
Clarification letters for the Contracting Authorities and Economic Operators	486
Request for technical assistance/clarifications and for sending	122

data and cooperation with other institutions	
Paper documents for archiving and the responsible persons	485
Total	137 2

As it may be seen from the above data, the clarification requests for the Contracting Authorities and economic operators take up the highest number of letters sent and handled, while, as it may be seen, there is a decrease of the number of letters for password change, because the economic operators may be provided through e-albania with a new password and user account as an economic operator.

11.2. Creation of new users 2022

24,023 new users have been created in 2022 in the electronic procurement system, respectively:

23 new accounts were created during 2022 in the role of "System Administrator" for the Contracting Authorities. While a total of about 5,297 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 2022.

Table 89

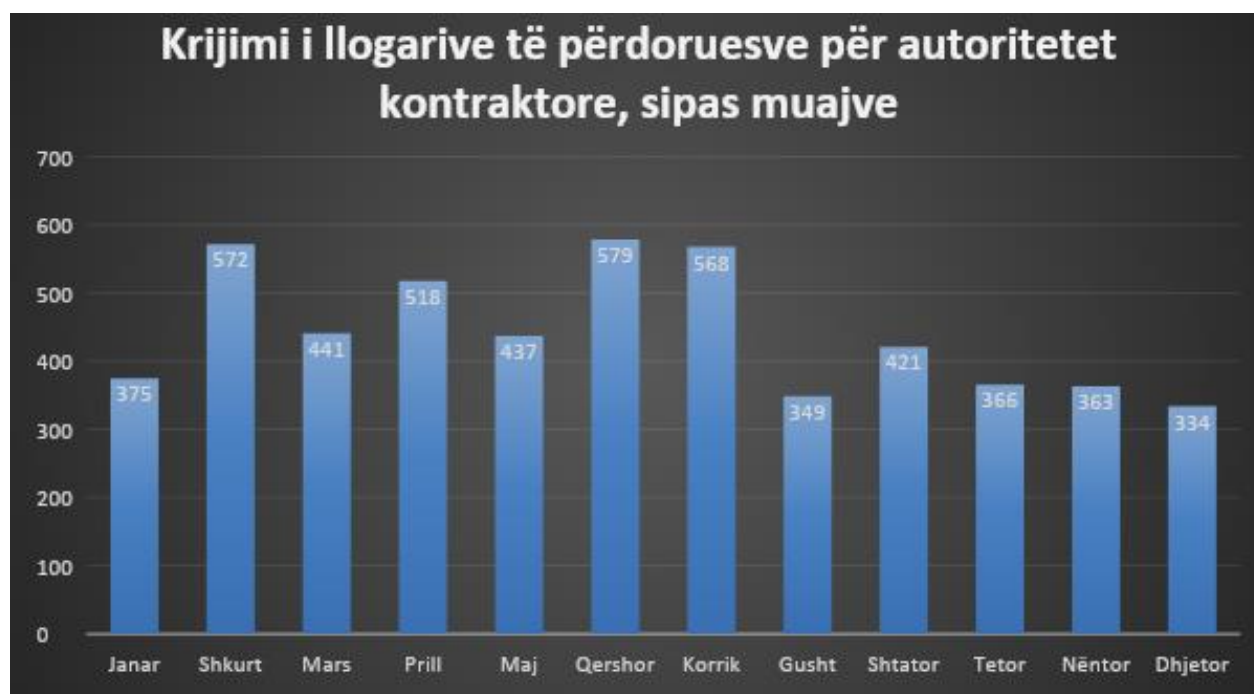
Role of the account	User Accounts created during 2022
System Administrator for the Contracting Authority	23
Procurement Unit	2366
Bid Evaluation Committee	2559
Auditor of the Contracting Authority	372
Auditor	3
Total	5323

The following table and chart show the number of users of the Electronic Procurement System, created respectively in 2022, by months.

Table 90

Muaji	January	February	March	April	May	June	July	August	September	October	November	December
Number of users	375	572	441	518	437	579	568	349	421	366	363	334

Chart 60



Translation of the chart:

Albanian	English
<i>Krijimi i llogarive të përdoruesve për autoritetet kontraktore, sipas muajve</i>	<i>Creation of user accounts for contracting authorities, by month</i>
<i>Janar</i>	<i>January</i>
<i>Shkurt</i>	<i>February</i>
<i>Mars</i>	<i>March</i>
<i>Prill</i>	<i>April</i>
<i>Maj</i>	<i>May</i>
<i>Qershor</i>	<i>June</i>
<i>Korrik</i>	<i>July</i>
<i>Gusht</i>	<i>August</i>
<i>Shtator</i>	<i>September</i>
<i>Tetor</i>	<i>October</i>
<i>Nëntor</i>	<i>November</i>
<i>Dhjetor</i>	<i>December</i>

The chart clearly shows the creation of user accounts in the system in November-December, and that there is an obvious decrease in the creation of users, which is also the period when there is no publication of procurement procedures, because the Contracting Authorities have taken measures to publish them during the year.

The table below presents the status of the Contracting Authority user accounts in the Electronic Procurement System:

Table 91

Role of the account	Active user account
System Administrator for the Contracting Authority	1304

Procurement Unit	13552
Bid Evaluation Committee	15816
Auditor of the Contracting Authority	1506
Auditor of the Public Procurement Commission	19

Currently there are 1,304 active Contracting Authorities/Entities in the system, which have published procurement procedures during 2022.

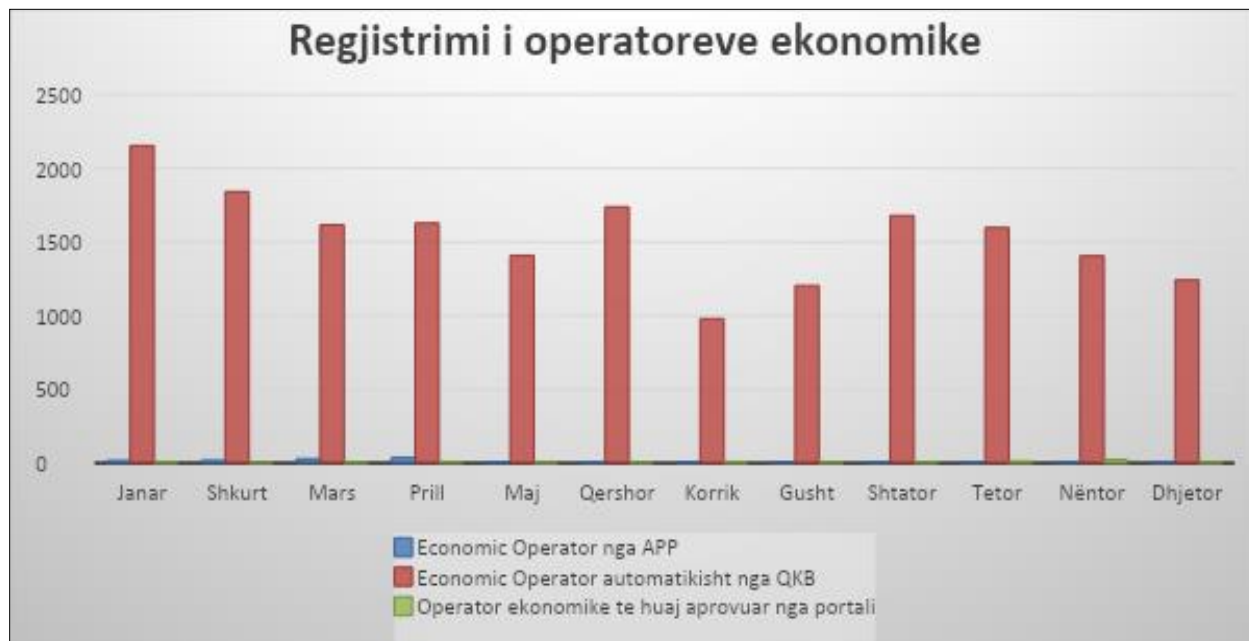
Regarding user accounts in the role of economic operators, 18,779 new economic operators have been registered during 2022 in the Electronic Procurement System, of which 79 are foreign economic operators.

PPA provides the economic operators with user accounts and thanks to the service of interaction with the system of the National Business Center, every economic operator registered in the NBC is automatically provided with a user account in the EPS.

Table 92

Role \Month	January	February	March	April	May	June	July	August	September	October	November	December	Total
Economic Operator from PPA	16	17	28	36	5	0	0	1	0	2	5	1	111
Economic Operator automatically from NBC	2153	1841	1616	1628	1408	1738	979	1204	1679	1597	1405	1241	18489
Foreign economic operator approved by the portal	4	3	4	9	2	4	5	4	6	12	22	4	79
Total	2173	1861	1648	1673	1415	1742	984	1209	1685	1611	1432	1246	18679

Chart 61

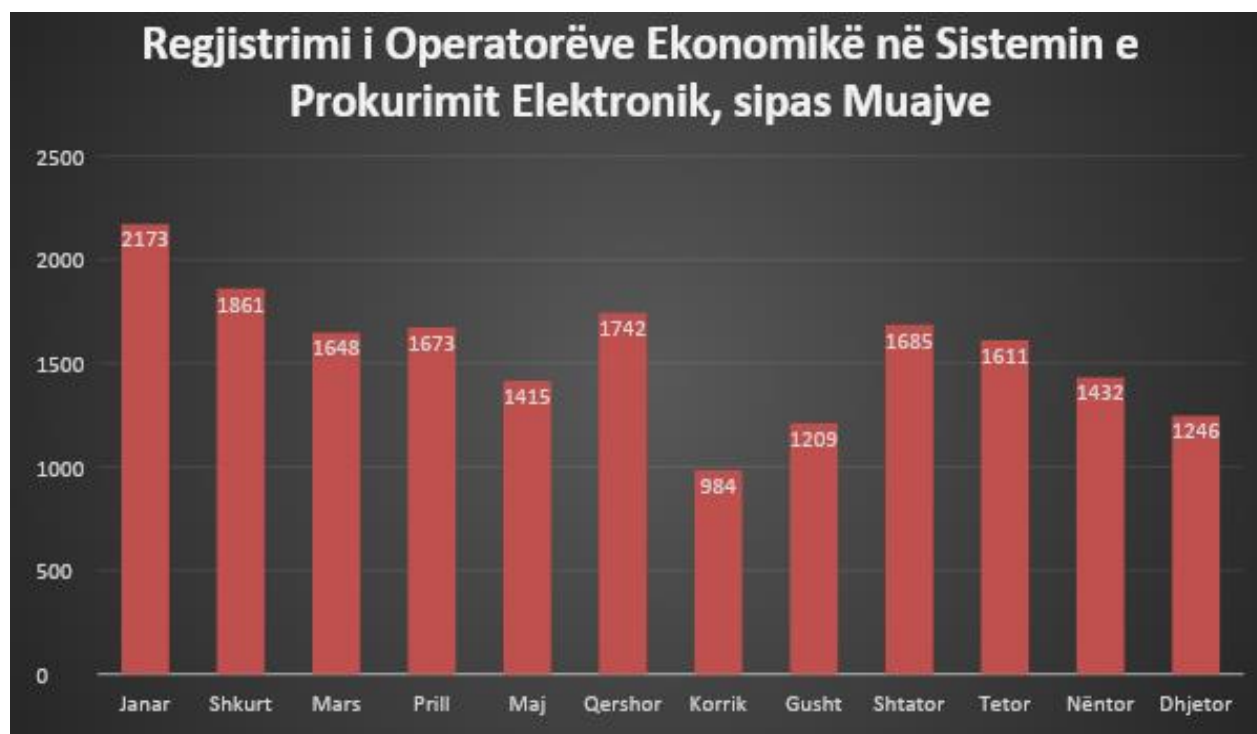


Translation of the chart:

Albanian	English
<i>Regjistrimi i operatoreve ekonomike</i>	<i>Registration of economic operators</i>
<i>Janar</i>	<i>January</i>
<i>Shkurt</i>	<i>February</i>
<i>Mars</i>	<i>March</i>
<i>Prill</i>	<i>April</i>
<i>Maj</i>	<i>May</i>
<i>Qershor</i>	<i>June</i>
<i>Korrik</i>	<i>July</i>
<i>Gusht</i>	<i>August</i>
<i>Shtator</i>	<i>September</i>
<i>Tetor</i>	<i>October</i>
<i>Nëntor</i>	<i>November</i>
<i>Dhjetor</i>	<i>December</i>
<i>Economic Operator nga APP</i>	<i>Economic Operator from PPA</i>
<i>Ekonomik Operator automatikisht nga QKB</i>	<i>Economic Economic Operator automatically from NBC</i>
<i>Operator ekonomike te huaj aprovuar nfa portali</i>	<i>Foreign economic operator approved by the portal</i>

The chart below shows the number of new Economic Operators of the Electronic Procurement System, by months:

Chart 62



Translation of the chart:

Albanian	English
<i>Regjistrimi i Operatorëve Ekonomikë në Sistemin e Prokurimit Elektronik sipas Muajve</i>	<i>Registration of Economic Operators on the Electronic Procurement System, by Months:</i>
<i>Janar</i>	<i>January</i>
<i>Shkurt</i>	<i>February</i>
<i>Mars</i>	<i>March</i>
<i>Prill</i>	<i>April</i>
<i>Maj</i>	<i>May</i>
<i>Qershor</i>	<i>June</i>
<i>Korrik</i>	<i>July</i>
<i>Gusht</i>	<i>August</i>
<i>Shtator</i>	<i>September</i>
<i>Tetor</i>	<i>October</i>
<i>Nëntor</i>	<i>November</i>
<i>Dhjetor</i>	<i>December</i>

The table below presents the status of economic operators in the Electronic Procurement System:

Table 93

Status of Economic Operators for 2022	Number
Active economic operators	264517
Economic operators with an excluded status	21
Inactive economic operators NBC	46904

11.3. Other statistics related to the use of the Electronic Procurement System

There is a total of 386,746,271 hits (there are 2,633,416 more hits compared to 2021), 312,479,586 website views (there are 138,441,511 fewer website views compared to 2021), as well as 2,089,606 visitors (there are 440,727 less visitors compared to 2021) in the Electronic Procurement System for 2022.

Hits in 2022

Table 94

Usage of the Electronic Procurement System	2021	2022
Total hits	384,112,855	386,746,271
Hits by visitor	383,262,478	386,746,271
Average hits per day	1,046,629	1,059,578
Average hits per visitor	154,52	185.08
Total site views	450,921,097	312,479,586
Average site views per day	1,232,024	856,108
Average site views per visitor	178	149,54
Total Visitors	2,530,333	2,089,606
Average Visitors per Day	6,913	5,724
Total Unique IPs	116,004	72,308

The following chart shows the distribution of hits, and visitors for 2022.

Chart 63

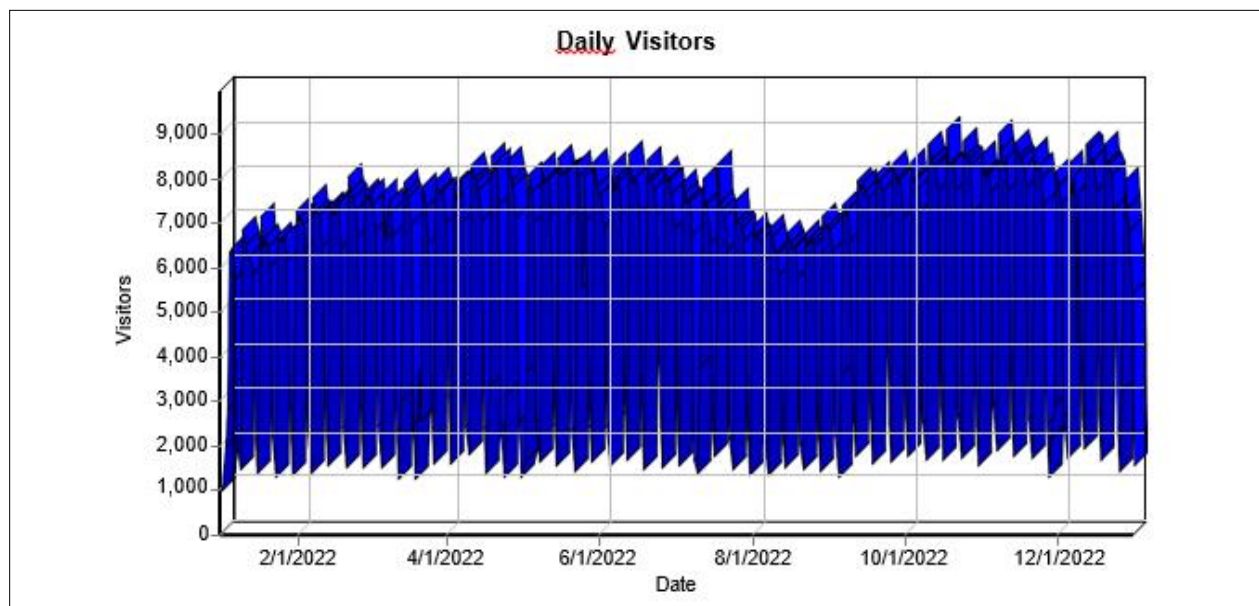
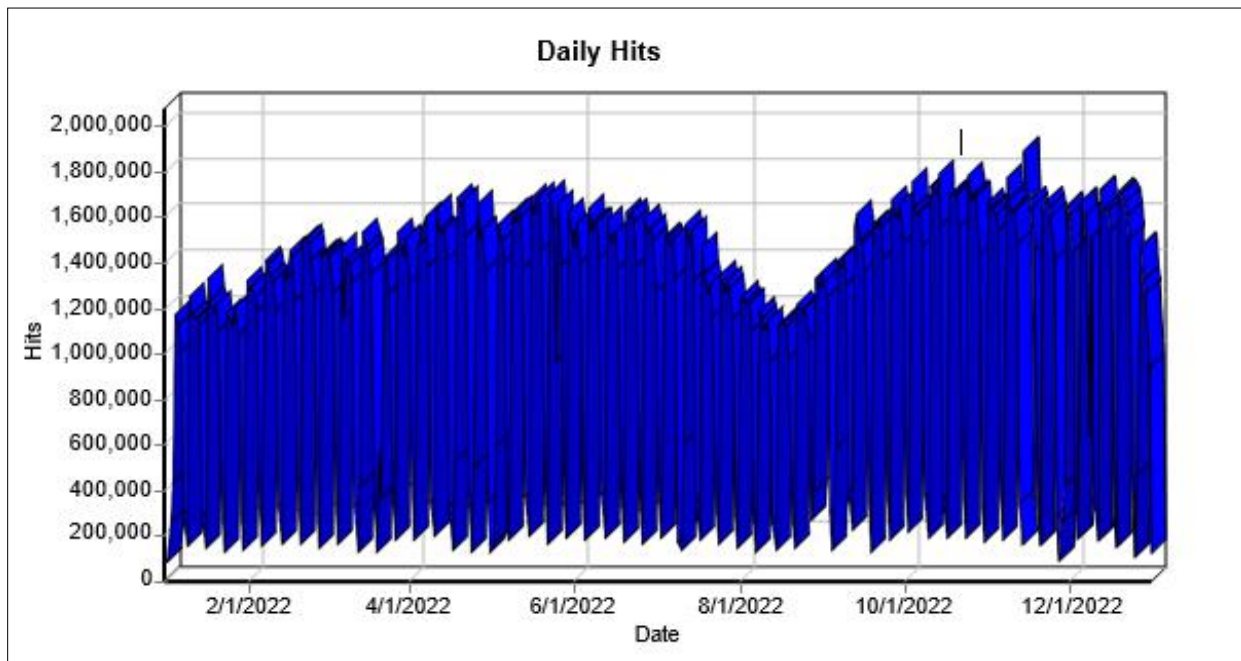


Chart 64

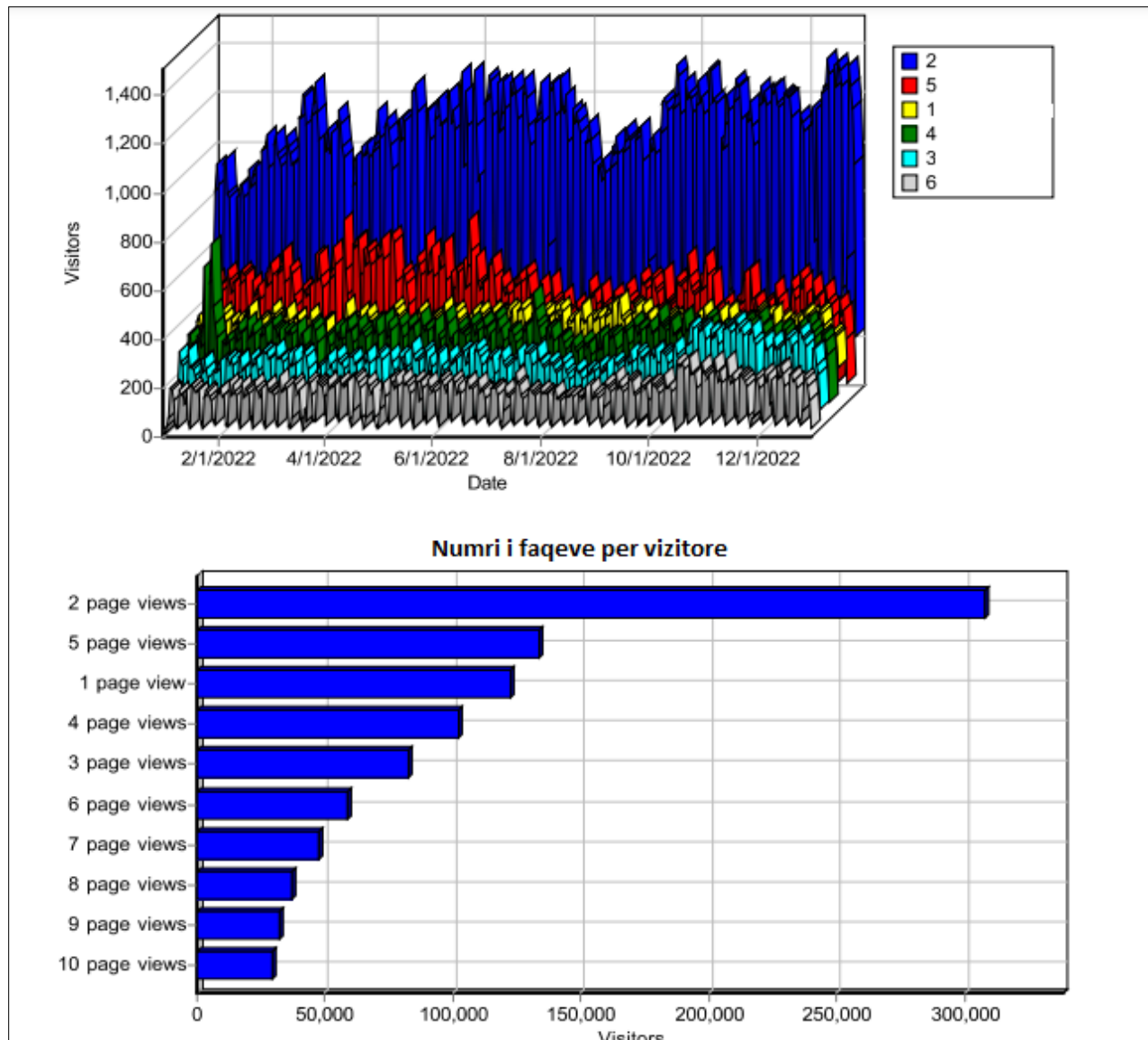


As it turns out from the data in the table above, the peak of distribution of hits and visitors into the Electronic Procurement System is during June – July and October-November.

11.4. Website activity per visitors

The chart below shows the number of links per visitor, which shows how many links, on average, a visitor views at after opening the official website of PPA.

Chart 65



11.5. User activity by hits, views, and visitors by 24 hours

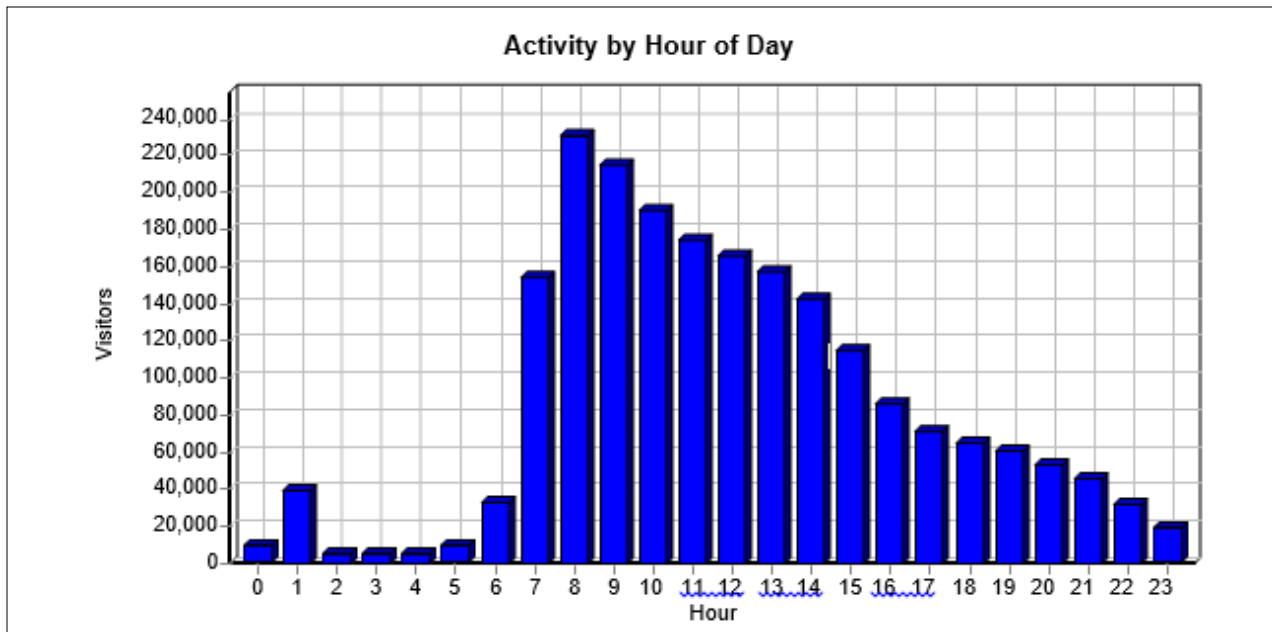
The following table and chart show the distribution of hits, visitors, and time spent by 24 hours.

Table 95

Distribution of hits, visitors, and time spent by 24 hours in 2022			
Hours	Hits	Page View	Visitors
00:00 - 00:59	2,733,146	2,216,985	9,644
01:00 - 01:59	2,061,704	1,667,460	39,461

02:00 - 02:59	1,963,279	1,603,391	4,889
03:00 - 03:59	1,960,329	1,604,284	4,883
04:00 - 04:59	2,031,073	1,657,436	5,721
05:00 - 05:59	2,326,391	1,871,031	10,071
06:00 - 06:59	3,828,246	2,957,570	33,394
07:00 - 07:59	15,778,652	12,184,736	154,673
08:00 - 08:59	33,377,232	26,448,585	231,449
09:00 - 09:59	42,580,604	34,381,462	214,989
10:00 - 10:59	43,163,723	35,229,702	190,479
11:00 - 11:59	40,188,391	33,020,134	174,439
12:00 - 12:59	38,131,181	31,398,285	166,317
13:00 - 13:59	36,959,677	30,434,107	157,206
14:00 - 14:59	33,779,534	27,781,937	142,594
15:00 - 15:59	25,123,063	20,507,410	115,449
16:00 - 16:59	14,813,150	11,869,773	86,613
17:00 - 17:59	9,584,264	7,522,846	71,383
18:00 - 18:59	7,879,133	6,114,687	65,149
19:00 - 19:59	7,132,633	5,479,240	60,304
20:00 - 20:59	6,538,110	5,015,350	53,775
21:00 - 21:59	6,054,667	4,655,281	45,853
22:00 - 22:59	5,038,999	3,917,598	32,204
23:00 - 23:59	3,719,090	2,940,296	18,667
Total	386,746,271	312,479,586	2,089,606

Chart 66



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, but in any case it is noted that the activity of the users is during 24 hours.

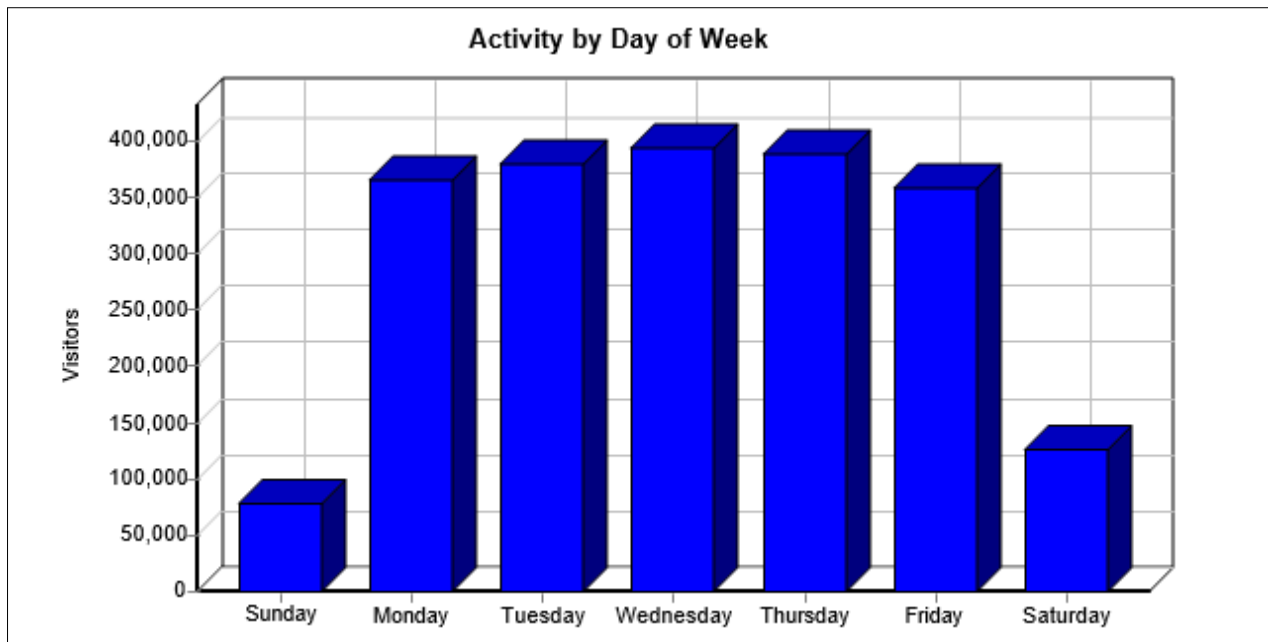
11.6. User activity by hits, views, and visitors by days of the week.

The table and chart below show the distribution of hits, visitors, and time spent by days of the week:

Table 96

Activity by days of the week 2022			
Days	Hits	Page View	Visitors
Monday	8,352,806	5,689,348	78,289
Tuesday	68,570,503	55,201,217	365,347
Wednesday	72,867,967	59,186,144	380,293
Thursday	75,905,451	61,795,614	393,773
Friday	75,621,652	61,623,918	388,619
Saturday	68,602,877	55,915,254	358,008
Sunday	16,825,015	13,068,091	125,277
Total	386,746,271	312,479,586	2,089,606

Chart 67



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.

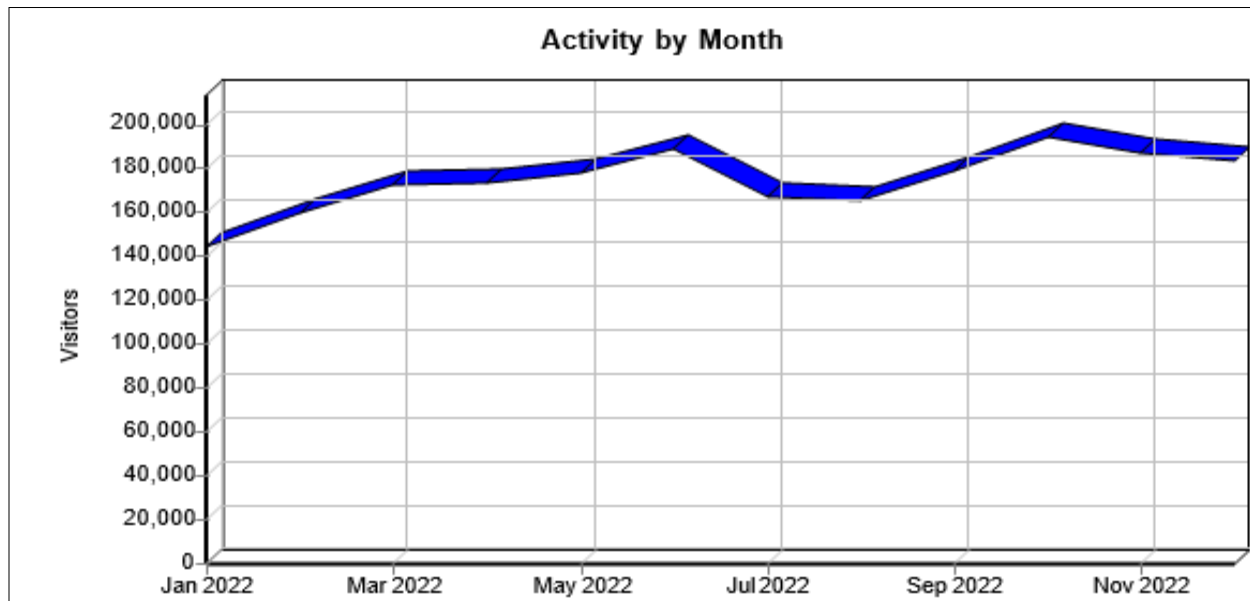
11.7. User activity by hits, views, and visitors by the months of the year

The table and the chart below show the distribution of hits, visitors, and time spent by months:

Table 97

Activity by months			
Month	Hits	Page View	Visitors
January	24,797,996	19,381,525	143,900
February	28,892,303	23,024,505	159,376
March	31,383,634	25,064,548	172,606
April	32,513,719	26,038,819	173,149
May	33,846,887	27,329,152	177,777
June	35,703,527	28,970,268	188,307
July	30,260,456	24,287,141	166,912
August	28,656,853	23,025,117	164,976
September	33,908,693	27,503,978	178,486
October	37,631,305	30,568,912	193,867
November	35,178,839	29,079,654	186,896
December	33,972,059	28,205,967	183,354
Total	386,746,271	312,479,586	2,089,606

Chart 68



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 of June – July and then the period of October-November.

11.8. Users who use the electronic procurement system the most

Chart 69

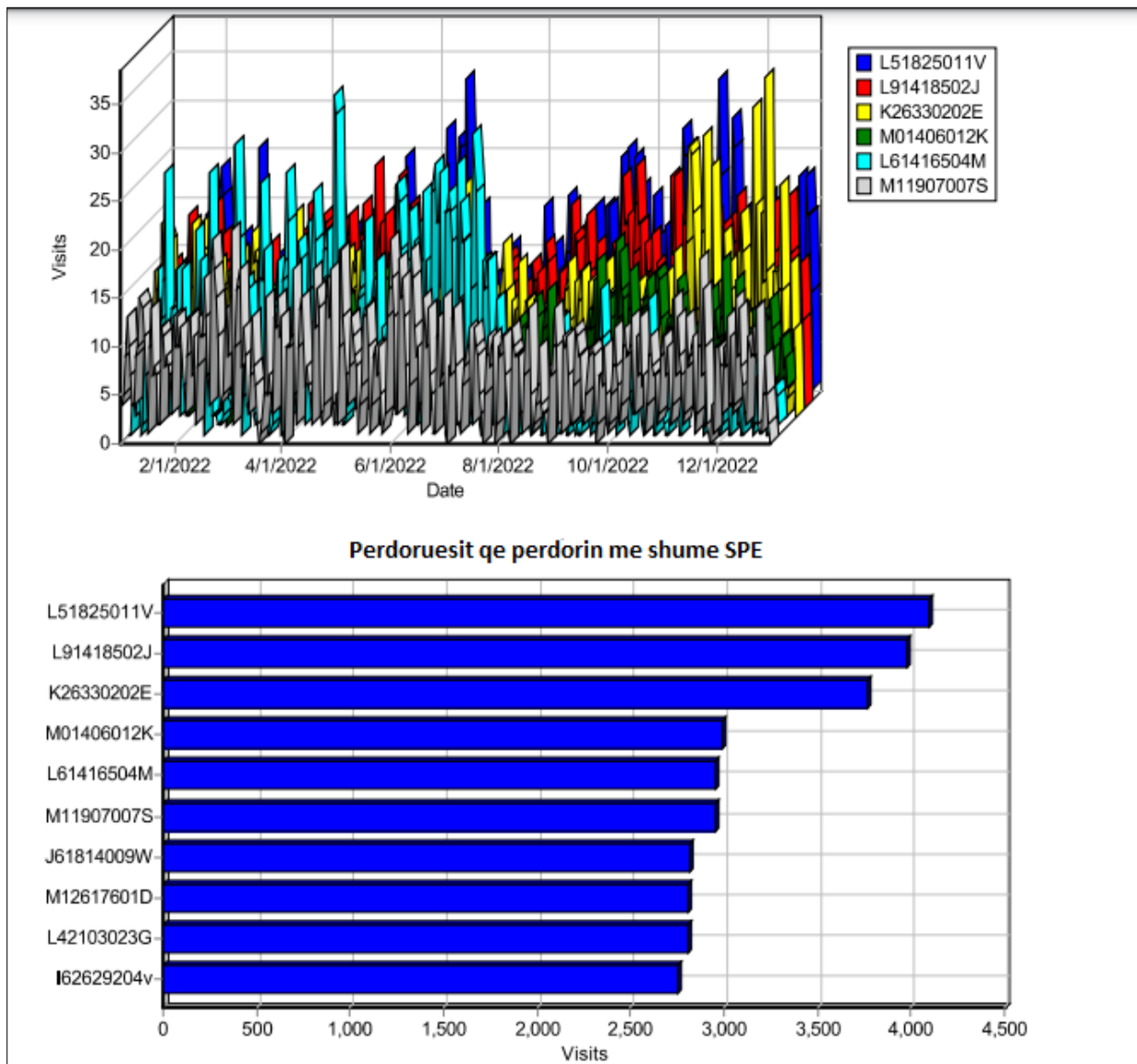
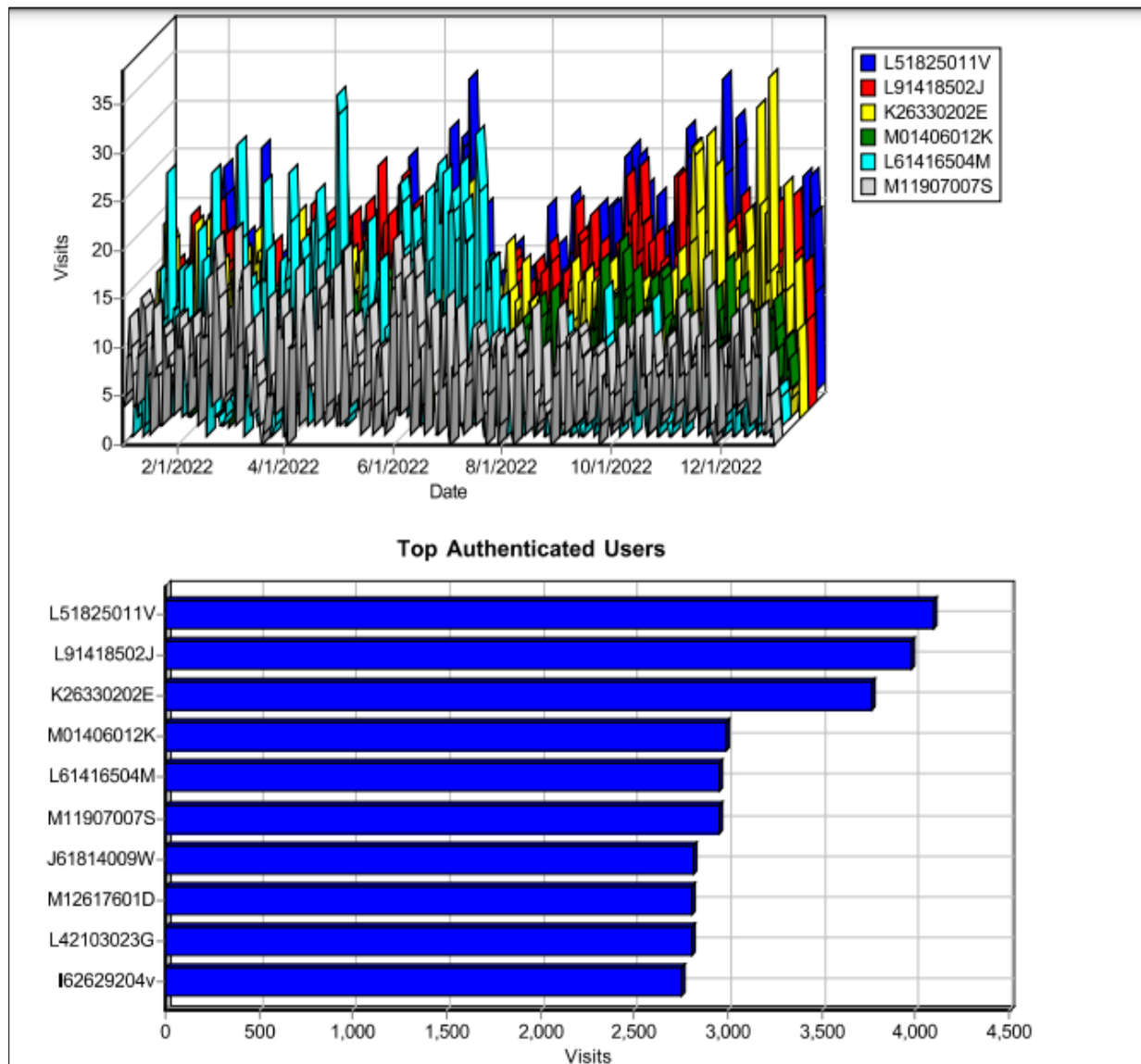


Chart 70



11.9. 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 98

Most hit interfaces in internet	Visitors
http://www.app.gov.al/	2,084,893
http://www.app.gov.al/e-prokurim/	717,436
http://www.app.gov.al/regjistri-i-parashikimeve/	70,169
http://www.app.gov.al/njoftimi-i-kontratës-së-shpallur/	128,795

http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/arkiva-e-buletinit-te-prokurimit-publik-2022/	50,050
http://www.app.gov.al/prokurimet-me-vlere-te-vogel/	69,949
http://www.app.gov.al/njoftimi-i-fituesit/	98,606
http://www.app.gov.al/të-tjera/arkiva/arkiva-e-buletinit-të-prokurimit-publik/	87,260
te tjera	12,631,351

Chart 71

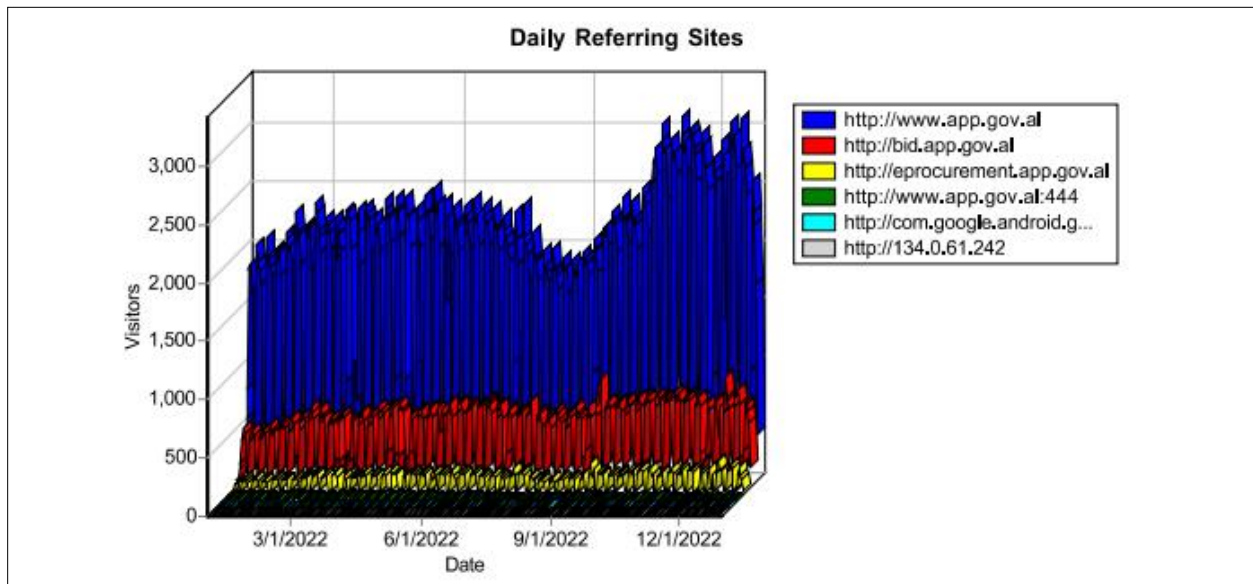
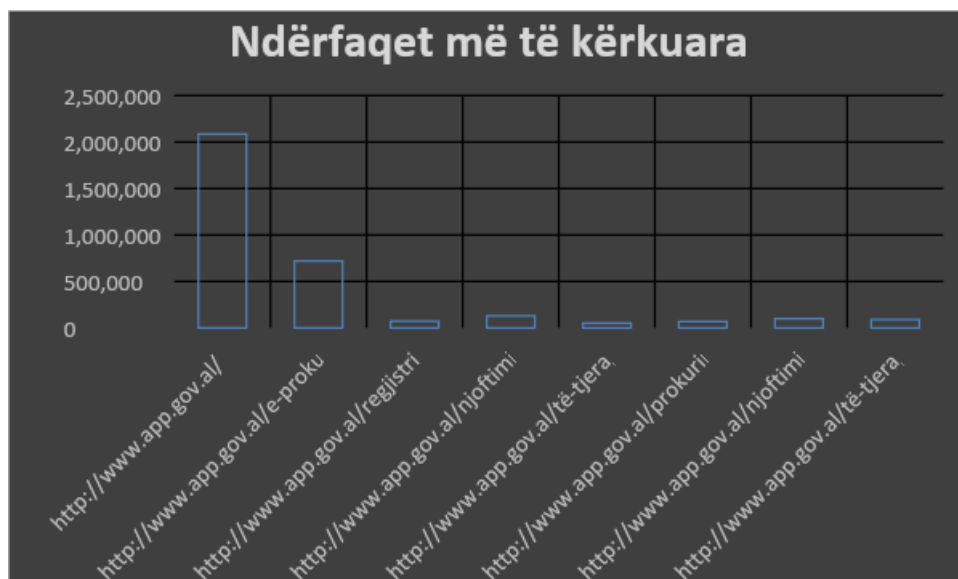


Chart 72



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, etc.

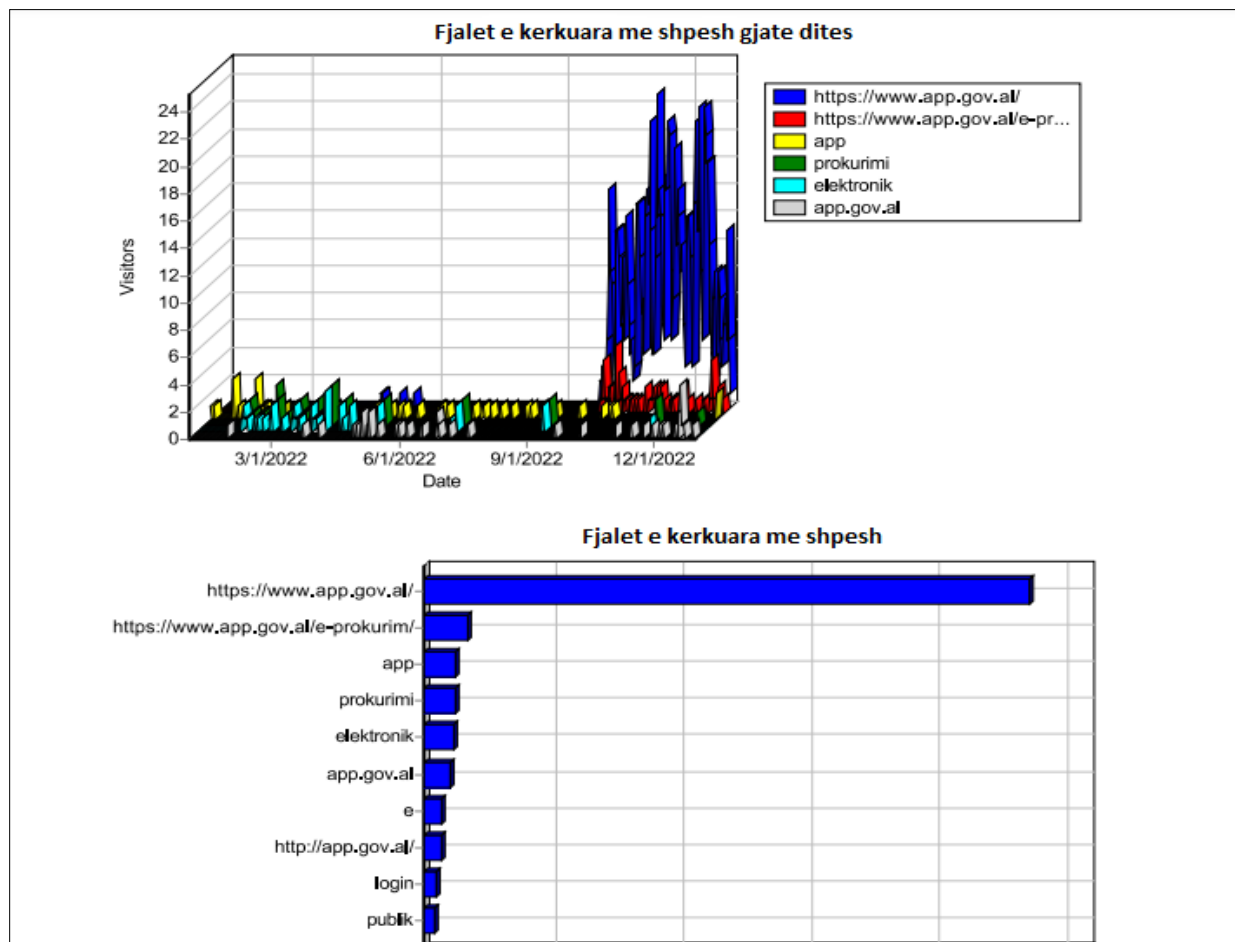
11.10. User activity by the key words most used for search in the Public Procurement Agency portal

The following Table and Chart show the most frequently used words to search for the Public Procurement Agency portal and the Electronic Procurement System on the internet:

Table 99

Key expressions/words	Visitors
https://www.app.gov.al/	946
https://www.app.gov.al/e-prokurim/	69
app	50
prokurimi	49
elektronik	45
app.gov.al	41
e	27
http://app.gov.al/	27
login	20
publik	16
agjencia	15
prokurimeve	14
Other	103

Chart 73

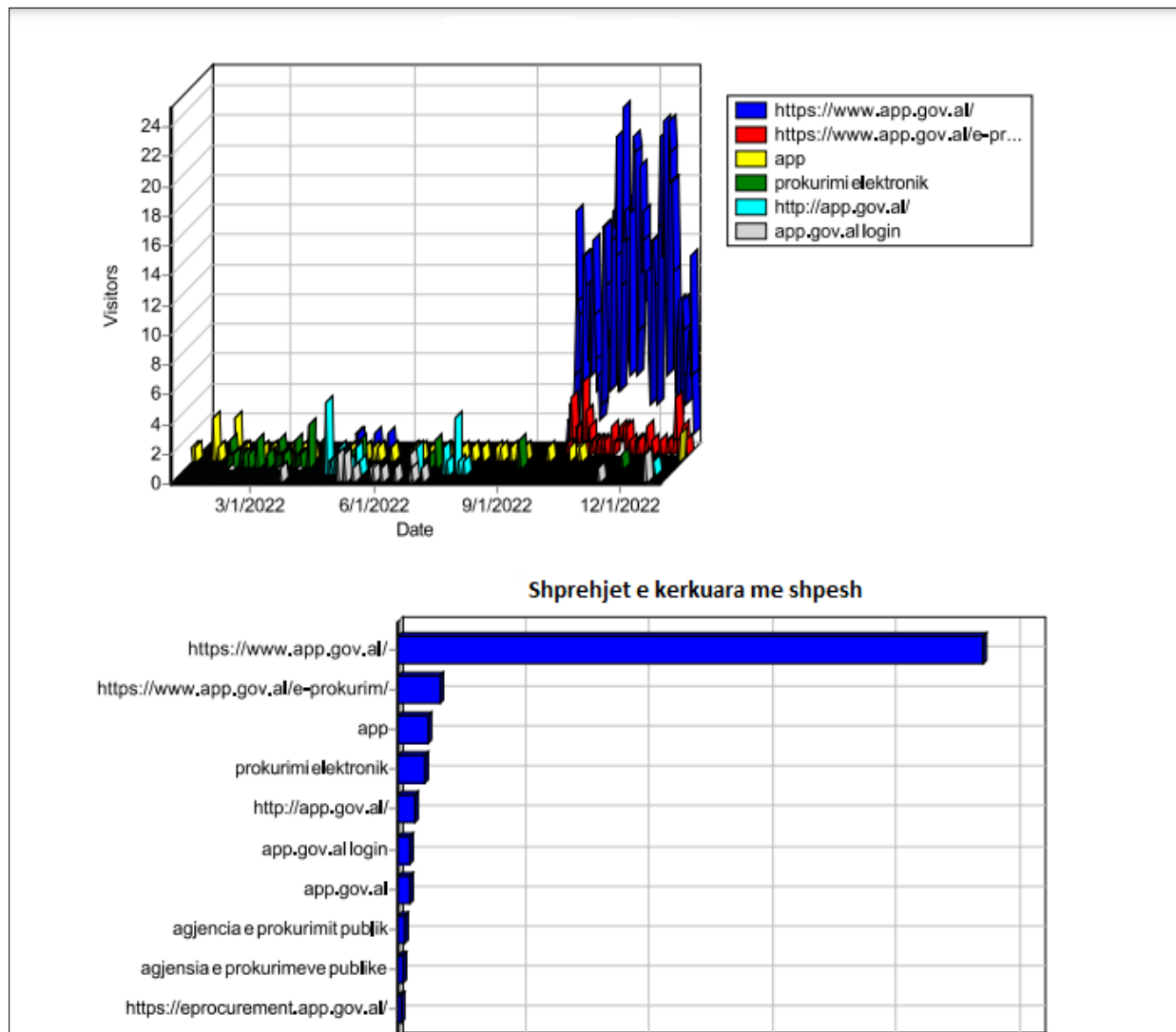


The chart below shows that the most frequently searched expressions on the Internet are the official website of PPA, then the login window for the section of Contracting Authorities and economic operators.

Table 100

	Phrase	Visitors
1	Phrase Not Provided	233,079
2	https://www.app.gov.al/	946
3	https://www.app.gov.al/e-prokurim/	69
4	app	49
5	prokurimi elektronik	43
6	http://app.gov.al/	27
7	app.gov.al login	20
8	app.gov.al	20
9	agjencia e prokurimit publik	10
10	agjencia e prokurimeve publike	7
11	https://eprocurement.app.gov.al/	5
12	prokurimi publik	5

Chart 74



11.11. Accessing of Electronic Procurement System by browsers and operating systems.

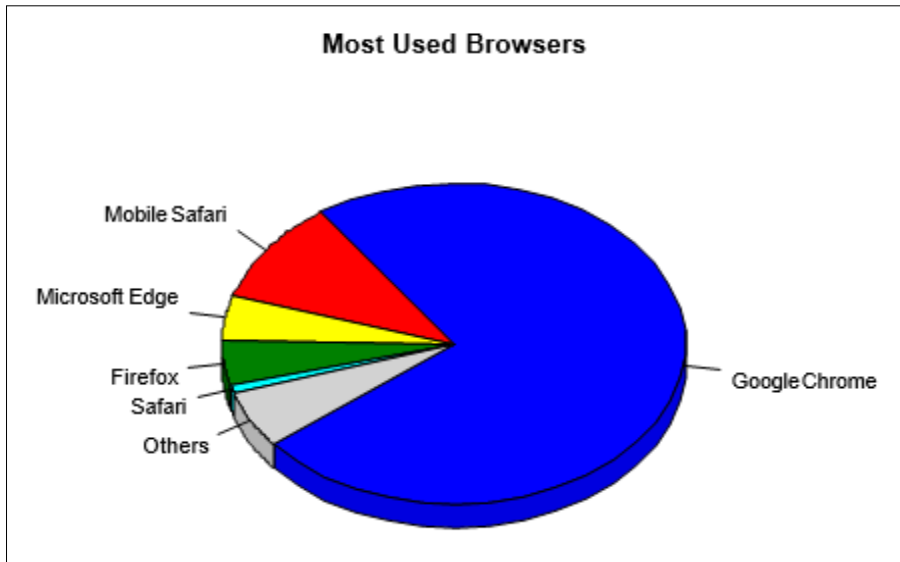
The table and chart below show the accessibility of the Electronic Procurement System according to the browsers:

Table 101

Browser	Visitors
Google Chrome	1,667,193
Mobile Safari	235,037
Microsoft Edge	102,058
Firefox	101,142
Safari	18,426

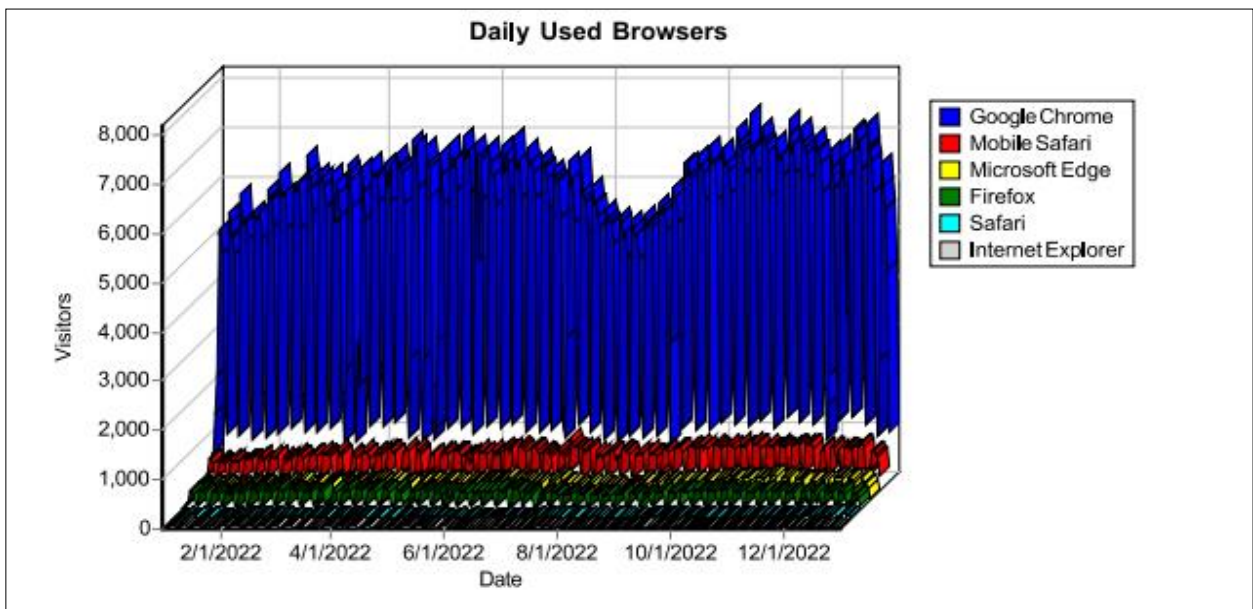
Internet Explorer	15,294
Opera	14,673
Others	10,517
	5,012

Chart 75



As it may 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.

Chart 76



Below is the weekly access to the e-procurement system through the Internet Explorer and Microsoft Edge versions.

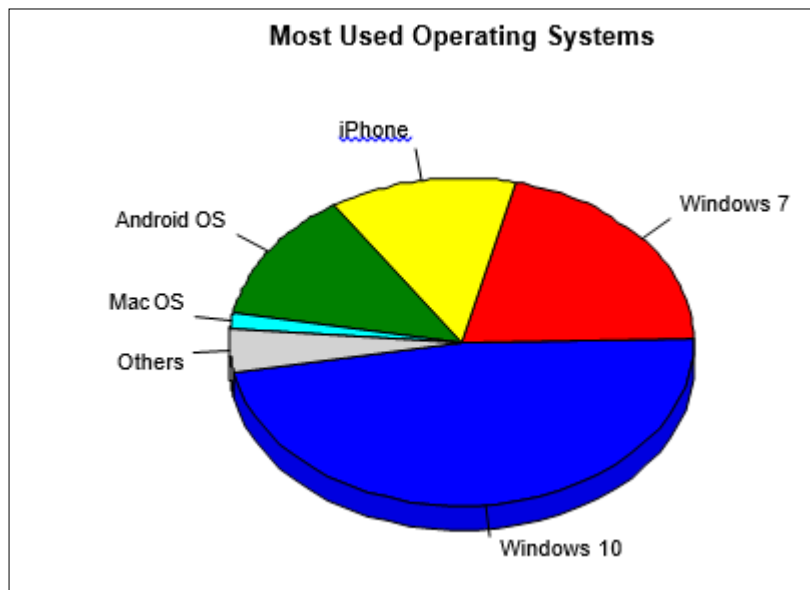
11.12. Access to Electronic Procurement System by devices most utilized by users

The following Table and chart show the access to the Electronic Procurement System according to the operational systems used by users:

Table 102

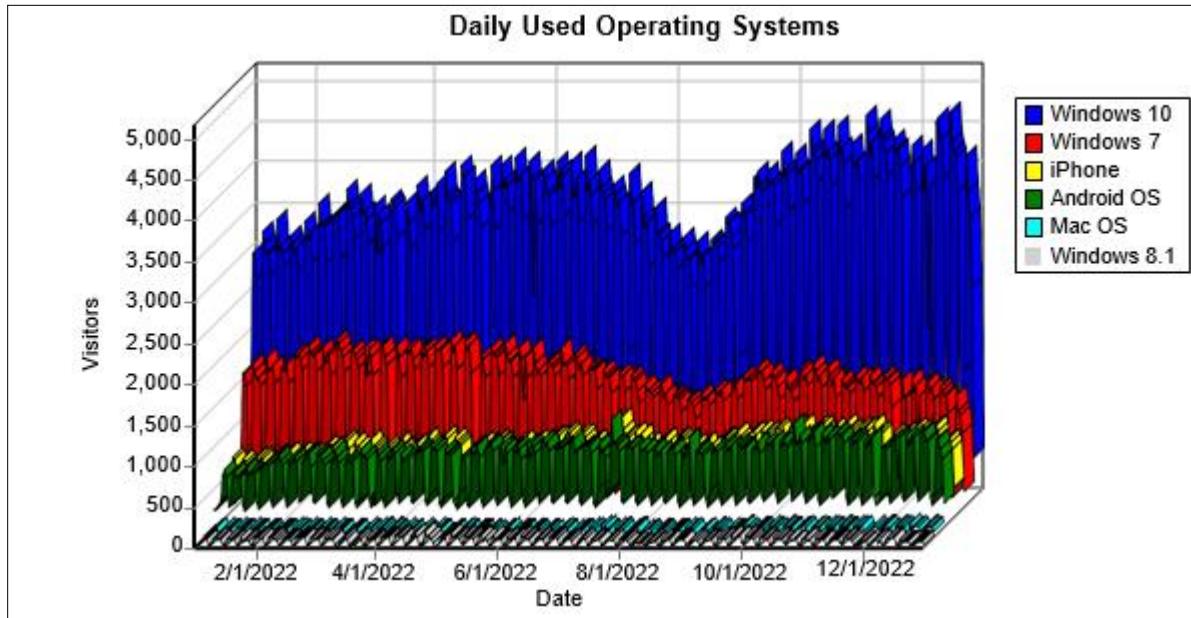
Operating System	Visitors
Windows 7	439,550
Windows 10	987,010
Android OS	270,245
iPhone	269,432
Mac OS	32,170
Other	33,480

Chart 77



Below is provided the weekly access to the Electronic Procurement System according to the operational systems used by users.

Chart 78



The following Table and Chart show the access to the Electronic Procurement System according to the types of devices utilized by the users:

Table 103

Device Type	Hits	Visitors	% of Total Visitors
Desktop	362,953,825	1,548,837	74.12%
Mobile	23,628,180	537,777	25.74%
Tablet	164,266	2,992	0.14%
Total	386,746,271	2,089,606	100.00%



Translation of the chart:

Albanian	English
<i>Llojet e pajisjeve të përdorura nga përdoruesit për aksesimin e SPE</i>	<i>Types of devices applied by users to access EPS</i>

As it may be seen, 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 moment where they are.

The data in the table above show that the Electronic Procurement System is mostly accessed through computer devices (desktop), as well as mobile devices.

12. HUMAN RESOURCES AND FINANCES MANAGEMENT

12.1 HUMAN RESOURCE MANAGEMENT

The Public Procurement Agency has carried out its legal activity with four (4) directorates and one (1) sector under direct subordination of the General Director.

The organization chart and the staff of PPA has changed 1 (one) time during 2022, specifically: the new organization chart and staff of PPA consisting of 4 (four) Directorates and 1 (one) Sector directly subordinate to the General Director was approved upon the Order of the Prime Minister No. 149, dated 28 December 2022 "On the approval of the organization chart and staff of the Public Procurement Agency", namely the following: Legal and Procedures Monitoring Directorate with 3 (three) sectors: Legal and Exclusion Requests Review Sector; the Monitoring Sector of Public Procurement Procedures; the

Monitoring Sector of Concessions/PPP and Procedures in the Field of Defense and Security; the Contract Coordination and Monitoring Directorate with 2 (two) sectors: the Contract Coordination and Monitoring Sector, the Database Management and Publication Directorate with 2 (two) sectors: the Database Management Sector and Publications Sector; Directorate of the Implementation of Strategic Policies and Integration with 2 (two) sectors: Sector of Implementation of Strategic Policies and Statistics, Sector of Integration and Public Relations, as well as the Finance and Human Resources Sector. The total number of employees is 44.

12.2. 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 top level management civil servants of the Public Procurement Agency as hereunder listed had the obligation to declare periodic/annual private interests of 2021:

- General Director;
- Director of the Directorate of Data Management and Publication;
- Director of the Directorate of Contracts Coordination and Monitoring;
- Director of the Legal and Monitoring of Procedures Directorate;
- Director of Strategic Policy Implementation and Integration.

All the above responsible entities have completed and submitted within the deadlines, as of 31 October 2022, the *Declaration of Private/Periodic Interests* to the High Inspectorate of Declaration and Audit of Assets and Conflict of Interests.

No cases of conflict of interest were identified and registered in PPA in 2022.

12.3. Coordinator for the Right to Information

In the framework of transparency, the duties of the Coordinator for the Right to Information and the Coordinator for the Right to Personal Data are performed by 1 specialist of the Coordination Sector. In the frame of the fulfillment of the duties as defined in Law No. 119/2014 "On the Right to Information". The Coordinator has reviewed every request for information submitted to PPA in written or electronic form, and he has provided responses within the legal deadlines in cooperation with the sectors that administer the requested information. Specifically, the Coordinator for the Right to Information has reviewed and responded to 22 requests for information in 2022.

12.4. Activities regarding the administrative capacity building of PPA staff and public procurement specialists of the Contracting Authorities

12.4.1. Participation in national and international activities

Pursuant to the Decision of the Council of Ministers No. 138, dated 12 March 2014 "On the rules of the organization and operation of the Albanian School of Public Administration and the training of civil servants", as amended, PPA has been part of a series of meetings and workshops organized by various local and foreign organizations and institutions regarding the assessment of individual needs for training, as well as in the frame of the Integration process and priorities about the improvement of the procurement system in Albania in

accordance with the best international and European practices. This is presented in the table below:

Table 104

Topic	Directorate/Sector	Date	Nr. of participants
The role and duties of the authorities responsible for the assets declaration and conflict of interest - High Inspectorate of Declaration and Audit of Assets and Conflicts of Interest (HIDAACCI)	Finance and Human Resources Sector	14.02.2022-25.03.2022	1
Regulation of civil service legal relations (ASPA)	Finance and Human Resources Sector	04.04.2022-13.04.2022	1
On technical assistance about the implementation of an effective FMC system in PPA (ASPA)	Directorate of Contracts Coordination and Monitoring	15.04.2022	2
Conducting of public procurement procedures in compliance with environmental aspects (Green Public Procurement- GPP) – Part 1 (ASPA)	Directorate of Contracts Coordination and Monitoring Legal and Procedures Monitoring Directorate	22.06.2022	12
Conducting of public procurement procedures in compliance with environmental aspects (Green Public Procurement- GPP) – Part 2 (ASPA)	Directorate of Contracts Coordination and Monitoring Legal and Procedures Monitoring Directorate	23.06.2022	12
Fraud in Public Procurement Part 1 (French Embassy and PPA)	Directorate of Contracts Coordination and Monitoring Legal and Procedures Monitoring Directorate	08.06.2022	10
General Training on "Fraud in Public Procurement" - Part 2 (French Embassy and PPA)	Directorate of Contracts Coordination and Monitoring Legal and Procedures Monitoring Directorate	09.06.2022	9
Public Procurement in cases of civil emergencies (World Bank)	Directorate of Contracts Coordination and Monitoring Legal and Procedures Monitoring Directorate	30.06.2022	2

Register of use of plant protection products (PPP) in the farm" (ASPA)	Coordination Sector	13.09.2022	1
Basic principles for drafting letters and written communication (ASPA)	Legal and Exclusion Requests Review Sector	06.04.2022	1
Small value procurement procedures (ASPA)	Legal and Exclusion Requests Review Sector	24.03.2022	1
Corruption in public procurement (ASPA)	Legal and Exclusion Requests Review Sector	08.09.2022	1
Risk analysis methods (MoFE)	Legal and Exclusion Requests Review Sector Contract Monitoring Sector Finance and Human Resources Sector	09. 06.2022	5
Training in the frame of fraud detection in public procurement "Joint investigations - methodology and risk analysis" (ASPA)	Procurement Procedures Monitoring Sector	09.06.2022	4

General training (Webinar) on the importance of drafting and implementing Financial Management and Control instruments, as well as dealing with general rules on drafting the annual work plan. (ASPA)	Procurement Procedures Monitoring Sector	15.04.2022	2
<i>4th NCPA Webinar on Tackling Corruption in Public Procurement</i>	Procurement Procedures Monitoring Sector	15.12.2022	1
<i>"Best practices in IT procurement and data management"</i>	Sector of Monitoring the Concessions/PPP and Procedures in the Field of Defense and Security	20-21.10.2022	2
On food labeling and consumer information (ASPA)	Sector of Monitoring the Concessions/PPP and Procedures in the Field of Defense and Security	31.10.2022	1
<i>"PPP Evaluation Methodology for the SDGs"</i> (ASPA)	Sector of Monitoring the Concessions/PPP and Procedures in the Field of Defense and Security	27.09.2022	2
Technical assistance related to the development of Financial Management and Control instruments (FMC)	Contracts Monitoring Sector	28.09.2022	2
On corruption in public procurement (ASPA)	Contracts Monitoring Sector	15.12.2022	1

<i>Best Practices in IT Procurement and Data Management (ASPA)</i>	Coordination Sector	20.10.2022-21.10.2022	2
Corruption in public procurement (ASPA)	Coordination Sector	15.12.2022	1
Development of financial management and control instruments (FMC)	Finance and Human Resources Sector, Legal and Procedure Monitoring Directorate, Directorate of Contracts Coordination and Monitoring, Directorate of Implementation of Strategic Policies and Integration, Directorate of Database Management and Publication (MoFE)	28.09.2022	12
16th Forum on Procurement, Integrity, Management and Transparency (PRIMO)	Strategic Policies and Statistics Implementation Sector	19.09.2022-21.09.2021	40

12.4.2. Training of procurement staff of the Contracting Authorities

Pursuant to Article 23, Point (j) of Law No. 162, dated 23 December 2020 "On public procurement", PPA cooperates with the institutions responsible for providing training to public institutions with the aim of building the professional capacities and the professionalism of the public procurement system in general.

UNDER Chapter III, Paragraphs 6 and 9 of the Decision of the Council of Ministers No. 138, dated 12 March 2014 "On the rules of organization and operation of the Albanian School of Public Administration and the training of civil servants", as amended, various trainings on procurement divided according to different topics have been organized in the frame of inter-institutional cooperation with the Albanian School of Public Administration. The aim of this has been the professional growth and qualification of responsible persons for procurements at the Contracting Authorities in the field of public procurement.

1,396 participants were registered during January-December 2022 from 282 central + local + independent institutions. Out of the number of participants, there are 997 women and 399 men.

Table 105

	Module	Contracting Authorities	No. Of Contracting Authorities	No. of Participants	Males	Females	CS	Labor Code
1	Public Procurement	Central	174	582 419 395	399	997	1250	146
		Local	57					
		Independent	51					
Total			282	1396				

12.4.3. MEETINGS AND WORKSHOPS

PPA has participated in a series of meetings and workshops organized by various national and international organizations and institutions in the frame of the integration process and priorities regarding the improvement of the procurement system in Albania in compliance with the best international and European practices.

PRIMO INTERNATIONAL CONFERENCE

The 16th Procurement, Integrity, Management and Openness (PRIMO) Forum was held in Tirana on 19-21 September 2022. Heads of public procurement agencies and procurement experts from across Europe and Central Asia, gathered at the 16th Procurement, Integrity, Management and Openness (PRIMO) with the topic "Supporting resilient recovery and development/Support for a sustainable recovery and development". PRIMO was initiated by the World Bank in 2005, and since then it has served as an opportunity to exchange knowledge and experiences between countries about the public procurement reform.

This year, the Public Procurement Agency was the host institution of the Forum. The forum was co-sponsored by the European Bank for Reconstruction and Development (EBRD), the Islamic Development Bank (IsDB), the European Investment Bank (EIB), the Asian Development Bank (ADB) and the World Bank, in cooperation with the OECD.

The 16th PRIMO Forum brought together around 100 procurement officials from 19 countries around the world, such as Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, North Macedonia, Georgia, Kazakhstan, Kosovo, the Kyrgyz Republic, Moldova, Montenegro, Poland, Romania, Slovenia, Tajikistan, Turkey, Ukraine and Uzbekistan. The forum was also attended by representatives from international institutions, such as ADB, IsDB, EBRD, EIB, World Bank, etc. Forum participants discussed best practices and experiences of public procurement and the role it can play in supporting post-crisis recovery and sustainable development.

The participants in the conference, the panelists, and the speakers highly appreciated the organization of this event by the Albanian government and PPA and congratulated Albania about its achievements and commitment in the field of public procurement and the progress that has been made in regard to the implementation of reforms in this field.

Other activities and workshops where PPA staff has participated during 2022 are as follows:

- Workshop on "Writing policies" organized by the Ministry of Justice, which was held on 25 and 26 January 2022 in the premises of Hotel Rogner;

- Workshop on "Public Procurement from the Perspective of European Integration", which was organized by the "C1-EU-NPA" Project on 28 February 2022 in the premises of Hotel Rogner. The workshop was organized in the form of a panel discussion, where the speaker was the General Director of PPA;
- Workshop "Towards bilateral screening: from LGA and IAGA to the screening Presentation", which was organized by SEI project on 05 April 2022 in the premises of Hotel Rogner and Online;
- The UNECE International Forum on Public Private Partnerships, which was organized online and physically in Barcelona on 4-6 May ;
- In order to build administrative capacities, PPA staff members participated on 8 and 9 June 2022 in the 2-day training that PPA organized in cooperation with the Anticorruption Directorate at the Ministry of Justice and the French Embassy with the topic: "The fight against corruption - risk assessment and contract analysis", where French experts presented issues and practical cases of the practices of officials responsible for the realization of public procurements where elements of corruption are combined.
- The online training, which was organized by ASPA on 22-23 June 2022 with the topic "Development of public procurement procedures in compliance with environmental aspects (Green Public Procurement-GPP)".
- The first Intergovernmental Conference, which was held in Brussels on 19 July 2022 that launched the process of accession negotiations to the European Union for Albania and North Macedonia. The General Director of PPA and the Negotiator for Chapter 5 "Public Procurement" participated in this Conference.
- The next meeting of the Inter-institutional Working Group for European Integration for Chapter 5, which was held online on 01 June 2022. The meeting was chaired by the General Director of PPA and was attended by representatives from ATRAKO, the Ministry of Defense, the Public Procurement Commission, the Ministry of Infrastructure and of Energy, Ministry of Finance and Economy, Ministry for Europe and Foreign Affairs, as well as the Office of the Chief Negotiator.
- The meeting of Inter-institutional Working Group for European Integration for Chapter 5 was held on 26 July 2022 in the premises of the Prime Minister's Office, where it was discussed, among other things, about the obligations undertaken by the Albanian side during the screening process and especially after the holding of the First EU-Albania Intergovernmental Conference.
- A meeting, which was held in Tirana on 12-13 September between the negotiators of Cluster 1 and the Working Party on Enlargement and Countries Negotiating Accession to the EU (COELA). The meeting was attended by the General Director of the PPA and, at the same time, the Negotiator for Chapter 5.
- An explanatory meeting, which was held in the frame of the "screening" process for Chapter 5 on 15 September in Brussels. The Albanian delegation was chaired in this meeting by the Minister of State and Chief Negotiator Mrs. Majlinda Dhuka and the General Director of PPA and, at the same time, the Negotiator for Chapter 5.
- An explanatory meeting, which was held on 20 September in Brussels in the frame of the "screening" process for the "Economic Criterion" Chapter, which is led by the Minister of Finance and Economy.

- An exercise meeting, which was held on 07 October 2022, in the premises of Hotel Rogner, in cooperation with the SEI project, which is providing assistance for Chapter 5 to prepare for the "screening" process. This was part of the preparations for the bilateral meeting, which was going to be held in November 2022.
- The United Nations Office on Drugs and Organized Crime (UNODC) and the Regional Anti-Corruption Initiative (RA), organized on 11-13 October 2022 in Dubrovnik a regional meeting to review the implementation of the objectives of the Regional Roadmap against Corruption and Illegal Financing, which was approved in Ohrid last year.
- A workshop was organized on 20-21 October 2022 by the US Department of Commerce in the premises of the Hilton Hotel regarding data security, the best practices of managing data and electronic files, as well as the best practices in software procurement.
- The United Nations Office on Drugs and Organized Crime (UNODC) and the Regional Anti-Corruption Initiative (RA), organized on 7-8 November 2022, in Vienna, the meeting of the technical group of the Regional Anti-Corruption and Illicit Finance Roadmap following the Dubrovnik meeting.
- The second exercise meeting, which was held on 10 November 2022, in the premises of Hotel Rogner, in cooperation with the SEI project, in the frame of the preparations for the bilateral meeting, which was going to be held in November 2022.
- A bilateral meeting, which took place in the frame of the "screening" process for Chapter 5 in Brussels on 18 November. The Albanian delegation was chaired in this meeting by the Deputy Minister of Justice, the General Director of the Public Procurement Agency and, at the same time, the Negotiator for Chapter 5.
- The United Nations Office on Drugs and Organized Crime (UNODC) and the Regional Anti-Corruption Initiative (RA), organized on 29-30 November 2022, in Ljubljana, the second meeting of the technical group of the Regional Anti-Corruption and Illicit Finance Roadmap, following the Vienna meeting.
- Two activities, which were organized in Skopje on 14 December 2022. An activity coincides with the Regional Anti-Corruption and Illicit Finance Roadmap in the context of the Berlin process. PPA was represented by the General Director in this meeting. While the other activity coincides with a meeting with the Public Procurement Bureau of the Republic of North Macedonia, with the aim of exchanging experiences and strengthening inter-institutional cooperation, especially when fulfilling the obligations arising from the integration process.
- PPA held a bilateral discussion table during 2022 with the Competition Authority in December 2022 in the frame of the organization of multilateral meetings, as well as in the frame of cooperation with third-party institutions, but also in the frame of the implementation of the activities foreseen in the National Public Procurement Strategy. This was concluded in joint signing of a Roadmap by the two institutions. This Roadmap aims to protect free and effective competition in public procurement, with a focus on preventing collusion in public procurement. Representatives of the business community, chambers of commerce and industry, law firms, etc. also participated in this meeting, which was held on 20 December, in addition to the

representatives of the Competition Authority and the Public Procurement Agency, etc.¹²

12.5. COMMUNICATION WITH THE MINISTRY OF FINANCE AND ECONOMY

12.5.1. Quality control of the internal control system

The Public Procurement Agency was subject to the evaluation of the quality of the internal control system for the period of 11-15 April 2022 pursuant to Law No. 10296, dated 07 August 2010 "On financial management and control", as amended, and Letter of the Minister of Finance and Economy with Protocol No. 5241, dated 23 March 2022.

The following was found after the assessment of the quality of internal control:

- PPA activity is based on the National Public Procurement Strategy approved upon Decision No. 850, dated 04 November 2021 and the Internal Regulation, as amended upon Decision No. 3, dated 30 April 2019;
- The Public Procurement Agency acts in support of the objectives defined in the MTBP and the annual work plans about the fulfillment of the objectives;
- Measures have been taken to implement the risk management process, but they must be developed further with the development of relevant instruments;
- Audit trails have been drawn up, but they need to be improved and further developed according to the concept of financial management and control;
- Manuals of work process have not been drafted.

Pursuant to the findings and recommendations, maps and manuals of the institution's work processes were drawn up in June, according to the template approved in the Financial Management and Control Manual.

The revised audit trails were approved upon the Decision of the General Director No. 6, dated 29 December 2022.

The risk register was revised during the period of July-September 2022 and the action plan for risk minimization was drawn up.

12.5.2. Usage of the Web Portal

Pursuant to Law 9936, dated 26 June 2008 "On the Management of the Budget System in the Republic of Albania", as amended, Law No. 10296, dated 08 July 2010 "On Financial Management and Control", as amended, the Guideline of the Minister of Finance and Economy No. 17, dated 06 July 2021, "On the use of the electronic archive in the process of executing state budget payments by the General Government Units", the Public Procurement Agency started in December 2022 to send and archive the support documentation in electronic form for the execution of budget transactions, through the web portal.

- **Auditing of Information Technology systems**

¹² (<https://www.app.gov.al/GetData/DoenloadDoc?documentId=92428888-b7b1-46c7-84a5-498af7ddac8>).

The Public Procurement Agency was in the audit process by the Albanian Supreme Audit Institution from 12 January 2022-08 April 2022, the scope of which was "Audit of Information Technology systems", for the period of 01 January 2020 - 31 December 2021.

Following the findings and recommendations provided in the final report of the Albanian Supreme Audit Institution, the Finance and Human Resources Sector in cooperation with the Directorate of Data Administration and Publication revised the job descriptions in coherence with the Internal Regulation.

12.6. USE AND SAFEGUARDING OF ASSETS

Pursuant to Law No. 10296 dated 07.8.2010 "On financial management and control", as amended, Guideline No. 30, dated 27 December 2011 "On the management of assets in Public Sector Units" as amended, the necessary steps have been taken in regard to the documentation, protection, circulation of assets, in order to effectively manage and protect them from damage and misuse.

Every manager, official or staff member of the institution is responsible for the preservation and protection of the unit's assets and documentation against loss, theft, misuse and unauthorized use according to the powers he exercises by documenting the actions taken by him to ensure the preservation and maintenance of the asset under responsibility.

Assets in use are entrusted to staff members who have legal responsibility for losses, damages and waste. The inventory of assets in use and in the warehouse is carried out every year. Specifically, the Asset Inventory Commission was established upon the Order of the General Director No. 114, dated 22 December 2022.

There were no cases of losses, misuse or unauthorized use of assets in 2022.

The person in charge of the material base adds the data in the relevant documentation in an accurate manner, as well as the balance of the transactions of the assets under his responsibility.

Before it is accepted in the warehouse, every purchased asset is accepted by the Acceptance Commission, which has been set up upon the Order of the General Director No. 4, dated 10 January 2022.

12.7. BUDGET EXECUTION PERFORMANCE IN 2022

The Public Procurement Agency has carried out the financial activity for 2022 based on Budget Law 115/2021 "On the 2022 budget".

- **The execution of budget funds over 12 months in 2022 is presented as follows.**

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No.	Items	Annual Plan	12/moths plan in Leks	12/months actual in Leks	12/months difference in Leks	Execution (%)	Number of staff
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							Plan	Actual
1	600	46,430,000	54,247,500	44,662,405	1 767 595	96.2		
2	601	7,817,500		7,377,493	440 007	94.4		
3	602	6,562,800	7,472,800	4,555,846	2 006,954	69.4		
4	606	910,000		884,367	25 633	97.2		
5	231	1,000,000	1,000,000	976,056	23,944	97.6		
Total		62,720,300	62,720,300	58,456,167	4,264,133	93.2	44	39

Actual 58,456,167 Albanian Leks of the planned 62,720,300 Albanian Leks, or 93.2% of the budget funds allocated by the Budget Law of 2022 were actually executed for the period of January-December 2022.

1,000,000 Albanian Leks were allocated to PPA under the capital expenditure item for the purchase of electronic equipment and office furniture upon the Budget Law of 2022. The fund used in 12 months is 976,056 Albanian Leks or 97.6%.

13. WORK PRIORITIES AND OBJECTIVES FOR 2023

1. Continuation of the European Integration process by coordinating the work in the frame of the process of Albania's full membership in the EU.
2. Continuous improvement of the regulatory framework in the field of public procurement is in the focus of PPA's activity even in 2023. In this context, it is aimed to achieve the following:
 - Revision of the public procurement law and public procurement rules, with the aim of further alignment with the provisions of the EU Directives, as well as addressing the challenges referred by both, the Contracting Authorities and economic operators, when implementing the law during the period of 2 years of its entry into force;
 - Drafting and approval of the guideline on the application of the evaluation criterion of the Most Economically Advantageous Tender based on cost;
 - Finalization and publication of a Green Procurement Roadmap;
 - Active participation of PPA in the drafting process of the new law on Concessions and PPP with the aim of guaranteeing its compatibility with the relevant EU Directive.
3. Carrying out of the activities foreseen in the Action Plan of the National Strategy on Public Procurement 2020-2023.
4. Monitoring the implementation of the National Public Procurement Strategy 2020-2023;
5. Follow-up of activities in the frame of the National Strategic documents where procurement is included.
6. Designing of a program for the professionalization of the public procurement function and a multi-year training plan.
7. Following up of the process of Albania's accession to the Agreement on Government Procurement (GPA) of the World Trade Organization.
8. Continuous improvements of EPS.

In order to enhance transparency, continuous improvements of the EPS are necessary, such as:

- i. Improvement of the dynamic system in the EPS;
- ii. Creation of call-offs in the EPS;

- iii. Setting filters in the EPS to identify the application of the evaluation criterion of the cost-based Most Economic Advantageous Tender and green procurement criteria;
 - iv. The application of red flags in EPS in order to automatically identify cases where there are procedures with one bid submitted, or cases where there is only one economic operator declared as the winner in the procurement procedures of a Contracting Authority, etc.
9. Continuous assistance for the Contracting Authorities regarding the procurement procedures, with the aim of minimizing the cases when CAs establish criteria that restrict participation and fail to ensure fair competition of economic operators, as well as enhancement of the performance of the Contracting Authorities when performing public procurement procedures to guarantee the efficiency of the public procurement.
 10. Continuous cooperation with international organizations in the frame of improving the public procurement system in Albania.
 11. Cooperation with different institutions for issues related to public procurement and addressing of challenges that may be found in the course of carrying out the duties.
 12. Processing statistical information on a regular basis and whenever requested by third parties.