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Center for Civil Communications
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**Public
procurements in
North Macedonia
at times of corona:
How it was and
what can be done
in the future?**

Skopje, November 2020

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SUMMARY

- * Immediately after the corona crisis emerged, state institutions in North Macedonia started to procure protection gear under negotiation procedures, without previous announcement of call for bids, i.e. in direct negotiations with the companies, due to “utter urgency”.
- * From March to October 2020, the value of such urgent contracts has reached 8.1 million euros, with total of 523 contracts signed by 103 institutions.
- * Half of public procurements were implemented by institutions in the field of healthcare.
- * Although contracts were signed with 204 companies, the top five companies marked by highest value of procurements account for almost half of the total value of all procurements.
- * In the case of 39% of these contracts, negotiations were led with only one company. In the first months, half of these negotiations included only one company.
- * Significant differences are noted in respect to prices at which same goods are procured, especially in the case of masks, gloves and protective suits.
- * In the absence of any guidelines, manual or even standard procurement templates issued by competent institutions, there was dissonance among institutions in respect to organization of public procurements.
- * In the case of 68% of contracts awarded under urgent procedure without call for bids, the institutions have acted in breach of the Law on Public Procurements by failing to publish notifications on contracts signed and the contract itself within the law-stipulated deadline of ten days after the contract was signed.
- * The share of timely published information on contracts signed for urgent procurements was the lowest in the months when the highest amounts of funds were spent for such contracts.
- * Significant portion of contracts for coronavirus-related urgent public procurements does not include detailed description of goods procured, quantities thereof and unit prices.
- * Albeit modest both in terms of the number of procurements and in terms of the value of procurements, certain normalization of these procurements, i.e. organization of regular procedures was resumed as late as July 2020, i.e. after the state of emergency expired.
- * Only in the case of 5.2% of contracts signed under urgent negotiation procedures, the institutions published the law-mandated notifications on performance of public procurement contracts.
- * The value of all public procurement contracts in the period March-October 2020 amounts to 635 million euros and is only 8% lower than the value of contracts signed over the same period in 2019, when it accounted for 691 million euros.
- * Under conditions of declared state of emergency and dissolved parliament, the Government adopted decrees with the effect of law. Among total of 250 decrees adopted, only 4 decrees concerned public procurements in the country.
- * The emergency state, the general lack of necessary goods, the speed under which COVID-19 protection procurements were implemented, and the public’s focus on other issues increase the risk of corruption in organization of already non-transparent public procurement procedures – negotiation procedures without previous announcement of call for bids.
- * Aware that the institutions are in a bind and do not have a great choice, the suppliers could also utilize this period to increase their prices above actual and common levels.
- * In order to narrow the space for possible abuses of the already modest public resources, maximum efforts need to be invested in increasing transparency, accountability and cost-effectiveness of such procurements and in insisting to obtain the best value for the money spent. Hence, it is recommended:
 - To conduct enhanced monitoring on implementation of these procurements, not only by the civil society, but generally by all system institutions with relevant competences in this regard, including verification of prices, deadlines and procurement needs.
 - To plan and implement coronavirus-related procurements under regular procedures instead of urgent procurements with negotiations.

- Institutions that would continue to use the negotiation procedure without previous announcement of call for bids must make efforts to include as more companies as possible in these negotiations.
- Institutions should timely publish, in the Electronic Public Procurement System and on their websites, notifications on contracts signed and copy of the urgent procurement contract, as well as notifications on performance of procurement contracts.
- Contracts should include unit prices for goods and services procured, quantities agreed, and detailed description of the procurement subject.
- Competent institutions should develop guidelines or manual for contracting authorities in respect to procurement of goods for virus protection and prevention, with due consideration of the institutions' variable needs.

INTRODUCTION

Immediately after it became evident that North Macedonia, and the entire world, is under the threat of infection spread with the new coronavirus, state institutions began to procure protection gear. It was a matter of unplanned public procurements that needed to be realized urgently and without any delay, whereby instead of regular procurement procedures the state institutions started organizing **direct negotiation procedures without previous announcement of call for bids**, pursuant to Article 55, paragraph (1)d of the Law on Public Procurements¹: “...in cases when, due to utter urgency that has emerged as a result of events which the contracting authority could not have anticipated, the deadlines for other procedures cannot be applied. Circumstances that justify the utter urgency must be such as not to be attributable to the contracting authority.”

Although procurements implemented under negotiation procedure without previous announcement of call for bids are subject to obtaining previous opinion from the Bureau of Public Procurements, they can also be implemented directly, i.e. without obtained opinion, in compliance with Article 55, paragraph (6), which stipulates that: “As an exemption from paragraph (5) of this article, the contracting authority shall not be obliged to obtain a previous opinion before implementation of negotiation procedure without previous announcement of call for bids, pursuant to paragraph (1), item d) of this article **when the safety, life and health of people are directly threatened**”.

Therefore, the Bureau of Public Procurements issued a notice to all contracting authorities, dated 17 March 2020, confirming the above described situation: “The Bureau hereby informs all contracting authorities that should implement procurements under negotiation procedure without previous announcement of call for bids due to urgent reasons that the **procurements directly related to the COVID-19 pandemic can be implemented without requesting the Bureau of Public Procurements to issue previous opinion**, pursuant to Article 55, paragraph (6) of the Law on Public Procurements, and in order to meet relevant needs within the shortest period possible and without any delay. However, reasons thereof must be adequately elaborated in the decision for public procurement. All remaining requests for previous opinion pursuant to Article 55, paragraph 5 of the Law on Public Procurements should be submitted via postal services to the Bureau’s archive.”

Several days earlier, on 11 March 2020, the World Health Organization declared COVID-19 as global threat, i.e. global pandemic, while **on 18 March 2020, North Macedonia declared a state of emergency on its territory**, which lasted until 23 June 2020. In the meantime, the Parliament of North Macedonia was dissolved in the wake of forthcoming parliamentary elections which due to the crisis were postponed from 12 April for 15 July 2020.

Nevertheless, procurements of coronavirus protection gear continued to be implemented as “utter urgency” even in the months after the state of emergency expired.

In the meantime, the Government has failed, directly or through the competent Ministry of Finance and the separate state body within this ministry, i.e. the Bureau of Public Procurements, to significantly intervene in the manner these procurement are implemented or generally in the system of public procurements during the COVID-19 pandemic. Large-scope centralized procurements were not organized and there was no pro-activeness respect to indicating and guiding the state institutions on how they should act when procuring goods for coronavirus protection.

¹ [Law on Public Procurements](#), “Official Gazette of RM” no. 24 from 01.02.2019

EMERGENCY PROCUREMENTS

8 million euros for coronavirus-related emergency procurements

The Center for Civil Communications started ad-hoc monitoring of coronavirus-related emergency public procurements even before the crisis's onset in March 2020, by publishing regular reports with findings and recommendations.

The monitoring shows that, from the crisis's onset, i.e. from early March to the end of October 2020, a total of 523 contracts were awarded under the negotiation procedure without previous announcement of call for bids, in total value of 500 million MKD, i.e. 8.1 million EUR.

Emergency procurement contracts for coronavirus protection were signed by 103 institutions. The highest value of such contracts is observed with the Ministry of Interior, which has awarded 10 contracts in total value of 2 million euros, accounting for one quarter of the total value of all contracts signed under urgent procedures. Next is the Ministry of Health, which has signed 21 contracts in total value of 730,000 euros. In that, the Ministry of Interior has signed the two biggest urgent contracts related to the corona crisis, of which the first was signed in the value of 1.1 million euros and concerned procurement of masks for members of the police, and the second was signed in the value of 657,000 euros and concerned procurement of masks and gloves for the police. Procurements of the second-ranked Ministry of Health are mainly grouped and were signed for the needs of the entire healthcare system, including construction works and equipment for modular pre-fabricated hospital. Nevertheless, 52% of the total value of urgent procurements for coronavirus protection was implemented by institutions in the healthcare sector, which organized individual procurements, mainly because there were very few centralized procurements.

Institutions with highest values of coronavirus-related emergency procurement contracts

Rank	Institution	Number of contracts	Value of contracts (in EUR)
1	Ministry of Interior	10	2,049,637
2	Ministry of Health	21	729,311
3	University Clinic of Traumatology	48	699,914
4	Public Health Centre – Skopje	10	518,868
5	City General Hospital "8 September" – Skopje	39	448,666

The cumulative value of contracts signed by these five institutions accounts for 55 % of the total value of all urgent contracts.

It should be noted that the institutions also organized COVID-19 protection procurements beyond the Law on Public Procurements, which means procurements whose value is below the threshold stipulated in this law, i.e. procurements whose value does not exceed 1000 euros.

Low competition in urgent procurements – only five companies account for almost half of the value of all contracts

Urgent procurement contracts were signed with 204 companies in total, but high 42% of the total value of these contracts belongs to only five companies. First on that list is *BIOTEK*, which was awarded 13 contracts in total value of 1,232,752 euros. Next is *GIFTI TEKS*, with two contracts in total value of 1,138,192 euros.

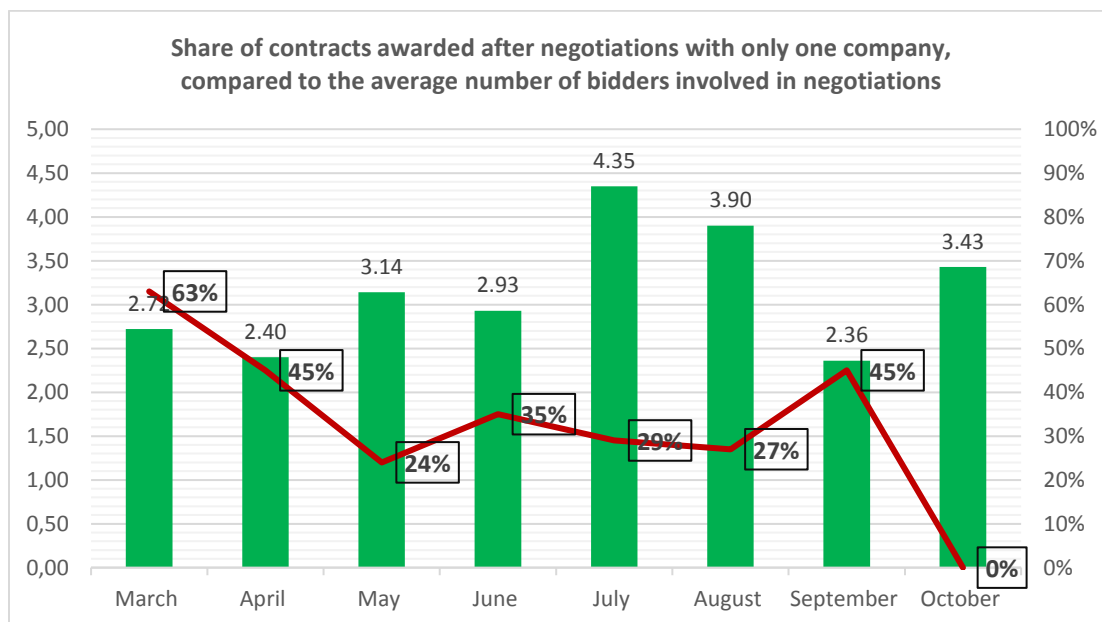
Companies with highest values of coronavirus-related urgent procurement contracts

Rank	Company	Number of contracts	Value of contracts (in EUR)
1	BIOTEK LLP Skopje	13	1,232,752
2	GIFTI TEKS LLC Prilep	2	1,138,192
3	SONIKS ANASTASIJA LLC Skopje	9	485,157
4	LISA-KOM LLC Kavadarci	2	299,447
5	ALKALOID JSC Skopje	17	265,852

Another feature of urgent procurement contracts related to coronavirus protection is low competition, i.e. small number of companies involved in negotiations.

In the case of 39% of urgent procurement contracts, negotiations were led with only one company. This share is different in the course of different months, whereby at the crisis's onset, i.e. in March, negotiations with only one company resulted in signing of 63% of urgent procurement contracts. This share was gradually reduced as the crisis progressed, and again reached 45% in the month of September.

Finally, the average number of bidders involved in negotiations prior to award of urgent procurement contracts under negotiation procedures without previous announcement of call for bids is calculated at 3.02. In this regard as well, the average number of bidders involved in negotiations was increased one month after another, reaching its maximum of 4.35 bidders in July, and followed by a drop to 2.36 bidders in September. October is the first month without single contract awarded after holding negotiations with only one company.



The number of companies involved in negotiations was increasing as the crisis evolved, mainly due to public pressure by the civil society and the media, but also due to the fact that contract-related documents were published and provided insight into names of companies that offer particular goods and services and could be invited to join the negotiations.

Nevertheless, by the end, the number of companies awarded coronavirus-related urgent procurement contracts remained very low, i.e. only 204 companies. Moreover, only the top five companies with highest values of contracts “took” almost half of the entire cake, while the remaining 199 companies had to “share” the other half.

Major differences in price, incomplete contracts

Significant portion of coronavirus-related urgent procurement contracts does not include detailed description of goods procured, quantities thereof and unit prices. This prevents verification of cost-effectiveness in regard to public spending. Moreover, the same becomes an even greater problem having in mind that tender documents for these contracts are not published and therefore prevent insight into quantities, prices and description of goods procured.

A particularly great problem concerns lack of description for goods procured. For example, some contracts only indicate that the subject of procurement concerns “protective masks” and “gloves” or even “protective gear”, without any specification about the actual type of goods, although it is known that prices for these products could significantly vary depending on their type and characteristics. Only in the case of masks, prices differ significantly, depending on the fact whether they are surgical, fabric-made, single-layered, double- or triple layered, for single or for multiple use, etc.

Significant differences in unit price for procurement of same type of products are among the biggest problems noted in respect to urgent procurements for COVID-19 protection organized under negotiation procedures. In that, it should be noted that it is not a matter of comparing prices attained in initial and in late months covered by this analysis, but rather major differences in prices attained from the very begging of the crisis, i.e. during the months of March, April and May.

The biggest differences in price were noted in respect to procurement of protection suits (body suits), gloves and masks.

In the case of masks, major differences in price are not observed only among different types of masks, but also among masks of the same type. The most expensive are FFP2 masks, priced at 448 MKD per piece, while major differences were also noted in prices for N95 masks, ranging from 66 MKD to 313 MKD per piece. Otherwise, institutions have purchased as many as 16 different types of protective masks.

In the case of gloves, again major differences are noted even among those of same type. Five different types of gloves were procured, whose prices ranged from 1.8 MKD to 9.3 MKD per glove. It should be noted that the institution that has purchased gloves at the highest price, actually procured the highest quantity, i.e. 4 million gloves.

In the case of “single-use protective suits”, the prices ranged from 177 MKD to 1,156 MKD per suit. Otherwise, three different types of protective suits were purchased, the most expensive of which was purchased at the price of 1,788 MKD and is described as medical protective suit.

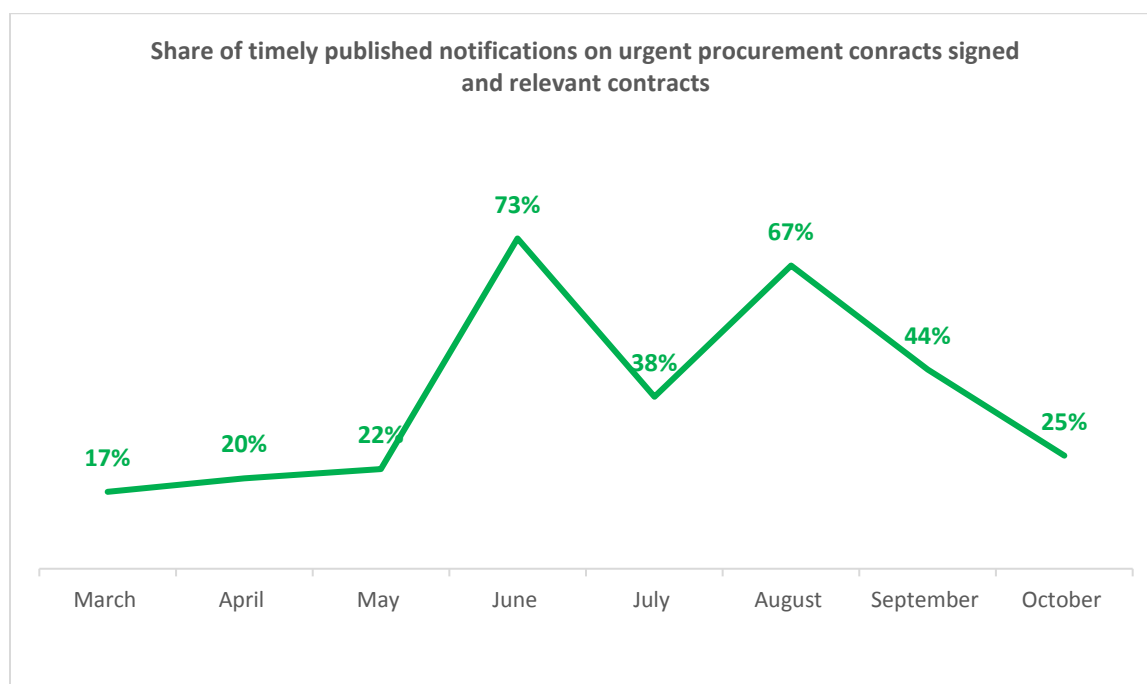
Another problem detected in this context concerns non-alignment of procurements among the institutions, i.e. dissonance in procurements as a result of the absence of any form of guidelines or even standard procurement template issued by competent institutions.

The absence of any form of coordination or guidelines for urgent procurements has resulted in absurd situations like the situation in which one utility enterprise purchased single-use protective suits at the price of 1,156 MKD, while one clinic purchased multiple-use protective suits at the price of 1,052 MKD, triggering incomparable risks for virus transmission and consequences thereof at both institutions.

Two-thirds of contracts are published beyond the law-stipulated deadline

As regards procurements organized under the negotiation procedure without previous announcement of call for bids, the institutions are obliged to publish notifications on contracts signed and the contract itself, within a deadline of 10 days after the contract was signed. In particular, given that these procedures do not include announcement of call for bids or publication of tender documents, the public learns of their signing only after the institutions publish the relevant notifications. Nevertheless, notifications on contracts signed were published within the law-stipulated deadline of 10 days after the contract had been signed for only 32% of coronavirus-related urgent procurement contracts.

In the case of 68% of contracts awarded under urgent procedure without call for bids, the institutions have acted in breach of the Law on Public Procurements by failing to publish notifications on contracts signed and the contract itself within the law-stipulated deadline of 10 days after the contract was signed.

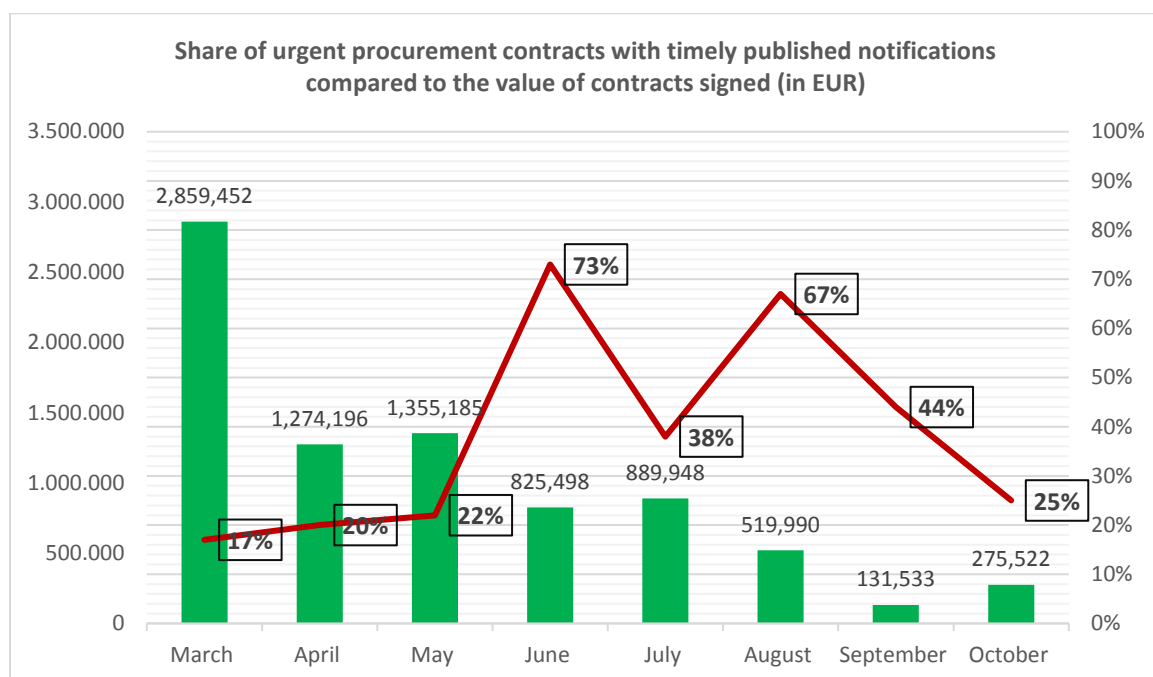


In the first month of the crisis, i.e. March 2020, such notifications were timely published only for 17% of contracts. However, certain improvement could be noted when compliance with the obligation for publication of contracts signed in the early months is compared with the later period, which was a result of continuous indications by the civil society and the media pressure exercised on the institutions in this regard. Particular leap is observed in June, when the Government adopted a conclusion² tasking all institutions to timely publish information on urgent procurements related to the COVID-19 crisis. Moreover, the Government tasked the Bureau of Public Procurements to modify the module for notifications on contracts signed and to allow institutions to designate that it is a matter of COVID-19 procurements. The purpose of this indication was to facilitate retrieval of data from the Electronic Public Procurement System and present them on the newly designed website for greater fiscal transparency of COVID-19 costs and donations.

² [Excerpt from the draft-minutes from the 57th session of the Government of the Republic of North Macedonia, held on 26 May 2020](#), Government of the Republic of North Macedonia, Skopje, 26 May 2020

However, timely publication of notifications and contracts again declined in September and October, as this pressure started to fade away.

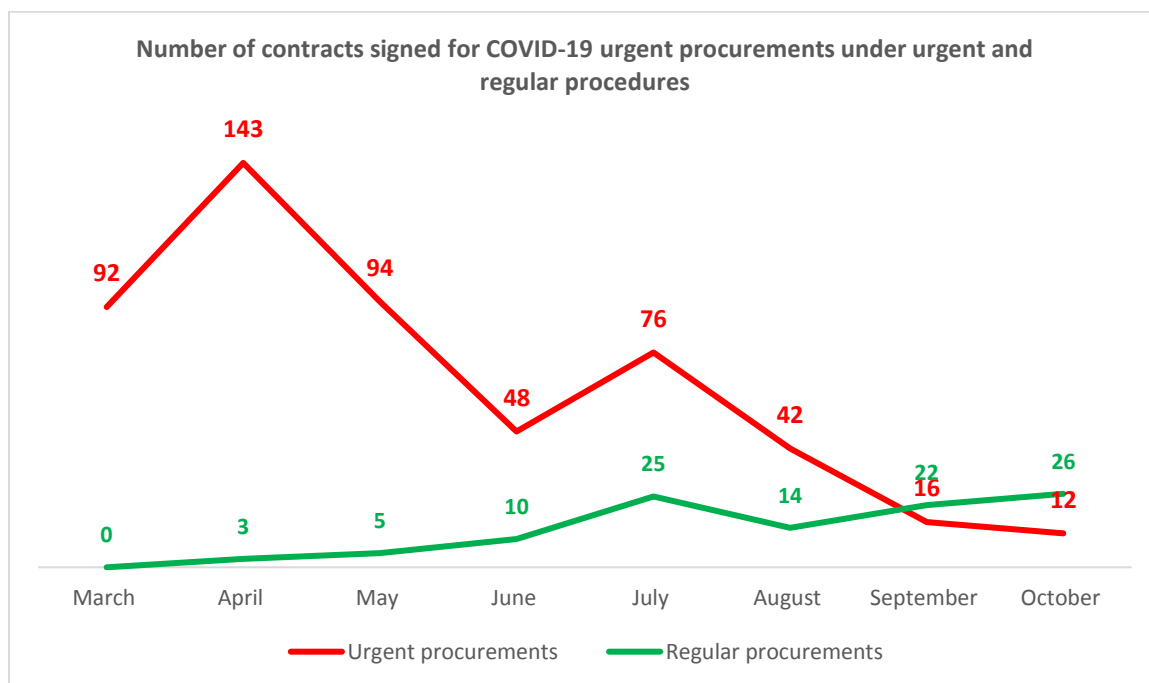
Be that as it may, defeating is the fact that the share of timely published information on urgent procurement contracts reached its lowest level in the months when the highest amounts of funds were spent under such contracts, also called “face-to-face contracts”.



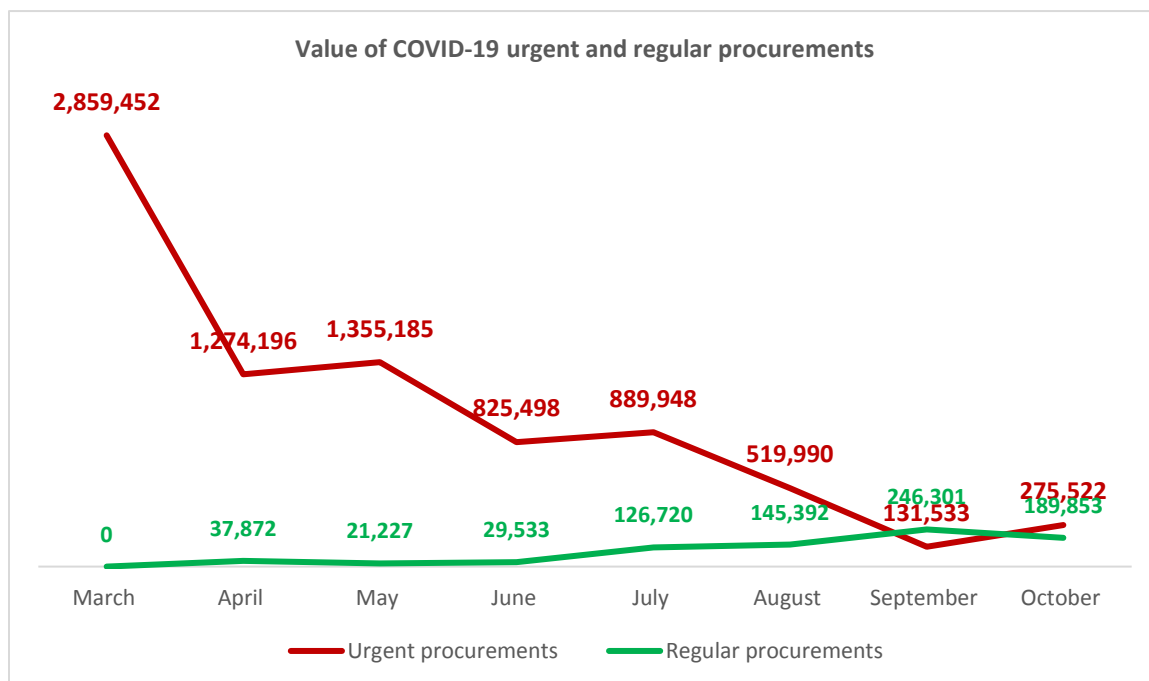
As late as September 2020, the number of “regular” procurements for COVID-19 protection outweighed the number of “urgent” procurements

Even in the early months of the corona crisis, when it became evident that the crisis will last for long period of time and when the initial shock about procurements and interruption of regular supply chains for protective gear had subsided, the civil society called the institutions to “normalize” such procurements. In particular, they urged for future needs related to coronavirus protection and procurement of relevant goods to be pursued under regular procedures, instead of short urgent procedures with negotiations and without call for bids.

Albeit modest both in terms of the number of procurements and in terms of the value of procurements, certain normalization of these procurements, i.e. organization of regular procedures was resumed as late as July 2020, i.e. after the state of emergency expired.



Already in September 2020, the number and the value of contracts for procurement of COVID-19 protection gear awarded under regular procedures outweighed the number and the value of urgent contracts awarded under negotiation procedures.



It should be noted that unlike in the early months of the crisis when urgent procurements with negotiations were dominated by protective gear such as masks, gloves, disinfectants, glasses and the like, in the months of September and October urgent procurements mainly concerned oxygen, tests for COVID-19 detection, reagents, medicines, etc.

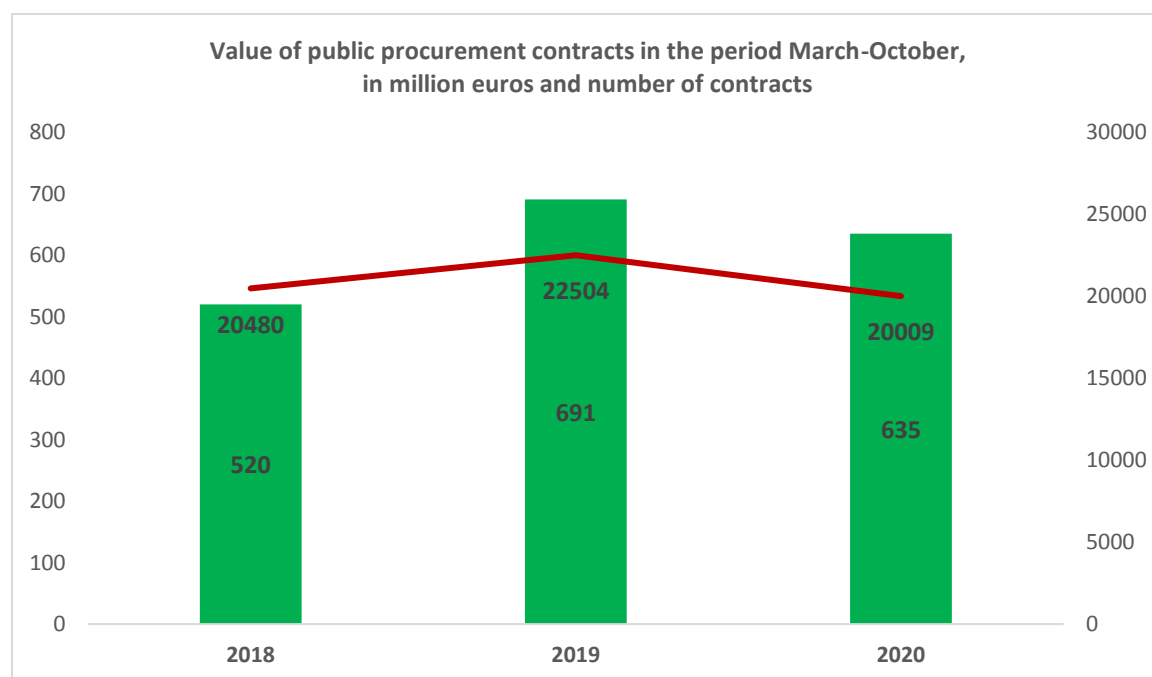
Also, the institutions did not publish law-mandated notifications on performance of public procurement contracts, which should include general information on the contract's realization rate, duration, estimated value, value of performed contract and amount paid. In the period covered by this report, notifications on contract performance were published for only 5.2% of contracts awarded under urgent procedures with negotiations.

The corona crisis did not significantly reduce the overall number of public procurements

Otherwise, when the total number of public procurements during the eight months of the corona crisis covered by this analysis, i.e. in the period from March to October 2020, is compared to the number of public procurements over the same period last year, it could be concluded that there are no major differences in terms of the number and the value of public procurement contracts awarded.

Namely, the value of all contracts in the period March-October 2020 amounts to 635 million euros and is by only 8% lower than the value of contracts signed over the same period in 2019, when it accounted for 691 million euros.

In respect to the number of contracts, the reduction is slightly higher compared to their value, i.e. a total of 20,009 contracts were signed in the period March-October, accounting for a reduction by 11.1% compared to the same period in 2019 when a total of 22,504 contracts were signed.



GOVERNMENT INTERVENTIONS IN THE SYSTEM OF PUBLIC PROCUREMENTS DURING THE COVID-19 CRISIS

Under conditions of declared state of emergency and dissolved parliament, the Government adopted decrees with the effect of laws. Among total of 250 decrees adopted, only 4 decrees concerned public procurements in the country.

Two decrees with the effect of laws were adopted on 1 April 2020. **The first decree** concerned intervention procurement of 2000 protective masks daily in order to prevent coronavirus (COVID-19) consequences during the declared state of emergency.³ Actually, the public call for intervention procurement of 2000 protective masks daily was initially published on the Government's website on 23 March 2020, i.e. seven days before the relevant decree was adopted on 1 April 2020. It remained unclear which legal ground was used for announcement of this call, whether companies had participated with bids and whether masks were procured. The next public call in respect to the decree for intervention procurement of protective masks was announced by the end of April. The call implied a very short deadline for submission of bids, was published only on the Government's website, bids had to be submitted in person or via postal services to the government, concerned delivery of 2000 masks daily and the price was set at 25 MKD per mask if they are manufactured from material secured by the Government or at 40 MKD per mask if the bidder manufactures them with own material. Information about this call, the course of the procedure and the outcome of this intervention procurement is not published on the official website of the Government or the Electronic Public Procurement System.

The second decree concerned intervention procurement of medical gloves for the duration of the state of emergency⁴ and was also adopted at the government's session held on 1 April 2020. By the effect of this decree, all companies importing single-use medical gloves were tasked to offer the Government 30% of their imported quantities at price that is 10% higher than the import price, including custom duties and taxes. Then, the Government had to respond within one day indicating whether it accepts the offer and specifying the quantity and place of delivery for said gloves. There is no information available about procurements that were made pursuant to this government decree.

Two days later, on 3 April 2020, **the third decree** was adopted and concerned intervention procurement of ventilators during the state of emergency⁵. In particular, the decree tasked the Ministry of Health to organize procurement of 200 ventilators at the price of 25,000 euros, custom duties and taxes excluded. Although the ministry implemented this procedure and selected two companies that offered a total of 31 ventilators, ultimately this procurement was annulled because companies had notified the ministry of their inability to deliver the ventilators within agreed deadlines, i.e. 30 days after the contract was signed. This procurement was never repeated.

The last, **fourth decree** was adopted on 7 April 2020 and concerned change in the Law on Public Procurements during the state of emergency⁶, which actually prolonged the exam-taking for public procurement officers and extended the validity of certificates on passed exam that was due to expire in the meantime.

Except for these decrees, when discussing the information with proposed measures for cost-effectiveness of public procurement procedures due to consequences from the COVID-19 pandemic, **the Government adopted two conclusions on cost-effectiveness of public procurements and one conclusion on increasing transparency of COVID-19 urgent procurements.**

³ [Decree with the effect of law for intervention procurement of protective masks in order to prevent coronavirus \(COVID-19\) consequences for duration of the state of emergency](#), "Official Gazette of RNM" no. 100 from 13.04.2020

⁴ [Decree with the effect of law for intervention procurement of medical gloves for duration of the state of emergency](#), "Official Gazette of RNM" no. 100 from 13.04.2020

⁵ [Decree with the effect of law for intervention procurement of ventilators for duration of the state of emergency](#), "Official Gazette of RNM" no. 90 from 04.04.2020

⁶ [Decree with the effect of law for enforcement of the Law on Public Procurements for duration of the state of emergency](#), "Official Gazette of RNM" no. 94 from 07.04.2020

Under the **first conclusion**,⁷ adopted at the session held on 2 April 2020, the Government tasked state institutions at national level and recommended institutions at local level to annul all public procurement procedures, not to sign contracts for procurement procedures underway and not to initiate new procurements for so-called “unproductive expenditure”, such as procurement of furniture, vehicles and similar equipment, which are not necessary for performance of their primary activity. Also, the Government tasked all institutions not to sign contracts and not to initiate public procurements until adoption of the budget adjustment for the current year. It is interesting to note that the public learned about this conclusion six days after its adoption, i.e. on 8 April 2020, when the Bureau of Public Procurements published the conclusion and forwarded it to all institutions implementing public procurements.

Nevertheless, the conclusion caused confusion among institutions because some of them had interpreted it as complete prohibition for organization of public procurements until adoption of the budget adjustment, for which no information was available as to when it could happen.

Therefore, on 13 April 2020, the Government adopted a **second conclusion**⁸ clarifying the previously adopted one. Under the new conclusion, the Government clarified that the prohibition only concerns “non-essential procurements”, such as furniture, equipment, vehicles, etc. It also included an exemption therefrom. Namely, in cases when the institutions do need such procurements to ensure unhindered performance of their activity, they should obtain a previous approval from the Government. Also, the Government obliged institutions to sign contracts for public procurements underway for which funds have been secured, while all other procurements should be implemented according to their budgets, with due consideration for re-allocation of budget funds that was made on 9 April 2020.

According to information obtained from the Government under the instrument provided under the Law on Free Access to Public Information, from the conclusion’s adoption, i.e. from 13 April to 15 September 2020, a total of 79 requests were submitted by institutions to obtain previous approval for procurements that are considered non-essential, but are needed for their normal operation. Of these, the Government issued only 38 approvals and rejected 41 requests for such approval.

As regards the conclusion’s indication whereby institutions are obliged to annul already initiated procurement procedures which the Government qualifies as unproductive, only 15 tender annulments could be linked to this government decree.

Later, by the end of June 2020, the Government adopted a **conclusion**⁹ whereby it tasked institutions to regularly publish information on contracts signed for COVID-19 urgent procurements. Under the same conclusion, the Government tasked the Bureau of Public Procurements to change the module for publishing notifications on contracts signed in order to allow institutions to designate that it is a matter of COVID-19 procurements, facilitating automatic retrieval of system data and publishing them on the website launched for greater transparency of COVID-19 costs and donations. The institutions had to notify the Bureau of all contracts signed thus far so that the former could allow them to re-publish these notifications, now bearing a designation of COVID-19 procurements.

In the course of monitoring coronavirus-related urgent procurements, it was noted that some institutions have used this allowance to re-publish notifications on contracts signed to change the initially indicated number of bidders involved in the negotiations, namely by increasing this number from 1 to 2 and more.

⁷ [Excerpt from draft-minutes from the 33rd session of the Government of the Republic of Macedonia, held on 2 April 2020](#), Government of the Republic of North Macedonia, Skopje, 2 April 2020

⁸ [Excerpt from draft-minutes from the 40th session of the Government of the Republic of North Macedonia, held on 13 April 2020](#), Government of the Republic of North Macedonia, Skopje, 13 April 2020

⁹ [Excerpt from draft-minutes from the 57th session of the Government of the Republic of North Macedonia, held on 26 May 2020](#), Government of the Republic of North Macedonia, Skopje, 26 May 2020

CONCLUSION AND RECOMMENDATIONS

The state of emergency, the general lack of necessary goods, the speed under which COVID-19 protection procurements were implemented, and the public's focus on other issues increase the risk of corruption in organization of already non-transparent public procurement procedures known as negotiation procedures without previous announcement of call for bids.

Aware that the institutions are in a bind and do not have a great choice, the suppliers could also utilize this period to increase their prices above actual and common levels.

In order to narrow the space for possible abuses of the already modest public resources, maximum efforts need to be invested in increasing transparency, accountability and cost-effectiveness of such procurements and in insisting to obtain the best value for money spent.

Having in mind that the negotiation procedure without call for bids is already the least transparent procedure and that urgent procurements imply an inherent risk of corruption, there is prominent need to monitor implementation of these procurements, not only by the civil society, but generally by all system institutions with relevant competences in this regard. For example, this could include performance audits of urgent procurements for COVID-19 protection. Hence, crucial importance is assigned to fast reaction on the part of two institutions in the system for prevention and fight against corruption. The State Commission for Prevention of Corruption already announced enhanced monitoring of urgent procurements related to the corona crisis, while the State Audit Office, by means of changes to its 2020 annual work program, among other things, has introduced an audit in respect to "award of public procurement contracts by public sector institutions for prevention and protection against the pandemic caused by the coronavirus COVID-19".

Three questions are of particular importance in respect to urgent procurements. First, are prices at which products are procured reasonable and comparable to market conditions, because under these circumstances there is an increased risk for these prices to be unreasonably high? Second, are deadlines for delivery of procured goods, services and works complied with, having in mind that timely delivery is a key factor at times of crisis, and main reason for organization of urgent procurement? Third, have all contracting authorities elaborated in detail the reason for their procurements, with all elements included – type, quantity, quality and deadlines – as required by the law?

Having in mind that the coronavirus crisis started in March 2020 and will most certainly continue in the next period, public procurements for coronavirus protection should be planned and implemented under regular procedures, instead of being organized as urgent procedures with negotiations.

In order to improve planning of coronavirus-related procurements, the institutions should conduct market research and analysis, having in mind that sufficient number of procurements has been implemented thus far and they could be useful in this regard, as well as that the market for most of protection gear needed is stabilizing.

In order to increase competition and attain lower prices and higher quality under these procurements, the institutions that will continue to organize negotiation procedures without previous announcement of call for bids should make their best efforts to include as many companies as possible in these negotiations.

Institutions should timely publish in the Electronic Public Procurement System and on their websites relevant notifications on contracts signed and the contract itself for all coronavirus-related urgent procurements, within a deadline of 10 days from the day when such contract was signed.

In order to ensure greater transparency, the institutions should use the law-stipulated instrument for so-called voluntary transparency and publish in the Electronic Public Procurement System all decisions for selection of the most favourable bid on the same day when they notify the bidder that has submitted the most favourable bid.

Coronavirus-related urgent procurement contracts should include unit prices for goods and services procured, quantities agreed, and detailed description of the procurement subject.

The institutions should publish law-mandated notifications on contract performance in order to allow the public insight in realization rates of individual contracts, as well as insight in payments made pursuant to agreed and realized value of such contracts.

The need for coronavirus-related urgent procurements should be elaborated in detail as part of decisions for public procurement, with due justification of reasons for procurement of relevant goods or services, quantity and quality of such procurements.

Competent institutions need to develop guidelines or manual for the institutions in respect to procurement of goods for virus protection and prevention, with due consideration of the institutions' variable needs and based on analyses and experiences from previously implemented procurements.