# Procurement Monitoring Report Template

**In view of the Member States' reporting process   
under the Directives 2014/23/EU, 2014/24/EU and 2014/25/EU**

# Purpose and key features of the template

* This template aims at facilitating Member States' (MS) reporting in the context of the new procurement directives. The template sets out the scope of the reporting requirements and recommends MS a methodology to gather and systematise the collection of relevant information. Furthermore, it strives to propose a harmonised structure of the reports so as to allow easier comparison of the information provided by the MS.
* The questions in this template are non-binding specifications of the directives' legal obligations on monitoring reports. The template should be followed only as far as possible by the Member State, especially as concerns the availability of quantitative information. When information is not available, this may be noted in the report, possibly together with an explanation of whether there are plans to start collecting such information and including it in the future edition of the report.
* MS' reports will be published on the European Commission website. The information will feed the new Report on the implementation and best practices of national procurement policies in the internal market to be issued by the European Commission. The information provided by the MS will support the policy analysis work of the Commission.
* The template covers all domains for which reporting requirements are defined under the 2014 procurement directives.

* The template contains the following types of questions:

i) qualitative descriptions and assessment,

ii) supporting documents which provide the evidence for the descriptions and assessment made above,

iii) quantitative indicators.

* In the tables below, the left side contains the name of the information to be submitted, while the right side contains further specifications of what this means. The report should be submitted as a text (.doc) and PDF document based on this template.
* To avoid duplication of reporting obligations and reduce administrative burden, MS are invited to indicate any information/data requested in this template that has been already provided to the Commission via another channel (e.g. procurement irregularities falling within the scope of ESIF funds). When it is the case, please specify these channels, the context of the reporting and the nature of the information already provided.

# General information

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| **Scope of reporting** |
| The report should cover the period between 1st January 2017 and 31st December 2017. For quantitative data based on procurement notices, this means that the contract award notice should have been awarded in this period. If an MS has transposed later than on 1st January 2017, the reporting period should still start on the 1st January 2017.  If the scope of your report is broader than that indicated in the directives (e.g. because of lower thresholds, broader definition of contracting authorities, contracting entities, or subsidised contracts), please indicate this here. In such a case, for every indicator, information about procurement according to the EU directives and any other information should be presented separately, so that the same information can be compared between EU MS. |
| Estonia transposed the directives on 1.09.2017. The reporting period covers the period from 1st of January 2017 until 31st of December 2017.  The information about procurements in the scope of EU directives is presented separately. |
| **General information** |
| Number of procurement procedures (i.e. the number of notices announcing a call for competition)  Number of awarded contracts |
| Number of ended procurement procedures (notices announcing a call for competition) during 2017 is 10374, including 1369 procedures under the scope of directives.  Number of procedures awarding a contract (not cancelled) during 2017 is 9018, including 1252 under the scope of directives.  During 2017 in total 14273 contracts were awarded, of which 3698 contracts were awarded under the procurement procedures which were in the scope of directives. |
| I**nformation on monitoring and reporting bodies** |
| This section should include a list of the body/bodies performing the public procurement monitoring activities required by the public procurement directives and the entities in charge with the drafting of the report to be provided to the European Commission on the results of the monitoring activities. |
| The Ministry of Finance exercises state supervision and administrative supervision. Monitoring of public procurements is also carried out by the National Audit Office and police. |

## Estimation of the aggregated total value of procurement which would have been covered by the directives if its value had exceeded the relevant thresholds

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| **Estimation of the aggregated total value of procurement which would have been covered by the directives if its value had exceeded the relevant thresholds** | This stands for the value of procurement informally referred to as "below the EU threshold".  This section should include information on the estimated value of procurement as well as the methodology used. The methodology used for the estimation should be explained in **Annex I**.  "Value of procurement" should be understood as the value of the awarded contracts, so as to be comparable with estimates from contract award notices for above-threshold procurement. (Not as, for example, the value of procurement which could have taken place if a contractor was found, i.e. business opportunities, nor on the level of actual spending, i.e. paid invoices.) |
|  | Total value of public procurement procedures fulfilled in 2017 based on the information available in national central public procurement register is 2,5 billion euros, of which procurements that fall under the scope of directives is 1,7 billion and procurements below EU threshold is 0,8 billion euros. |

## Most frequent sources of wrong application or of legal uncertainty, including possible structural or recurring problems in the application of the rules

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| **II.1.** **Qualitative reporting on application of public procurement rules** |  |
| Main sources of wrong application or of legal uncertainty | The information should focus on:  - the most frequent cases of wrong application of the rules and of legal uncertainty  - the key causes for the wrong application of the rules and the legal uncertainty, including their relative importance, as well as the circumstances that explain their occurrence.  *Possible relevant (non-exhaustive) elements for consideration may be:*   * *types of contracting authorities particularly affected by public procurement errors* * *types of procedures or contracts particularly affected by public procurement errors* * *recurrent patterns pointing at specific difficulties at a particular stage of the procedure* |
|  | It is not possible to point out any types of contracting authorities or types of procedures or contracts affected by public procurement errors. However, as simple procedure and open procedure are most commonly used, a lot of detected errors are made in simple and open procedures.  Recurrent problems are   * Awarding of public contract or framework agreement without using required procedure. * Artificial splitting of contracts due to unclear provisions of definition of one public procurement. * Contract award notices and data of fulfilled contract is not submitted to the public procurement register on not submitted timely. * Modification of the procurement documents by clarifications and documents allowing for clarification. * Opening of the submitted tenders later than the time indicated in procurement documents. |
| Specific legal provisions (from EU or national law) which appear to raise significant problems of application | The information should focus on:  - the specific legal provisions in question  - a description of the type of difficulties identified, if any  *Possible relevant (non-exhaustive) elements for consideration may be:*   * *lack of consistent application of a given provision by the contracting authorities* * *high frequency of requests for guidance as to how to understand or interpret a given provision* * *recurrence of the incorrect application of a given provision* * *need to issue (additional) interpretative guidance on a given provision* |
|  | 1. Directive 2014/24/EU Art 58 section 2.  There are many authorizations or registrations needed in order to not only provide services, but also to sell goods and carry out works in several MS-s. However the provision only allows authorizations as far as services are concerned, so there is no legal basis to ask any authorizations regarding goods or works, however it is not allowed to sell certain goods (for example fluorinated greenhouse gases and products containing ozone-depleting substances) or carry out works (for example cultural heritage conservation or restoration) without such authorization, some in any of the MS.  Also, despite mutual recognition of authorizations of other MS-s is in place, it is unclear, when such recognition must take place since it might take some time: the said provision is under the title “selection criteria”, which must demonstrate to CA the general capability of an EO to fulfil intended contract. However, it is not proportionate to demand a recognized authorization at the time of submitting the tender, since the tender might not be successful. On the other hand, if the tender is to be successful, the recognition process elongates the procurement procedure and there is also a risk of non-recognition of the authorization.  2. Art 59 section 5.  It is unclear whether an EO, having failed to explicitly provide all the information required in the ESPD, may or may not be excluded from the procedure if this information is available from a database of a MS. For example if the database is available only in national language, the CA of another MS is unable to find such information even if the EO indicates to the relevant website. It is not proportionate to make the CA to use translation services in order to find relevant information. Also even if the information is available from a database of that same MS, it is often not easily found: for example in the Estonian procurement register is information about all procurement contracts, however it is for a CA difficult but in some cases not impossible to establish, whether a specific contract meets the criteria set by the CA or not. Also in some cases, depending on what the CA has requested, the general yearly turnover is easily found from Estonian business register, however yearly turnover in specific field is often not.  3. Annex XII part II points a i and ii.  There is a difference between points i and ii that is incomprehensible: why is there a possibility to ask for certificates of satisfactory execution and outcome for the most important works but the same is not allowed in case of goods and services?  4. Art 72 section 2 point ii.  It is unclear how the value of the modification of a contract is to be calculated in case of substitutions and whether the *de minimis* clause may be used in case the modification does not bring about any change in monetary value. The European Commission has explained this on WIKI page (<https://webgate.ec.europa.eu/fpfis/wikis/display/EXPPTRANSPOSITION/Article+72+%282%29+Modifications+to+the+contract+during+its+term> ) but it is still incomprehensible what does “interchangeable” mean if even in the case of wooden windows vs plastic windows prices of both must be summed: the explanation includes an example if the contractor would manufacture himself wooden windows but not plastic windows but what about a case when the contractor does not manufacture himself any of the materials?  Also, if the monetary value cannot be calculated or it is very arduous to calculate and the result may only be approximate (for example if only the deadline or time of delivery is changed without any change in payment by the CA), may art 72 section 2 point ii be used to modify the contract or should one evaluate whether the modification is significant in the meaning of art 72 section 1 point e?  5. Art 57 section 1 last paragraph  This provision states that obligation to exclude also applies in case where a member of the administrative, management or supervisory body of that economic operator or someone with powers of representation, decision or control therein has been convicted. Unfortunately there is no uniform legal definition for administrative, management or supervisory body or for persons with the power of representation, decision or control therein in EU law.  Without a common definition, this provision might pave way to different application across the Member States. Therefore a clarification would be most welcome. Even if the scope of these persons and bodies is regulated by national law, the verification process would in some cases lead to unfeasible burdens for contracting authorities and economic operators. An example would be universities as economic operators, who have administrative and management bodies consisting of dozens of people, who are well-respected and obviously not convicted of serious crimes.  6. Differentiation between on one hand concession contracts and on the other hand authorizations, lease, rental and real right contracts  The Commission is probably well aware of this question in detail, so no further elaboration is required at this point.  7. Directive 2014/24/EU art 12 (4)  The directives leave it unclear whether the cooperation must be “genuine” in the sense of previous jurisprudence of the ECJ (*Commission vs. Germany, Lecce, Datenlotsen, Piepenbrock*) or the cooperation criteria is also fulfilled when one party provides a service and the other party only remunerates the service provider, without any further activity and other rather vague criteria of art 12 (4) are fulfilled. |
| An assessment on whether a wrong application of rules might exist, by observing patterns of application of the rules which do not by themselves constitute cases of wrong application of the rules, but nonetheless point at structural or recurring problems yielding a sub-optimal outcome. | The information should focus on:  - the specific type of problems identified, if any  - any possible assessment of the impact of these difficulties on the efficiency of the public procurement process  *Possible relevant (non-exhaustive) elements for consideration may be*   * *bias towards the systematic use of certain award criteria irrespective of the context (e.g. systematic use of lowest price as award criterion)* * *overly frequent use of derogatory procedures or shortest possible deadlines* * *recurrent, particularly low number of bidders or of non-domestic bidders* |
|  | Use of shortest possible deadlines for submitting tenders or request to participate.  Use of short deadlines in contract terms.  Imposing many selection criteria or not imposing at all. |
| **II.2 Supporting documents** |  |
| Please provide any available evidence of the issues identified under section II.1. | *Possible relevant (non-exhaustive) documents for consideration may be as follows (please provide a link to the document, and if possible, a summary of the document in English, if the document is in another language):*   * *Audit reports on identified irregularities related to public procurement, including auditors specialising in ESIF irregularities* * *Existing typologies of the most frequent errors in public procurement* * *Reports on the most frequent requests for guidance* * *Additional interpretative guidance documents published in order to clarify legal issues* * *Policy or other administrative documents discussing issues in relation to the implementation of the rules* |
|  | Inspection reports of Ministry of Finance state and administrative supervision are available at <https://www.rahandusministeerium.ee/et/eesmargidtegevused/riigihangete-poliitika/jarelevalve>.  Yearly overview and summary of state and administrative supervision is available at the same webpage <https://www.rahandusministeerium.ee/et/eesmargidtegevused/riigihangete-poliitika/jarelevalve/jarelevalve-kokkuvotted>.  Audit reports of ESIF are available at <https://www.rahandusministeerium.ee/et/valistoetused/valisvahendite-auditid>.  Audit reports of the National Audit Office are available at <http://www.riigikontroll.ee/Riigikontrollipublikatsioonid/Auditiaruanded/tabid/206/language/et-EE/Default.aspx>.  Ministry of Finance publishes FAQ (please see <https://www.rahandusministeerium.ee/et/kkk/870>), guidance, summaries of EU and Estonian court practice (please <https://www.rahandusministeerium.ee/et/eesmargidtegevused/riigihangete-poliitika/kasulik-teave>).  Please find attached the short summary of annual supervision report for 2017: |
| II.3. Quantitative indicators | *This section contains quantitative indicators related to section II.1. Other indicators can also be included in the report.* |
| Indicators about the national review system | A list of proposed specific indicators will be drafted in the course of 2017, linked to a future remedies scoreboard, a part of the European Commission's Single Market Strategy. The indicators will be defined on the basis of the findings of a study to be commissioned by DG GROW in 2017 and further discussions with Member States, including in the context of the network of first instance administrative review bodies.  A first study commissioned by the Commission services on the subject of procurement remedies is already available at <http://bookshop.europa.eu/en/economic-efficiency-and-legal-effectiveness-of-review-and-remedies-procedures-for-public-contracts-pbKM0414023/>.  This study, together with other materials (including public and ad-hoc consultations), are the basis for the Commission's report and evaluation on the operation of the Remedies Directives.  Based on all this, indicators such as the numbers of complaints, the number of appealed procurement procedures, the number of resolved complaints, the number of complaints resolved in favor of the complainant, or the average length of the review procedure could be considered. |
|  | The total number of complaints presented to Public Procurement Appeal Committee during 2017 was 211 for 181 procurement procedures. Public Procurement Appeal Committee resolved 130 complaints of which 44 complaints were resolved in favour of complainant.  The average length of the review procedure is 16 calendar days. |
| Histogram of values of procedures, covering also procedures below the thresholds | Please include histograms of values of procedures (i.e. calls for competition). These should be split at least to one for works and one for supplies and services, ideally also further by types of EU threshold.  The aim is to find "spikes" in the distribution of values, indicating a bunching of procedures below the EU threshold.  To improve comparability, please use histogram bins with a breadth of EUR 10 000 (or the national currency equivalent).  For more information on bunching analysis methodology, please see the Swedish Competition Authority’s report <http://www.konkurrensverket.se/globalassets/publikationer/uppdragsforskning/forsk_rap_2015_3.pdf>, in particular section 3.4.2., or the recent article from the American Economic Association available at [*https://www.aeaweb.org/articles?id=10.1257%2Fpol.20150511&&from=f*](https://www.aeaweb.org/articles?id=10.1257%2Fpol.20150511&&from=f)*.* |
|  | The histograms of goods and services and works procurements are presented below. Information includes all purchases that are registered in the national procurement register. |
| Goods and services | |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | *Bin* | *Frequency* | *Cumulative %* | *Bin* | *Frequency* | *Cumulative %* | | 30000 | 2228 | 43,01% | 30000 | 2228 | 43,01% | | 40000 | 487 | 52,41% | More | 660 | 55,75% | | 50000 | 281 | 57,84% | 40000 | 487 | 65,15% | | 60000 | 261 | 62,88% | 50000 | 281 | 70,58% | | 70000 | 169 | 66,14% | 60000 | 261 | 75,62% | | 80000 | 134 | 68,73% | 70000 | 169 | 78,88% | | 90000 | 150 | 71,62% | 90000 | 150 | 81,78% | | 100000 | 116 | 73,86% | 80000 | 134 | 84,36% | | 105000 | 50 | 74,83% | 100000 | 116 | 86,60% | | 115000 | 83 | 76,43% | 125000 | 97 | 88,47% | | 125000 | 97 | 78,30% | 115000 | 83 | 90,08% | | 135000 | 82 | 79,88% | 135000 | 82 | 91,66% | | 145000 | 59 | 81,02% | 145000 | 59 | 92,80% | | 155000 | 41 | 81,81% | 179000 | 54 | 93,84% | | 165000 | 43 | 82,64% | 209000 | 51 | 94,83% | | 179000 | 54 | 83,69% | 105000 | 50 | 95,79% | | 189000 | 37 | 84,40% | 165000 | 43 | 96,62% | | 199000 | 31 | 85,00% | 155000 | 41 | 97,41% | | 209000 | 51 | 85,98% | 189000 | 37 | 98,13% | | 219000 | 21 | 86,39% | 199000 | 31 | 98,73% | | 229000 | 22 | 86,81% | 239000 | 23 | 99,17% | | 239000 | 23 | 87,26% | 229000 | 22 | 99,59% | | More | 660 | 100,00% | 219000 | 21 | 100,00% | |
| Works | |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | *Bin* | *Frequency* | *Cumulative %* | *Bin* | *Frequency* | *Cumulative %* | | 100000,00 | 1427 | 59,83% | 100000,00 | 1427 | 59,83% | | 110000,00 | 49 | 61,89% | 5055000,00 | 558 | 83,23% | | 120000,00 | 47 | 63,86% | 130000,00 | 54 | 85,49% | | 130000,00 | 54 | 66,12% | 110000,00 | 49 | 87,55% | | 140000,00 | 41 | 67,84% | 120000,00 | 47 | 89,52% | | 150000,00 | 35 | 69,31% | 140000,00 | 41 | 91,24% | | 160000,00 | 27 | 70,44% | 150000,00 | 35 | 92,70% | | 170000,00 | 34 | 71,87% | 170000,00 | 34 | 94,13% | | 180000,00 | 22 | 72,79% | 200000,00 | 30 | 95,39% | | 190000,00 | 28 | 73,96% | 190000,00 | 28 | 96,56% | | 200000,00 | 30 | 75,22% | More | 28 | 97,74% | | 5055000,00 | 558 | 98,62% | 160000,00 | 27 | 98,87% | | 5065000,00 | 0 | 98,62% | 180000,00 | 22 | 99,79% | | 5075000,00 | 0 | 98,62% | 5095000,00 | 2 | 99,87% | | 5085000,00 | 0 | 98,62% | 5145000,00 | 1 | 99,92% | | 5095000,00 | 2 | 98,70% | 5275000,00 | 1 | 99,96% | | 5105000,00 | 0 | 98,70% | 5295000,00 | 1 | 100,00% | | 5115000,00 | 0 | 98,70% | 5065000,00 | 0 | 100,00% | | 5125000,00 | 0 | 98,70% | 5075000,00 | 0 | 100,00% | | 5135000,00 | 0 | 98,70% | 5085000,00 | 0 | 100,00% | | 5145000,00 | 1 | 98,74% | 5105000,00 | 0 | 100,00% | | 5155000,00 | 0 | 98,74% | 5115000,00 | 0 | 100,00% | | 5165000,00 | 0 | 98,74% | 5125000,00 | 0 | 100,00% | | 5175000,00 | 0 | 98,74% | 5135000,00 | 0 | 100,00% | | 5185000,00 | 0 | 98,74% | 5155000,00 | 0 | 100,00% | | 5195000,00 | 0 | 98,74% | 5165000,00 | 0 | 100,00% | | 5205000,00 | 0 | 98,74% | 5175000,00 | 0 | 100,00% | | 5215000,00 | 0 | 98,74% | 5185000,00 | 0 | 100,00% | | 5225000,00 | 0 | 98,74% | 5195000,00 | 0 | 100,00% | | 5235000,00 | 0 | 98,74% | 5205000,00 | 0 | 100,00% | | 5245000,00 | 0 | 98,74% | 5215000,00 | 0 | 100,00% | | 5255000,00 | 0 | 98,74% | 5225000,00 | 0 | 100,00% | | 5265000,00 | 0 | 98,74% | 5235000,00 | 0 | 100,00% | | 5275000,00 | 1 | 98,78% | 5245000,00 | 0 | 100,00% | | 5285000,00 | 0 | 98,78% | 5255000,00 | 0 | 100,00% | | 5295000,00 | 1 | 98,83% | 5265000,00 | 0 | 100,00% | | 5305000,00 | 0 | 98,83% | 5285000,00 | 0 | 100,00% | | 5315000,00 | 0 | 98,83% | 5305000,00 | 0 | 100,00% | | 5325000,00 | 0 | 98,83% | 5315000,00 | 0 | 100,00% | | 5335000,00 | 0 | 98,83% | 5325000,00 | 0 | 100,00% | | 5345000,00 | 0 | 98,83% | 5335000,00 | 0 | 100,00% | | 5355000,00 | 0 | 98,83% | 5345000,00 | 0 | 100,00% | | 5365000,00 | 0 | 98,83% | 5355000,00 | 0 | 100,00% | | 5375000,00 | 0 | 98,83% | 5365000,00 | 0 | 100,00% | | 5385000,00 | 0 | 98,83% | 5375000,00 | 0 | 100,00% | | 5395000,00 | 0 | 98,83% | 5385000,00 | 0 | 100,00% | | 5405000,00 | 0 | 98,83% | 5395000,00 | 0 | 100,00% | | 5415000,00 | 0 | 98,83% | 5405000,00 | 0 | 100,00% | | More | 28 | 100,00% | 5415000,00 | 0 | 100,00% | |

## Prevention, detection and adequate reporting of cases of procurement fraud, corruption, conflict of interests and other serious irregularities

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| III.1. Qualitative reporting on fraud, corruption, conflict of interests etc. |  |
| Describe the actions undertaken and/or mechanisms put in place to ensure compliance with the new provisions on the prevention, detection and adequate reporting of public procurement irregularities including fraud and corruption | The information should focus on:  - how these actions/mechanisms have been implemented  - the key measures that have been put in place  *Possible elements for consideration may be as follows:*   * *The main assumptions and objectives of the underlying actions* * *Institutional arrangements made* * *Existing links between the prevention, detection and remedial actions aspect* |
|  | The Ministry of Finance exercises state supervision and administrative supervision. The Ministry of Finance may commence supervisory proceedings: 1) where there is a reasonable doubt based on a supervisory notice or on some other ground if there is sufficient information that refers to a breach of Public Procurement Act (PPA); 2) by way of a sample-based inspection.  Sample-based inspection is carried out on basis of random selection and risk assessment of contracting bodies.  Before a public contract or framework agreement is awarded, the Ministry of Finance may issue a precept to the contracting authority or entity to declare the public procurement invalid where the contracting authority or entity has breached the requirements provided for in PPA or legislation established on the basis thereof and circumstances that do not allow for continuing the public procurement become evident. Before a public contract or framework agreement is awarded, the Ministry of Finance has the right to make mandatory precepts aimed at eliminating a breach of PPA and legislation established on the basis thereof, provided that the public procurement can be continued when the breach is eliminated.  In the case of making a precept to declare the public procurement invalid, all the decisions and steps related to the public procurement are ineffective regardless of whether they have been made before or after making the precept. A public contract or framework agreement awarded after a precept declaring the public procurement invalid has been made is ineffective as well.  The Ministry of Finance has the right to give recommendations and guidelines for improved adherence to PPA and for prevention of breaches. The recommendations and guidelines may be given in the document terminating the supervisory proceedings or separately.  If the body of circumstances learned by the Ministry of Finance during supervision may give rise to a suspicion of an offence that does not amount to a misdemeanour listed in PPA or it has the characteristics of a possible corruption case, the Ministry of Finance will inform an investigative body or the Prosecutor’s Office. To prevent corruption cases, the Ministry of Finance may cooperate with an investigative body, the Prosecutor’s Office, other governmental authorities and local authorities within the limits of its duties, tasks, functions and authority. The substance of cooperation lies in, above all, communication and exchange of information between authorities and in coordination of activities. |
| Describe the actions undertaken and/or mechanisms put in place to ensure compliance with the new provisions on the prevention, detection and adequate reporting of conflicts of interests | The information should focus on:  - how these actions/mechanisms have been implemented  - the key measures that have been put in place  - presenting the definition of Conflict of interest, if it differs from the definition in the Directives  - explaining the reasons for choosing the elements that have been added to the definition of Conflict of interest set out in the Directives  - how the Directive requirement of effectiveness of the measures is fulfilled in practice  *Possible elements for consideration may be as follows:*   * *The main assumptions and objectives of the underlying actions* * *Institutional arrangements made* * *Legislative framework* * *Existing links between the prevention, detection and remedial actions aspect* |
|  | PPA defines of conflict of interest: a situation where the contracting authority’s or the contracting entity’s employee, official, management board member or another competent representative involved in the preparation or carrying out of public procurement or who may otherwise influence the outcome of the public procurement has, directly or indirectly, a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence.  Contracting authorities have to establish internal procurement rules if the estimated total value of proposed acquisition of supplies and proposed provision of services in a budgetary year exceeds 80 000 euros or the estimated total value of proposed works exceeds 500 000 euros. The procurement rules provide for measures for prevention, identification and remedying of a conflict of interest in public procurement, unless the measures are provided for in another internal document on work organisation. The contracting authority or entity that does not have the obligation to establish procurement rules establishes measures for the prevention, identification and remedying of a conflict of interest in an internal document on work organisation or, if the contracting authority does establish procurement rules, in the procurement rules. |
| III.2. Supporting documents |  |
| Please provide any available evidence on the actions/mechanisms and measures described under section III.1. above demonstrating compliance with the new provisions on the prevention, detection and adequate reporting of public procurement irregularities and conflicts of interests | *Possible relevant (non-exhaustive) documents for consideration may be as follows (please provide a link to the document, and if possible, a summary of the document in English, if the document is in another language):*   * *Policy or other administrative documents discussing issues in relation to the implementation of the actions/mechanisms* |
|  | Please find information about anti-corruption management in Estonia: <http://www.korruptsioon.ee/en>. A link to the anti-corruption strategy: <http://www.korruptsioon.ee/en/fighting-corruption-estonia/anti-corruption-strategy-2013-2020>.  And information about conflict of interests: http://www.korruptsioon.ee/en/conflict-interests. |
| III.3. Quantitative indicators | *This section contains examples of quantitative indicators related to section III.1. Other indicators can also be included in the report.* |
| Statistical distribution of buyers by frequency of actual competition | For each contracting authority or entity:  1) Calculate the total number of contract awards.  2) Calculate the number of contract awards which received only one bid.  3) Divide the second number by the first number.  In the report, in a table, please include the number of contracting authorities or entities whose result from 3) above falls within each of the following intervals: <0%, 10%>, (10%, 20%>, (20%, 30%>, … , (90%,100%>[[1]](#footnote-2).  Please include only buyers with at least three contract awards over the reporting period and exclude all framework agreements as well as contracts based on framework agreements, as their number of bidders may be misleading (e.g. when multiple contract awards are based on the same framework agreement or for framework agreements with reopening of competition).  For more information about this indicator please see the following article from the European Journal on Criminal Policy and Research: <http://link.springer.com/article/10.1007%2Fs10610-016-9308-z>. |
|  | |  |  | | --- | --- | | Proportion interval of procurements with one bid of the total number of procurements by the contacting authority | Number of contracting authorities | | 0 - 10% | 13 | | 10 - 20% | 16 | | 20 - 30% | 12 | | 30 - 40% | 9 | | 40 - 50% | 2 | | 50 - 60% | 1 | | 60 - 70% | 3 | | 70 - 80% | 1 | | 80 - 90% | 0 | | 90 - 100% | 0 | |
|  | Total number of contracting authorities who had finished procurement procedures during 2017 which fall under the scope of directives was 203 in total. |
| Statistical distribution of buyers by frequency of using a negotiated procedure without the prior publication of a call of competition | For each contracting authority or entity:  1) Calculate the total number of procedures.  2) Calculate the number of negotiated procedures without the prior publication of a call for competition.  3) Divide the second number by the first number.  In the report, in a table, please include the number of contracting authorities or entities whose result from 3) above falls within each of the following intervals: <0%,10%>, (10%, 20%>, (20%, 30%>, … , (90%,100%>.  Please include only procurement procedures which resulted in at least one contract award and include only buyers who ran at least three procurement procedures over the reporting period.  For more information about this indicator please see the following article from the European Journal on Criminal Policy and Research: <http://link.springer.com/article/10.1007%2Fs10610-016-9308-z>. |
|  | |  |  | | --- | --- | | Proportion interval of negotiated procedures without prior publication of the total number of procurements by the contracting authority | Number of contracting authorities and entities | | 0 - 10% | 14 | | 10 - 20% | 5 | | 20 - 30% | 4 | | 30 - 40% | 2 | | 40 - 50% | 2 | | 50 - 60% | 0 | | 60 - 70% | 0 | | 70 - 80% | 0 | | 80 - 90% | 0 | | 90 - 100% | 0 | |
|  | Total number of contracting authorities who had finished procurement procedures during 2017 which fall under the scope of directives was 203 in total. |
| Quantitative assessment of collusion risks | This analysis should be based on a country-specific methodology reflecting the business environment, data available from e-procurement and other platforms, etc. National competition authorities may have information relevant for this analysis.  For an example of a collusion analysis methodology, see the following toolkit from the Government Transparency Institute: <http://www.govtransparency.eu/index.php/2015/11/13/toolkit-for-detecting-collusive-bidding-in-public-procurement/>. |
|  | Information not available |
| Risk of undiscovered conflict of interest | Percent of contracts awarded to companies with concealed ownership structure (i.e. whose ultimate beneficiary owner cannot be verified).  Information for this indicator should be available in central registers of beneficial ownership, which are to be established by all Member States under the 4th Anti-Money Laundering Directive (2015/849 Art. 30) by June 2017.  For more context for this indicator, please see the Commission's Anticorruption Report available at <http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/organized-crime-and-human-trafficking/corruption/anti-corruption-report/index_en.htm> |
|  | Information not available for 2017. System being developed. |

## Level of SMEs' participation in public procurement

SMEs are **defined in the** Commission Recommendation (2003/361/EC) as having less than 250 persons employed and an annual turnover of up to EUR 50 million or a balance sheet total of no more than EUR 43 million. Further information is available at

<http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en>.

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| **IV.1. Qualitative reporting on SME participation** |  |
| Key challenges encountered | The information should focus on:  - key challenges encountered in facilitating the participation of SMEs in public procurement, if any  - measures taken to overcome them  - difficulties still existing in the Member State |
|  | In Estonia majority of enterprises are SME-s, therefore the SME participation in public procurements is quite high reaching to 86% of all the contracts under procurement procedures concluded.  Nevertheless in terms of contract volumes SME-s share reaches only to 76% in total.  SME-s participate in smaller procurements, which in Estonian case make the majority. As SMEs participate in smaller (cheaper) procurements the cost rate for presenting a tender is claimed to be too high, which on the other hand decreases the interest for small enterprises to participate in public procurements, which leads to even lower rate of competition that a small economy already has anyway.  Therefore Estonia has invested to e-procurement system and to the procurement register and once-only principle to simplify the procedure of presenting a tender as much as possible. In the development process of the new Public Procurement Act SMEs’ interests were taken into account in order to decrease the cost rate of presenting a tender. Therefore national thresholds were increased and procedures for presenting a tender were simplified (for instance more flexible requirements for submission of documents) and additional obligations were set to buyers (for instance a requirement for buyers to justify if a procurement is not divided into smaller lots and a maximum level of turnover requirement) in order to decrease the cost rate of presenting a tender and increase SME competition in public procurements.  The scope of impact has not been evaluated yet as the new rules got into force only on 1st of September 2017 when Estonia transposed the public procurement directives and last developments to the public procurement register are still in progress. |
| IV.2. Supporting documents |  |
| Please report any available evidence or supporting document for point IV.1, illustrating the measures, achievements or challenges faced, relating to the facilitation of the participation of SMEs in public procurement | *Possible relevant (non-exhaustive) documents for consideration may be as follows (please provide a link to the document, and if possible, a summary of the document in English, if the document is in another language):* *List and provide a brief description of the policy and legislative initiatives launched to support SMEs participation in public procurement, including the results of their evaluations, where available* *Specific measures targeting SME participation in different techniques for aggregated procurement (framework agreements, dynamic purchasing systems, and centralised procurement activities)**Specific measures targeting the participation of start-ups and scale-ups in public procurement* *Specific measures ensuring that payment for public contracts are made on time, especially in the case of SMEs* *Specific measures addressing the payments to subcontractors**Existing guidelines or instructions for contracting authorities on how to treat grouping (e.g. consortia) of SMEs**Existing guidelines for contracting authorities on the application of 'divide or explain' principle* *Existing targets for SME participation in public procurement* |
|  | As Estonian economy is a small economy and 99% of enterprises operating here are SME-s, the main focus of national public procurement rules are towards SME-s. Please find the English version of our Public Procurement Act on this link: <https://www.riigiteataja.ee/en/eli/505092017003/consolide>. |
| IV.3. Quantitative indicators | *This section contains examples of quantitative indicators related to section IV.1. Other indicators can also be included in the report.* |
| Please provide, when available, any quantitative data (statistics, etc.) illustrating the achievements and challenges identified under section IV.1. above  Karoli | *Possible relevant (non-exhaustive) documents for consideration may be as follows:*   * *Participation of SMEs in call for tenders above threshold* * *Number of above-threshold contracts awarded to SMEs and* * *Total value of contracts above threshold won by SMEs* * *If additional data is collected in your MS, please report it in order to deepen our understanding about SME participation in public procurement. This might include the number and value of public procurement below threshold won by SMEs* * *If applicable, current attainment rate of the target set for SMEs participation* |
|  | |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | Number on contracts concluded | Proportions | Value of contracts concluded | Proportions | | Procurements over national lowest threshold and under international threshold | 10575 |  | 1 033 131 666 |  | | SME-s | 9317 | 88% | 874 329 443 | 85% | | Large enterprises | 1258 | 12% | 158 802 223 | 15% | | Procurements over international threshold | 3698 |  | 4 522 934 081 |  | | SME-s | 3078 | 83% | 3 356 749 938 | 74% | | Large enterprises | 620 | 17% | 1 166 184 144 | 26% | | Total | 14273 |  | 5 556 065 747 |  | |
|  | Information presented includes the total number of contracts concluded under procurement procedures. If under a procurement procedure there has been concluded several contracts, all different contracts are calculated separately. |

## Information on the practical implementation of national strategic procurement

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| V.1 Green procurement ('GPP') | Green Public Procurement ('GPP') is defined as "a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured."[[2]](#footnote-3) A voluntary target of 50 % GPP per Member State in number and value of relevant procedures was proposed by the Commission and welcomed by the Council in 2008. |
| V.1.1 Qualitative reporting |  |
| Key challenges encountered | The information should focus on:  - key challenges encountered in promoting green public procurement, if any  - measures taken to overcome them  - difficulties still existing in the Member State |
|  | Key challenges encountered in promoting green public procurement:   * Value estimates, consumption models and current lowest-price practice; * Procurement is often treated as a purely financial and administrative task and so is not aligned with broader policy objectives (e.g. health, environment, transport); * Lack of practice and experience (not daring to add environmental criteria); * Lack of leadership support; * Legal background (there would be a need for even harsher regulation through legislation); * Fear of contest; * There are problems of awareness, knowledge, experience and capabilities related to new technologies and market developments.   Measures taken to overcome them:  We’re continuously engaged in raising awareness actions. The public sector is a very large consumer. Total public consumption accounts for 14-16% of Estonia’s gross domestic product (GDP). Given that the national government is the most significant spender here, this must be done responsibly and sustainably and in view of the interests of society as a whole. The public sector can direct the market towards more environmentally-friendly production through its purchasing power. If public purchasers include environmental requirements in their public tenders, this will push providers to offer environmentally friendly products, which in turn means more sustainable production.  Finally, we cannot assume that the market will be ready to meet our expectations overnight. We need to work with the market! Communication, raising awareness, building relationships and networking are all key. The Estonian government organised, together with the European Commission, the Ministry of Infrastructure and Environment of the Netherlands, and ICLEI - Local Governments for Sustainability, the second European Congress on Circular Procurement on 18-19 October 2017. Organising the Congress in Estonia and in particular introducing real practical examples to procurement lawyers and legal experts was a real inspiration. Often our procurement lawyers lack the encouragement to use environmentally-friendly criteria in public purchasing, but the conference with many of the practical examples showcased from many parts of Europe showed something else – if wanted, then everything is possible. New knowledge and collaboration helps to take action. Probably most of the Congress participants learned that you need to think strategically, you have to define what you need, what should be the outcome and then you can integrate green, circular or innovation-oriented requirements into public procurement tenders and processes. Congress also equipped us with a range of new tools, information about monitoring, best practice (such as the new EU Circular Procurement brochure) and other useful initiatives. The interactive format also made it easier to hear first-hand from frontrunners about how GPP, circular procurement or public procurement of innovation (PPI) can be implemented.  <http://www.cpcongress.eu/>  Difficulties still existing in the Member State  There are many different perspectives and approaches on how to mainstream GPP, but first we have to do it through national policies and engage the right people at the early design stage. Secondly don’t try to guess what is ‘the best solution’ available on the market. Know your market by carrying out market research and/or arrange for a technical dialogue with real providers. And in summary, trust is the main feature of success. Trustworthy and committed government is very important. We have learned that understanding the needs of contracting authorities and understanding the ‘business case’ is a prerequisite for success. Early market engagement, involving also SMEs, is also crucial. The public sector can be a pioneer and a good example in the face of GPP, circular procurement and also PPI of course. |
| V.1.2. Supporting documents |  |
| Please report any available evidence or supporting document for point V.1, illustrating the measures, achievements or challenges faced, relating to the promotion of green public procurement. | *Possible relevant (non-exhaustive) documents for consideration may be as follows (please provide a link to the document, and if possible, a summary of the document in English, if the document is in another language):*   * *National definition of 'green' and 'green public procurement'* * *Information about National action plans or similar documents on GPP in your Member State and the stage of their implementation. Target for the uptake of GPP and the way it is defined i.e. for overall procurement, for specific product groups, by value, by number of contracts* * *Any obligations to include green requirements in the tender documents and the authorities for which they apply* * *Any recommendations concerning the use of specific selection criteria, technical specifications/award criteria/performance clauses which public authorities or contracting entities wishing to procure green can include in their tender documentation. Categories of products for which these are relevant and the relevant website, if possible* * *Any information on environmental labels, environmental management systems or standards* * *Any recommendations to use the 'green procurement' criteria developed by the European Commission, respectively for which product groups. If different criteria are recommended, please specify whether they are similar to/inspired by the EU criteria* * *Activities in the area of capacity-building for procuring green (institutionalised or ad-hoc training, helpdesks, etc.)* |
|  | *National definition of 'green' and 'green public procurement':*  Keskkonnahoidlike hangete põhieesmärk on vähendada toodetest ja teenustest põhjustatud keskkonnamõju, mis tuleneb nii tootmisest, kasutamisest kui ka kasutusest kõrvaldamisest, s.t kogu toote/teenuse olelusringi jooksul. Nii on võimalik vähendada riske inimese tervisele ja ümbritsevale keskkonnale.  Keskkonnahoidlik riigihange (ehk KHRH, aga ka roheline -, keskkonnasõbralik -, jätkusuutlik hange; inglise keeles green public procurement ehk GPP) tähendab minimaalse keskkonnamõjuga toodete või teenuste hankimist.  Tegemist ei ole riigihanke eritüübiga, vaid see on tavapärane avaliku sektori läbiviidud hange, mille puhul võetakse arvesse lisaks muudele nõuetele ka keskkonnanõudeid. Ei ole vahet, kas tegu on avatud, piiratud, lihtsustatud vms hankemenetlusega – keskkonnanõudeid saab kõigi puhul kasutada.  <https://www.envir.ee/et/keskkonnahoidlikud-riigihanked>  <https://www.envir.ee/sites/default/files/keskkonnajuhtimissusteemid_okodisain_ja_hangete_labiviimine_karen_silts_0.pdf>  Information about National action plans or similar documents on GPP:  GPP National Action Plan - In 2003, the European Commission in its [Communication on Integrated Product Policy](http://ec.europa.eu/environment/ipp/ippcommunication.htm) (IPP) encouraged Member States to draw up publicly available National Action Plans (NAPs) for greening their public procurement. The NAPs should contain an assessment of the existing situation and ambitious targets, specifying what measures will be taken to achieve them. The NAPs are not legally-binding but provide political impetus to the process of implementing and raising awareness of greener public procurement. It allow Member State to choose the options that best suit their political framework and the level they have reached.  **We are one of the EU countries (5 countries: Estonia, Greece, Hungary, Luxembourg, Romania) who doesn´t have GPP National Action Plan, but we are preparing Circular economy action plan and under this action plan will be next categories such as waste management system, Green Public Procurement, environmental management systems, EU Ecolabel (ISO 14024).** The National Action Plan provide political impetus to the process of implementing and raising awareness of greener public procurement.  Obligations to include green requirements in the tender documents and the authorities for which they apply:  We’re in regular contact with public procurement legal experts and procurers in Estonia with regards to training in the use of GPP criteria. However, the percentage of GPP that is actually happening in practice is still too low. For instance, in 2016 we had 10,343 public procurement procedures (or tenders), however only 597 (or 5.8%) of them could be said to have been green procurement. Similarly in 2015 – 10,850 public tenders were published and 5.6% of these were ‘green’. At the national level, we currently have an e-Public Procurement Register. This means that in the short term we can obtain real statistics on the share of ‘green’ or ‘sustainable’ criteria used in public tenders. Through the use of tick boxes and definitions of ‘green procurement’, those involved in public purchasing processes are required to record this information in the Register. The system enables us to accurately monitor how GPP criteria are used (end of this year it will change in some categories), both in terms of numbers and also which ones. Our past experiences have shown that certain voluntary measures, such as GPP, need to be made mandatory in order to be effective. Mandatory environmentally-friendly requirements are currently imposed only for vehicles (clean vehicle regulation). As of this year, however, we’re planning to change our current approach by making green purchasing mandatory for the following four categories, in addition to vehicles, for central government purchases. 1. Furniture 2. Computer and monitors 3. Copying and graphic paper 4. Cleaning products and services. The green requirements developed for these categories are based on those developed by the European Commission - the EU GPP Criteria – adapted to the Estonian context. Regulations will be put into place during the course of 2018 to make this take effect. Deciding on the precise green criteria to adopt for each of the four product categories was done through a series of roundtable discussions involving government representatives and producers / suppliers during 2016.  Through the e-Public Procurement Register in autumn there will four categories (1. Furniture 2. Computer and monitors 3. Copying and graphic paper 4. Cleaning products and services.) core criterias already available, so procurers just have to pick.  And during the Estonian Presidency of the Council of the EU (the second half of 2017) one of our priorities has also become Eco-innovation. This change in our priorities will support us in our transition to a circular economy and in using GPP as a tool to help us achieve our goals.  Recommendations concerning the use of specific selection criteria, technical specifications/award criteria/performance clauses:  1. GPP sets example for private consumers;  2. GPP raises awareness on environmental issues;  3. GPP improves quality of life;  4. GPP helps set high environmental standards for products and services;  5. GPP saves money and resource when the cost of life cycle (LCC) is taken into account;  6. GPP encourages industry to find more innovative and efficient solutions;  7. GPP makes it possible to reduce prices to environmental technologies.  European Commission documents:  1. http://ec.europa.eu/environment/gpp/pdf/Public\_procurement\_circular\_economy\_brochure.pdf  2. http://ec.europa.eu/environment/gpp/pdf/handbook\_2016\_et.pdf (estonian language)  3. http://ec.europa.eu/environment/gpp/eu\_gpp\_criteria\_en.htm (all categories)  <https://www.envir.ee/et/eesmargid-tegevused/keskkonnakorraldus/keskkonnahoidlikud-riigihanked/khrh-teabepaev-1-detsembril>  Information on environmental labels, environmental management systems or standards:  EMAS information is available:  1. On the website of the Ministry of the Environment: https://www.envir.ee/et/environmental management themes  2. On the Environment Agency's website: http://keskkonnaagentuur.ee/et/eesmargid-tegevused/emas  3. EMAS register: http://ec.europa.eu/environment/emas/register/  4. EMAS verifier information is available on the website of the Estonian Accreditation Center: http://www.eak.ee/?pageId=144  <https://www.envir.ee/et/keskkonnajuhtimissusteemid>  ENHANCE THEMATIC WORKSHOP  ENHANCE project workshop “Green Public Procurement and EMAS” in Tallinn (2018 Feb.).  National support measures for EMAS implementation:  \* From the EIC program, you can apply for support both for the implementation of EMAS for formal environmental management systems and for the implementation of non-formal CCIs (green office principles).  \* In the framework of the resource efficiency measure (European Regional Development Fund), you can apply for funding to implement EMAS (i.e., purchase new equipment and implement EMAS, but, unfortunately, the auditors do not talk so much about it, leaving it to a secondary one).  **Resource Efficiency seminars (2018 spring)**, I spoke on the environmental management systems, including EMAS, eco-design, ecolabel (ISO 14024) and Green public procurement.  Seminars were held: Kuressaare (16.04), Pärnu (17.04), Tartu (19.04) and Tallinn (02.05).  **Information about ecolabels:**  <https://www.envir.ee/et/okomargis>  <http://www.keskkonnaagentuur.ee/et/eesmargid-tegevused/el-okomargis>  <http://uhhuu.net/okomargis/>  <http://hoolin.ee/>  Recommendations to use the 'green procurement' criteria developed by the European Commission:  Estonian Ministry of the Environment are recommending European Commission all categories regarding green procurement criterias: <http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm>  Activities in the area of capacity-building for procuring green:  We are continuously educateing Estonian procurement lawyers to use green public procurement criterias, however, the percentage of green public procurement is still too low.  \* GPP is continuously monitored through the official Electronic Public Procurement (E-Procurement Estonia). E-Public Procurement Register developments – end of the year procurer can pick the core criteria, system will be handy.  \* Roundtables with producers / tenders 2016.  \* Awareness raising seminars to the procurers 2016 / 2017 / 2018. Ministry of the Environment are making GPP awareness raising seminars regularly.  \* 2018 spring we had Resource Efficiency Seminars “The focus is on production effectiveness” in different Estonian areas. Agendas topics were environmental management systems, eco-design, ecolabels, GPP.  https://www.envir.ee/sites/default/files/keskkonnajuhtimissusteemid\_okodisain\_ja\_hangete\_labiviimine\_karen\_silts.pdf  **Pilot project (circular economy, GPP,CP)**  This is a designer Reet Aus, the Estonian Defense Forces and the Police - and Border Protection cooperation project.  This is a collaboration project where once again old Defense Forces work clothes and Police uniforms are used for new production. Designer Reet Aus is dedicated to slow fashion and her upcycled collection is entirely made from post-production leftovers. She keeps providing that clever design can salvage mountains of unused textiles and the natural resources spent to produce them.  She has developed an industrial upcycling method that involves complete lifecycle analysis of the garments. The method enables to circulate the leftover materials back to production inside the same factory. Most mass-production manufacturers are left with average 18% of pre-consumer textile waste that ususally is taken to landfill or burned. Each garment in Reet Aus collection saves on average 75% water and 88% energy. Collection is produced following UPMADE® Cerfication criteria. |
| V.1.3. Quantitative indicators | *This section contains examples of quantitative indicators related to section V.1. Other indicators can also be included in the report.* |
| Please provide, when available, any quantitative data (statistics, etc.) illustrating the achievements and challenges identified under section V.1.1 above. To the extent possible, these indicators should be further grouped by type of legal problem. | *Possible relevant (non-exhaustive) documents for consideration may be as follows:*   * *Percentage of public procurement procedures incorporating green criteria out of the whole volume of procurement at national level and if available, for the GPP product groups (e.g.* [*http://ec.europa.eu/environment/gpp/eu\_gpp\_criteria\_en.htm*](http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm)*) for which monitoring is being done, measured by number and value* |
|  | |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | **Procurement procedures** | **%** | **Total value of procurement procedures** | **%** | | **Procurements over national lowest threshold and under international threshold** | **7766** |  | **823 793 189** |  | | Procurements without environmentally sustainable criteria | 7410 | 95% | 751 951 894 | 91% | | Environmentally sustainable procurements | 356 | 5% | 71 841 294 | 9% | | **Procurements over international threshold (under the scope of directives)** | **1252** |  | **1 729 488 554** |  | | Procurements without environmentally sustainable criteria | 1162 | 93% | 1 528 276 178 | 88% | | Environmentally sustainable procurements | 90 | 7% | 201 212 376 | 12% | | **Total** | **9018** |  | **2 553 281 743** |  | |
|  | Information presented include procurements with contracts that are being fulfilled or have been fulfilled. Procurements, which have been cancelled or ended without a contract, are excluded.  Total value of procurement procedures include the value of the limit of framework agreement once irrespective of the number of contracts concluded. |
| V.2 Socially responsible public procurement ('SRPP') | Socially Responsible Public Procurement ('SRPP') is defined as procurement that takes into account one or several social considerations for advancing social objectives. SRPP covers a wide spectrum of social considerations, such as for example employment opportunities, decent work conditions, compliance with social and labour rights, social inclusion, equal opportunities and accessibility. |
| V.2.1 Qualitative reporting |  |
| Key challenges encountered | The information should focus on:  - key challenges encountered in promoting socially responsible public procurement, if any  - measures taken to overcome them  - difficulties still existing in the Member State |
|  | Low awareness of the problems and possibilities on the contracting authorities’ side. Contracting authorities do not feel that there is direct link between public procurement and social problems that they can address by public procurement.  Publication of the study on promoting social values by public procurement, guidelines promoting employment of risk groups in public procurement and guidelines for fair trade in public procurement. |
| **V.2.2. Supporting documents** |  |
| Please report any available evidence or supporting document for point V.2.1 illustrating the measures, achievements or challenges faced, relating to the promotion of SRPP. | *Possible relevant (non-exhaustive) documents for consideration may be as follows (please provide a link to the document, and if possible, a summary of the document in English, if the document is in another language):*   * *National SRPP definition* * *List and brief description of national policy initiatives launched in the area of SRPP* * *Any obligation to include socially responsible criteria or contract performance clauses in the tender documents imposed by your national system, and the contracting authorities or contracting entities which are required to comply* * *Any information on social labels in use* |
|  | No definition available. It is not obligatory to include socially responsible criteria.  The study, report and guidelines indicated in point V.2.1 are available <https://www.rahandusministeerium.ee/et/eesmargidtegevused/riigihangete-poliitika/kasulik-teave/riigihangete-juhised> |
| **V.2.3. Quantitative indicators** | *This section contains examples of quantitative indicators related to section V.2. Other indicators can also be included in the report.* |
| Please provide, when available, any quantitative data (statistics, etc.) illustrating the achievements and challenges identified under section V.2.1 above. | *Possible relevant (non-exhaustive) documents for consideration may be as follows:*   * *Number of public procurement procedures incorporating socially responsible award criteria. Please specify how many of those are regulated under the 'light regime' of Title III Chapter I (Articles 74-77 of Directive 2014/24/EU and Articles 91-94 of Directive 2014/25/EU)* * *Number of public procurement procedures reserved to sheltered workshops and economic operators in line with article 20 of the Directive* * *Number of public procurement procedures for the provision of health, social or cultural services as referred to in article 77.1 reserved to organisations fulfilling the conditions listed in article 77.2.* * *Number of public procurement procedures incorporating socially responsible contract performance clauses criteria. Please specify how many of those are regulated under the 'light regime' of Title III Chapter I (Articles 74-77 of Directive 2014/24/EU and Articles 91-94 of Directive 2014/25/EU)* |
|  | Estonia transposed the directives on 1.09.2017. As of that date the information of socially responsible procurements are collected. Before that date the information of socially responsible procurements is not available.  During the last quarter of 2017, since 1.09.2017 until 31.12.2017, in total 1196 procurements are published, of which 94 fall under the scope of directives of which one procurement has been socially responsible. In total 8 socially responsible procurements have been published during the last three months of 2017. |
| V.3 Public procurement of innovation | An innovative solution is defined in 2014/24/EU Art.2 (1.22) as "a new or significantly improved product, service or process". This includes not only those solutions resulting from R&D but also those solutions resulting from activities, "including but not limited to production, building or construction processes, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations." Please report both dimensions of innovation procurement: procurement of R&D and procurement of innovative solutions. |
| V.3.1 Qualitative reporting |  |
| Key challenges encountered | The information should focus on:  - key challenges encountered in promoting innovation procurement, if any  - measures taken to overcome them  - difficulties still existing in the Member State |
|  | Key challenges encountered this far in Estonian public sector:   * lack/chronic shortage of dedicated budget for developments and innovation in public bodies * low risk tolerance in public spending * lack of knowledge and experience in using new innovation supporting procurement procedures (like PCP, innovation-partnership etc) * shortage of personnel with knowledge on leading and implementing the innovation process   To overcome the challenges a [“**Support for Innovation Procurement Initiatives”**](http://ec.europa.eu/information_society/newsroom/image/document/2016-24/estonia_16147.pdf)grant and awareness rising and support activities, implemented by Enterprise Estonia, are set in action.  As current activities have not proven sufficient, next steps are in planning phase, like establishing a Competence Centre for Innovation Procurements. |
| V.3.2. Supporting documents |  |
| Please report any available evidence or supporting document illustrating the measures, achievements or challenges faced, relating to the promotion and implementation of innovation procurement. | *Possible relevant (non-exhaustive) documents for consideration may be as follows (please provide a link to the document, and if possible, a summary of the document in English, if the document is in another language):*   * *National Action Plan and/or targets for innovation procurement and its stage of implementation. Information on how are they defined.* * *Any additional provisions for innovation procurement in your national legislation that go beyond the provisions in the EU public procurement directives (e.g. more detailed definition of innovative solutions and/or R&D, specific provisions on innovation procurement Art 33 of 2014 EU State aid rules on R&D&I)* * *National guidelines on innovation procurement (e.g. on IPR handling, joint procurement to create demand pull for buying innovative solutions, on R&D procurement)* * *National activities on capacity-building on innovation procurement (institutionalised or ad-hoc training, helpdesks, etc.)* * *Information about outcomes e.g. impact on demand side (increase in quality and/or efficiency of public services), impact on the supply side (increase in sales/company growth, intensified investments in R&D/innovation and/or IPRs), wider market impacts (number/value of contracts awarded to SMEs, amount of contracts awarded to non-domestic providers)* |
|  | Instead of specific action plan for supporting innovation procurement, Estonia has three pivotal strategies “[**Estonia 2020**](https://riigikantselei.ee/sites/default/files/elfinder/article_files/eesti_2020_en.pdf)”, [“**Sustainable Estonia 21”**](https://riigikantselei.ee/sites/default/files/content-editors/Failid/estonia_sds_2005.pdf) and “[**Estonian Entrepreneurship Growth Strategy 2014-2020**](http://kasvustrateegia.mkm.ee/index_eng.html)**”** which recognise the role of the State as a smart customer for innovation.  The “Estonia 2020” Strategy sets a target to increase the share of all public procurements that incorporate innovation to 3% by 2020.  [Estonian Operation Programme for using EU Structural Fund period 2014-2020](http://www.struktuurifondid.ee/sites/default/files/ee_op_document_en_7_12_2017_amended_clean_1_0.docx) sets following target for supporting innovation procurement - Sales revenue from new or significantly changed products or services  from 9,7% of 2010 to 20% in 2023.  Guidelines for different types of innovative procurements <https://issuu.com/eas-estonia/docs/eas_innohangete_juhend_final>  Activities on capacity-building – Enterprise Estonia participates in Horizon 2020 project [Procure2Innovate](https://cordis.europa.eu/project/rcn/213117_en.html), which aims at improving institutional support for public procurers by establishing or expanding competence centres for innovation procurement in ten EU Member States, incl. Estonia.  The outcomes of implementing innovation support policies in Estonia have not been measured jet. |

## Replicability

This section should provide information allowing anyone to fully replicate the quantitative results presented in the report.

|  |  |
| --- | --- |
| Links to datasets used to prepare the report | The Commission recommends publishing the source data as open data, e.g. as is the case for the Tenders Electronic Daily database at <http://data.europa.eu/euodp/cs/data/dataset/ted-csv>. |
| Files used to obtain the results from the datasets | This section should include for example the scripts or code for the relevant statistical software or the Excel files used. |

**Annex I:**

**Methodology for estimating the value of procurement which would have been covered by the directives if its value had exceeded the relevant thresholds**

### 1. Classification and methodology

Indicate the basic characteristics of the methodology used by selecting from the options below. Description of the methodology is to be given in the subsequent section.

#### 1.1. General approach:

1. **[data available under national publication requirements]**
2. ~~[sample-based estimates]~~
3. ~~[combined]~~

Please note that in our opinion using existing administrative data is preferable, as it implies both lower administrative burden (no additional data collection is necessary) and higher data quality.

If a sampling approach is taken, both the source of the sample and the sampling methodology, provided in the following subsection, must be able to withstand careful scrutiny. This ensures that the estimate is representative of the whole Member State.

#### 1.2. Source of data:

|  |  |  |
| --- | --- | --- |
| Scope:  Source of data: | above national publication thresholds [✓] | below national publication thresholds [✓] |
| [e-notification platforms] | X |  |
| [e-submission platforms] | X |  |
| [invoices] |  |  |
| [budgets] |  |  |
| [other] |  |  |

### 2. Methodology description

Indicate, amongst others, information on the sources of data, approaches taken to deal with possible missing data and erroneous data, and representativeness of the sample used (if a sample-based approach was taken). If methodology is different depending on the thresholds or source of data, please clearly indicate this, including the relevant thresholds.

Data include information of voluntary publications under the lowest national threshold and obligatory publications over national threshold based on the information available in central national public procurement register.

1. The symbols "<" and "(" indicate whether the endpoint of the interval should be included. For example (40%,50%> approximately means that the interval should contain contracting authorities or entities whose score is larger than 40.001% and smaller than 50.000%. The rest of the intervals are analogous. [↑](#footnote-ref-2)
2. Commission Communication (COM (2008) 400) "Public procurement for a better environment" [↑](#footnote-ref-3)