EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT
Terms of Reference

Digital Transformation of Public Procurement – Digitalising Public Procurement in Uzbekistan

1. Background

Electronic procurement (eProcurement) in public procurement is the business-to-government purchase and sale of goods, services and works through web-based platforms, as well as other information and networking systems, such as digital data interchange and procurement planning systems. eProcurement solutions allow for qualified and registered economic operators to compete for public contracts, following tenders published online by contracting entities. In a complete modern digital public procurement system, business-to-government transactions can be initiated and completed online, with real-time monitoring and audit enabled, and bureaucracy and formalities limited to fundamentals.

In 2018, the Parliament of Uzbekistan adopted a new law on public procurement (the “Public Procurement Law”). The adoption of the Public Procurement Law constitutes an important milestone of the government agenda of modernizing national public procurement framework as well as its consideration to accede to the Agreement on Government Procurement of the World Trade Organisation (the “WTO GPA”).

While the Public Procurement Law of 2018 corrected some coverage problems, further legislative work is needed to bring national legislation in compliance with the mandatory WTO GPA accession requirements and incorporate eProcurement reforms, designed to improve transparency and accountability of public procurement. As such, the Ministry of Finance of Uzbekistan made a decision to focus on digitalising public procurement immediately upon adoption of the new Public Procurement Law.

The TC project: Digitalising Public Procurement in Uzbekistan aims at delivering regulatory, legal and business advice to improve governance of public procurement processes, expand use of digital public procurement and introduce data-driven reporting, monitoring and procurement market analysis. It is envisaged that TC assignments shall include: (a) development of new digital public procurement legislation, based on the 2011 UNCITRAL Model Law on Public Procurement and in compliance with governance standard of the WTO GPA; (b) implementation of online open data in the Open Contracting Data Standard in the new and existing eProcurement systems in the country to facilitate data-driven monitoring and process management, (c) development of new purchasing techniques and digital procurement tools for specialized public procurement, and (e) digitalizing public procurement under mandate of the Ministry of Finance of Uzbekistan (“Ministry”).

There is a state-owned enterprise under the Ministry that provides digital services and information services in the field of eProcurement. In order to digitalise the public procurement system, the
Ministry has requested EBRD to assist the government in drafting the new electronic procurement ("eProcurement") policies, designing an eProcurement reform strategy for the public sector in Uzbekistan and piloting new digital public procurement tools in practice to help increase the transparency and efficiency of public procurement in Uzbekistan.

2. **Objective of the Assignment**

The Project is aimed at assisting Uzbek Government with the development of a sound basis for a comprehensive digitalisation of public procurement function in the public sector, including state-owned enterprises. The Project will help to increase the speed and economy of procurement processes while ensuring a full transparency of public procurement decisions. eProcurement in public procurement is the business-to-government purchase and sale of goods, services and works through an Internet-based platform, as well as other information and networking systems, such as electronic data interchange and procurement planning facilities. eProcurement solutions allow for qualified and registered economic operators to compete for public contracts, following tenders published online by contracting entities. In a complete public procurement eProcurement system, business-to-government transactions can be initiated and completed online, with real-time monitoring and audit enabled, and bureaucracy and formalities limited to fundamentals.

The Assignment will incorporate the following components:

**Component 1 – Technical concept development**: the development of a concept for eProcurement reform, explaining in detail the business, legal and functional approach to developing a comprehensive eProcurement system for public sector government (the “Reform Concept”).

**Component 2 - Legislative drafting**: the drafting of secondary legislation for low and high value procurement.

**Component 3 - Piloting eProcurement**: assistance with the piloting of low and high value procurement.

**Component 4 - Implementation assistance**: providing advice and assistance in implementing the reforms during the course of the Assignment.

3. **Scope of Work**

The Consultant’s scope of work will specifically include the following activities:

**3.1. Component 1: Concept development**

This component will focus on the preparation of the concept for eProcurement reform, which would draw from the results of the review completed by the EBRD in 2019 (please see Section 1 above).
The Reform Concept will explain in detail the business, legal and functional approach to developing a comprehensive eProcurement system for public sector government and will specifically discuss proposed secondary legal instruments, the adoption of which is necessary for the establishment of the digital public procurement system in Uzbekistan.

This component will include the following activities:

(i) Preparing a concept for the reform aiming at eProcurement system development, explaining in detail the business, functional and technical approach to eProcurement system development. The Reform Concept should contain a proposal for a government eProcurement solution, taking into account best practices from eProcurement systems in other states, as well as recommendations serving as a basis for eProcurement reform implementation. The recommendations will be based, *inter alia*, on the 2012 Agreement on Government Procurement of the World Trade Organisation (the “WTO GPA”) standards and best practice, as identified by the Bank. The recommendations will discuss (a) legal, regulatory and institutional structures, (b) business decisions and (c) technology aspects of implementing decentralised and centralised procurement systems, including an estimated budget for acquisition of the appropriate eProcurement solutions. The recommendations will also include (a) a gaps analysis, enlisting primary, secondary and tertiary legislation to be amended or developed in order to implement the eProcurement reform in practice and (b) a recommended business case for the implementation of the digitalisation project.

(ii) Assisting in discussing the Reform Concept, with participation in the discussions taking the form of presenting the contents of the Reform Concept, as well as participation in the discussions and clarification of the questions.

### 3.2. Component 2: Legislative drafting

This component will include assistance with the drafting of secondary legislation for eProcurement procedures for low (below the WTO GPA thresholds) and high (above the WTO GPA thresholds) value procurement contracts, including online framework agreements. The secondary legislation will allow electronic documents, digital data and online smart contracts to be introduced and will envisage relevant standard bidding documents for electronic public procurement methods as prescribed in the national legislation.

### 3.3. Piloting eProcurement

This component will focus on developing and implementing a pilot of electronic e-catalogues, open tender and restricted tender, compliant with the WTO GPA requirements and other international best practices.

The Consultant will be responsible for providing guidance to electronic platform operators and contracting entities participating in the pilot as well as promoting the pilot to the business community in Uzbekistan.
This component will include the following activities:

(i) Preparation of the electronic open tender business model compliant with the WTO GPA and other international best practices.

(ii) Preparation and delivery of capacity building related to the implementation of the electronic open tender in practice and preparation of the relevant training materials for the training in English and official languages (Uzbek and Russian).

(iii) Provision of on-going policy, regulatory and business advice during the piloting of electronic open tender for low and high value procurement.

The Consultant will develop a localised electronic procurement tool for electronic open tender for low and high value procurement that can be employed for piloting.

The Consultant will ensure that the electronic tools for open tender for low and high value procurement will remain transparent and will follow principles of Open Source, Open Data and Advanced Open Contracting Data Standard during its implementation.

3.4. Component 4: Implementation assistance

This component will focus on providing ongoing advice and support for the period of 12 months with the objective of engaging of all key contracting entities in the public sector in Uzbekistan. This will help with successfully implementing the pilot activities in the predefined contracting entities to enable the Ministry taking decisions on necessary changes to support the rollout of eProcurement in the entire country. This would also provide an opportunity to assess achievements and challenges of the piloted scheme in terms of capturing lessons learned from the pilot activities and identify institutional and operational improvements to contribute to the implementation of digital public procurement in Uzbekistan.

4. Assignment Implementation

The beneficiary of this Assignment is the Ministry of Finance of Uzbekistan. On the operational level, the project will be managed by the EBRD Operation Leader.

The Beneficiary shall provide the Consultant with assistance for the performance of the Consultant’s tasks, including the following:

- Assistance in liaising with key officials within the government of Uzbekistan and coordination of inputs from government stakeholders;
- Access to relevant legal and technical staff and ICT resources, for a period necessary to complete the Assignment;
- Relevant information within the context of the Assignment, as requested by the EBRD or the Consultant;
- Provision of necessary meeting rooms, Internet connection and associated facilities and other logistical support as appropriate.
5. Implementation Arrangements

Operation Leaders. The Consultant shall report to the Bank’s Operation Leader (the “EBRD OL”) Eliza Niewiadomska (niewiade@ebrd.com or +44 207 338 7190) on all aspects of the TC Project/TC Assignment.

TC beneficiary. The beneficiary is the Government of Uzbekistan. On the operational level, the Assignment will be managed by the EBRD OL. The beneficiary shall collaborate with the Consultant with performing the TC activities under the TC Project/TC Assignment, including the following:

1) Assistance with liaising with key officials within the government of Uzbekistan and the coordination of inputs from government stakeholders;
2) Access to relevant legal and technical staff and ICT resources, for a period necessary to complete the TC Project/TC Assignment;
3) Relevant information within the context of the TC Project/TC Assignment, as requested by EBRD or the Consultant;
4) Provision of necessary meeting rooms, Internet connection and associated facilities and other logistical support, as appropriate.

Cooperation and TC project management. The Consultant shall be required to share the TC Project/TC Assignment documents and information and cooperate with the EBRD teams and/or other international and local experts as requested by the national project counterparts and/or the OLs. Project management certificate is mandatory for the Consultant team members responsible for the TC project implementation. The Consultant should demonstrate a valid PM certificate not older than 10 years during the TC selection process.

TC Project/TC Assignment expenses. The Consultant is responsible for their and their team’s travel and accommodation arrangements as necessary to complete the TC Project/TC Assignment as envisaged in the work plan and budgeted within deliverables in the Inception report. To ensure quality of outreach events, the Consultant may be required to use the Bank-selected outreach coordinator for project meetings and training sessions and in such cases the Consultant is required to arrange for contracting of the outreach coordinator within the budget allocated in the TC Project/Assignment for outreach purposes no later than upon approval of the Inception report for the TC Project/TC Assignment. The outreach coordinator will appoint an outreach planner to assist with the implementation of the TC Project/TC Assignment. The outreach planner will be responsible for preparation of the event agenda, logistics and coordination with national counterparts and the OLs and other local or international experts relevant for the implementation of the TC Project/TC Assignment. The Consultant is required to communicate with the event planner via the online workspace Huddle.
TC Project website. The Consultant shall be required to contribute to the Assignment website by providing their biographies, meeting minutes and news items about their project missions by uploading those on the online workspace Huddle.

Provisional and final work plan. Within 14 days of the TC Project/TC Assignment commencement date the Consultant shall prepare and submit to the EBRD OL for approval a provisional work plan and a schedule, to be agreed with the national counterparts. The Consultant shall prepare a specific project work plan upon the completion of the first project mission / Inception Mission, including a final allocation of man-days stipulated in Schedule B of the consultancy contract to each of the Assignment deliverables. If the Inception Mission is scheduled within 14 days since signing the consultancy contract only specific work plan shall be prepared.

TC Project/TC Assignment Inception report. The Inception report shall be agreed with the TC beneficiary and shall include a methodology for the TC project implementation, a revised terms of reference, budget and result matrix, if needed, the allocation of man-days and resources to deliver each TC deliverable envisaged by the work plan and shall specify reasonable deadlines for the submission of draft and final deliverables. Upon approval by the national counterparts the content of the Inception report is binding to all parties involved. Standard terms of reference for all service rechargeable to TC project budget including the TC outreach planners, TC outreach coordinators, including communications and travel agent arrangements as well as the TC results manager form an attachment to Schedule A.

TC Project/TC Assignment missions. The Consultant may be required to undertake missions and attend meetings and conferences that are not specifically listed in the work plan but are necessary to achieve the Assignment’s objectives and contribute to completing deliverables. In such cases no additional fee will be paid for the period of mission or conference, but all Consultant expenses will be covered from the TC project contingencies budget.

Monthly progress reporting. The Consultant shall update the OLs on the Assignment’s progress on a monthly basis by submitting a monthly progress report and attending update meetings/conference calls as scheduled on the monthly basis by the OLs/project assistant. To this end, the Consultant shall produce monthly progress reports highlighting the activities and achievements for each project deliverable in the reporting period shall be prepared in accordance with the template of the monthly progress report as provided by the Bank. The report template may be updated by EBRD. Draft monthly progress reports shall be submitted for the EBRD OL’s review in advance to the monthly project update meeting by uploading it on the Assignment online workspace Huddle. The EBRD OL will provide comments on the draft during the monthly update meeting and the Consultant shall issue the final report within 5 working days of receiving the comments.

Progress and completion result framework reports. The Consultant shall prepare biannual reports, which will incorporate the results matrix, including the outputs, outcome indicators and
the outcomes achieved, and shall be prepared in accordance with the template of the report as provided by the TC Project Officer. The report template may be updated by EBRD as necessary.

**Final report.** Upon the completion of all deliverables envisaged under the TC Project/TC Assignment, the Consultant shall submit via Huddle a final report listing completed and not completed TC activities that were envisaged under the Inception report. The final report shall contain, at a minimum, a summary, in chronological order, of all the work that has been carried out by the Consultant and a description of any lessons learned in the process of implementing the TC Project/TC Assignment.

**Language of the deliverables.** All deliverables shall be prepared in English. Deliverables shall be prepared in Russian and/or in the local language, when requested by the OLs.

**TC Outputs/Deliverables.** The Consultant shall provide draft deliverables to the EBRD for review/approval via Huddle. Before submitting final deliverables, the Consultant shall address any comments received from the national counterparts and the OLs. To ensure quality of TC deliverables, the Bank engaged a result manager responsible for review of the TC deliverables completion reports and result and completion reports for the TC Projects/TC Assignments in terms of substance and quality. Remuneration of the result manager is included in contingencies of the TC Project/TC Assignment budget and will be paid to the result manager as appropriate in accordance to the amount of effort required to ensure the Consultant’s deliverables are satisfactory for the Bank. The Bank TC Project Officer retains responsibility for a final review of deliverables. All draft deliverables should be submitted via Huddle for review and approval of the results manager. When cleared with results manager, the TC Project Officer will request an approval of the relevant OL.

**Delays in the TC Project/TC Assignment implementation.** The Consultant shall immediately alert the Operation Leader as to any delays or envisaged delays which impact or are likely to impact upon deliverable deadlines. This information should be submitted in writing to the relevant OL and a follow up meeting with the national TC Project counterparts arranged to mitigate the risks resulting from delay. In case any implementation deadline is postponed, the TC Project/TC Assignment result matrix should be duly updated and submitted for the Bank’s approval.

**Delays in the TC reporting.** The Consultant is required to ensure that all their progress and completion reports are submitted in accordance to the Bank TC reporting schedule, by last Friday of the calendar month and on the last Friday of June and last Friday of November, respectively. In cases the Consultant did not submit the report within stipulated deadlines, the OL will request the TC Project Officer to check on the status of the TC Project/Assignment progress at the expense of the Consultant. A minimum fee chargeable by the TC Project Officer to the Consultant is EUR 250.

**Huddle Online Workspace.** The Consultant shall ensure that members of their staff are instructed on use of the Huddle in an appropriate manner in respect to workspaces, templates and folder
structure as required by the Bank. Free of charge Huddle training can be booked with the Bank IT services. All TC documents, including, but not limited to, monthly progress reports, minutes, BTOR, deliverables, the completion report and other technical documentation of the deliverables should be recorded and stored in Huddle. All documents shall be recorded in the corresponding folders on the online workspace Huddle as per the instructions received from the OLs/TC Project Officer. Documents for review and approval shall be submitted solely via Huddle. The result manager, the TC Project Officers and the OLs have been instructed not to read or review any TC document send by email. The Huddle access manager shall be used for keeping specific documents such as contracts or invoices confidential.

**Invoices payment.** The payment of invoices will be made upon completing the deliverable to the satisfaction of the Bank and following prior approval of monthly progress reports and final document(s) corresponding to each deliverable. Invoices for fees that are accepted for processing electronically should be submitted in a signed copy in PDF by email to DonorInvoices@ebrd.com. Invoices for reimbursable expenses are not accepted in electronic copies and should be delivered by registered mail or courier with all relevant documentation for claimed reimbursable expenses. Invoices will be approved for payment strictly upon completion of deliverable reporting and upon receiving a complete submission on the Huddle, cleared for sign off by the OLs. No invoices will be paid for consultants with outstanding reporting. The OLs will approve partial payments only in exceptional cases.