

**ПРОБЛЕМИ НА ИЗБОРА НА ВИСОКОКАЧЕСТВЕНИ
ДОСТАВКИ, СТРОИТЕЛНИ ДЕЙНОСТИ И УСЛУГИ В
ОБЩЕСТВЕНИТЕ ПОРЪЧКИ НА РЕПУБЛИКА КИРГИСТАН
Т. Ш. Абдиров, А. А. Адилбеков**

**PROBLEMS OF CHOICE OF HIGH QUALITY GOODS, WORKS
AND SERVICES IN PUBLIC PROCUREMENT OF KYRGYZ
REPUBLIC**

T.Sh. Abdyrov¹, A.A. Adylbekov²

Received: 12.07.2017, Accepted: 03.02.2018

Abstract

The main objective of the national legislation in the field of public procurement - to ensure the procurement of goods, works and services to meet the needs of the state with the most economical and efficient spending of public funds. To achieve this task, public procurement should be organized according to the following key principles - efficiency, transparency, fairness and competition.

Keywords: public procurement, product technical specifications, criteria, law
JEL Codes: H 57

In a competitive environment, the buyer must find a supplier or contractor who can offer him a minimum price for the offered goods, works and services, and also fulfill other essential conditions (additional requirements for product quality, delivery times, forms and terms of payments, etc.). All procedures conducted within the framework of public procurement directed on searching counterparty for the better deal. Thus, public procurement can be defined as a set of practical methods and techniques that maximize the interests of the buyer in the procurement of goods, works or services (Mukanova, Bazakeeva, Abdymomunova, 2011).

¹International University of Kyrgyz Republic, Doctor of Economics, Professor, tolonbek@list.ru

² Bishkek Academy of Finance and Economics, PhD candidate, a.adylbekov@mail.ru

When bidding for goods, works and services are carried out the public authorities must choose the supplier or contractor who offered the lowest price, if the auditors of the Accounts Chamber of the Kyrgyz Republic will detect a violation, the case may be transferred to the General Prosecutor's Office of the Kyrgyz Republic to initiate criminal case. Therefore, almost all government bodies have to buy low-quality goods, works and services for low price.

In this connection, the following problems are exist:

- imperfection of the legislation of the public procurement;
- incompetent specialists in the public procurement;
- incorrect formation of the technical specifications, qualification requirements;
- the bodies that verifies the financial activities of a government agency (all state agencies are afraid to buy goods, works and services from suppliers that offer a bigger price, it should also be noted that not always the supplier offering a lower price has a better product than the supplier who offers the bigger price).

Before start of the tender, the customer develops tender documentation in accordance with the Article 14 of the Law of the Kyrgyz Republic "On Public Procurement".

Article 14, paragraph 1, paragraph 2, subparagraph 4:

The procuring organization by using standard competitive documents approved by the Government of the Kyrgyz Republic develops tender documentation separately for each competition.

The competitive documentation obligatory contains the following information:

- detailed description of the subject of procurement, technical, quality characteristics of the purchased goods, works or services, including technical specifications, project and budget documentation for entire amount of construction, state expertise on engineering solutions, plans, drawings and sketches; quantity of goods; services to be provided; the place where goods must be delivered, work is done or services are provided (Law of the Kyrgyz Republic "On Public Procurement" No. 72, April 3, 2015).

According to state agencies inspectors on public procurement when the tender documents are conducted it is prohibited to specify the brand, country of

the producer, but this is not mentioned in the Law of the Kyrgyz Republic "On Public Procurement".

In our understanding, to the above-mentioned prohibition, article 1 of the Law can be specified as follows:

The implementation of public procurement is based on the following principles:

- publicity, openness, legality and impartiality in respect of suppliers (contractors);
- expansion of participation and development of competition between suppliers (contractors) in the procurement process;
- creation of equal and fair conditions for suppliers (contractors) in the implementation of public procurement (Law of the Kyrgyz Republic "On Public Procurement", No. 72, April 3, 2015).

There are five methods of public procurement: one-stage, two-stage, simplified, to lower prices, direct contracting.

The main method of public procurement is a one-stage tender, in this method it is not specified in order to award the winner with the lowest price. Also not indicated in the two-stage method. In the simplified method it is said "The winning bid is considered to be an acceptable competitive bid with the lowest price, satisfying the needs of the procuring entity". In the competition for price reduction, it is said, "The winner of the tender by the method of lowering the price is the supplier who offered the lowest price».

On the basis of Article 29 of the Law of the Kyrgyz Republic "On Public Procurement", we believe that it is possible to purchase high-quality goods, works and services, which the price was declared more than that of suppliers whose price was stated less, but inferior to quality.

Article 29, paragraph 9, subparagraphs 1.2, paragraph 10 reads:

9. The Tender Committee determines the winning bid, which essentially meets the requirements of the tender documentation:

1) with the lowest price, if the only criteria is a price; (i.e., you can specify the quality);

2) with the lowest estimated value, taking into account the established criteria, if the bidding documents provide for along with the price and other evaluation criteria.

10. In the case if the tender participants submitted competitive bids with the same conditions that meet the requirements of the tender documentation, the successful bid application is considered to be the application of the supplier (contractor) having, in addition to other certificates, a quality management system certificate (Law of the Kyrgyz Republic "On Public Procurement", No. 72, April 3, 2015).

What distinguishes private and international organizations, they buy goods paying attention to quality, of course, and the price of goods plays a big role.

The greatest difficulty is experienced by public hospitals, kindergartens, boarding schools, prisons and so on, as they have to hold contests for food.

The difficulty in competitive bidding for food is to properly describe technical specifications. For example, a kindergarten buys butter, since you can not specify a brand, you write butter, caloric content, gram, but you should not tell what flavor butter should be and you have to buy butter at the lowest price, but not high-quality. Or you need to buy potatoes, which also indicate the calorie content, the diameter of potatoes, but potatoes also have a bitter taste. A list of such names in food is very large.

In conclusion, it can be noted that public procurement is an everyday process and requires constant development. There is a need to improve the legislation of public procurement. In this article, we tried to show which processes and procedures should be developed and reforms must be considered for further improvement of the processes. Undoubtedly, a well-built procurement management system will have a tangible impact on improving the performance of companies.

REFERENCES

- Law of the Kyrgyz Republic "On Public Procurement" of April 3, 2015 No. 72.
Transcript of the Round Table "Electronic Public Procurement System: An Assessment of the Causes of Corruption" (2016) <http://cabar.asia/ru/iwpr-kyrgyzstan-stenogramma-kruglogo-stola-sistema-elektronnyh-gozakupok-otsenka-prichin-korruptsii/>
Mukanova N.A., Bazakeeva J., Abdymomunova S. (2011). Anticorruption business council. Evaluation of the public procurement system <http://www.energoforum.kg/images/library/132.pdf>