

Country case: Towards e-procurement in the Russia Federation

Description

The Russian Federation recently reformed its public procurement legislation, the Federal Law on the procurement system of goods, works and services for the state and municipal needs (Law № 44-FZ) in order to make public procurement more open, competitive and transparent.

In addition, 16 regulatory acts will be adopted in 2014 to provide guidance on the implementation of key innovations such as life cycle contracts, price formula contracts, tender with limited participation, and contract services of entities. This will be done by setting requirements for goods purchased by public authorities, creating a database of standard contracts (standard terms and conditions of contracts), as well as banking support of contracts. One of the most important features of the reformed law draws on the need to carry out public discussions on large procurements (over 1 billion rubles, approximately US 28 million) through a special online forum as well as in-person hearings.

The main objective to achieve in 2014 is to transfer paper-based competitive tendering into electronic form and to improve information software as well as to create a unified information system. Until now, most of the public procurement in the Russian Federation is carried out by five electronic trading platforms. Currently, 230,000 entities and 250,000 suppliers are registered on these platforms. All information on public procurement (over 8 trillion ruble per year, approximately US 223 billion) including the state-owned enterprises (more than 9 trillion rubles per year, approximately US 251 billion) is gathered in the official [website](#) with an average attendance of 100,000 visitors per day.

In accordance with Law № 44-FZ an unified information system of government procurement (UES) should be in place by 2016. The UES will be the heart of the contract system covering all stages of procurement, from the publication of the procurement notice to audit, monitoring and control of public procurement.

- Under Law № 44-FZ, the UES should contain:
- short-term and long-term procurement plans (annual and 3-year) and information of their implementation;
- information on procurement regulation and on procurement and contracts compliance;
- registry of contracts;
- registry of complaints, scheduled and unscheduled inspections, their results and instructions;
- database of standard contracts (standard terms and conditions of contracts);
- monitoring results, audit and control of procurements and

Public Procurement
Principle: **Transparency,
E-procurement**

Procurement Stage:
All phases

Audience: **Policy Maker,
Procuring Entity, Private
Sector, Civil Society**

- catalogs of goods, works and services. It is expected that by 2020 the use UES would automatize the work of more than 2 million users and reduce costs for entities and suppliers.

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Source: OECD (2016), "[Corruption in Public Procurement](#)".