Executive Summary

The state of public procurement in Uzbekistan

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When analyzing the sphere of public procurement in Uzbekistan, the following system challenges were identified that directly affect the efficient use of budgetary funds:

- Weak development of centralized state control.
- Still a large share of direct purchases, which was over 41% in 2022. Although it is worth noting significant progress in increasing the use of competitive procedures. In 2019, the share of direct purchases was 70%.
- Delays in fully transitioning to e-procurement.
- Standard contracts have not yet been implemented, and the conditions in the contracts are drawn up by buyers unilaterally without taking into account the interests of business.
- The Complaints Commission is not authorized to deal with disputes over the terms of contracts.

Based on the results of the study, the following recommendations were formulated for policymakers:

- 1. Work on improving competition by increasing the share of competitive procedures through consultation with key customers.
- 2. Centralize public procurement data from different platforms of the Ministry of Economy and Finance and use the data to improve analytics and decision-making systems, as well as risk assessment (in regulatory bodies).
- 3. Introduce public procurement data publications in machine-readable Open Contracting Data Standard (OCDS) format.
- 4. Ensure a complete transition to electronic types of procurement procedures.
- 5. Expand the list of documents and information uploaded to the public procurement portal.
- 6. Accelerate the introduction of an electronic system for filing complaints with the Commission. Include representatives of the public and businesses in the Complaint Review Commission, ensure the publication of the results of the review of complaints in a machine-readable form.
- 7. Approve standard contracts for standard goods and services, taking into account the interests of customers and suppliers. Conduct market consultations on their formation.
- 8. At the legislative level, appoint a responsible investigative body that will control the field of public procurement from the detection of offenses to prosecution. Regularly improve competencies in public procurement of personnel.
- 9. In order to increase the attractiveness of public procurement for business, it is advisable to increase the minimum delivery time for goods and services.
- 10. Development of training programs for public procurement participants, both for representatives of the customer and for business representatives.
- 11. Facilitate public oversight of public procurement and campaigns to raise awareness, awareness and involvement of the active population in public oversight.

In general, the above recommendations represent only a part of the measures proposed to improve the public procurement system and are not exhaustive. The <u>full version of the study</u> contains the rationale for the proposed recommendations.