

# SUCCESS STORY

## E-Procurement Reduces Corruption and Increases Efficiency in Albanian Municipalities

**e-Procurement Trainings organized for both procurement officials of Pogradec Municipality and local private sector businesses, brought about an increase in the number of offers, encouraged more competitiveness and provided an opportunity to obtain offers at the best possible price**



*Erjon Vesho, Deputy Mayor of Pogradec Municipality and Elvana Gadeshi, LGPA e-procurement specialist, discussing an electronic tender issued by Pogradec Municipality*



*Shpresa Hamolli, economist of N.E.F Company, Pogradec, supported by Mr. Melsi Beli, AmCham procurement training specialist, demonstrating an online tender application.*

The period from January to March 2009 was a difficult one for Pogradec Municipality's procurement unit. Four tenders issued by the Municipality failed to be completed. The major reason was that members of the procurement unit and the offer evaluation committee faced serious obstacles in uploading the tender documentation into the requisite electronic platform within the prescribed timeframes, and in downloading the offerors' subsequent documentation. Another reason for the failure was the limited number of offers received: many potential private bidders simply lacked the necessary capacity to file an acceptable online application. The Municipality's inability to successfully carry out the electronic tender process caused blockage in the flow of needed funds that had been programmed by the state authorities for local investments and public expenses.

With the support of USAID's Local Governance Program in Albania (LGPA), Pogradec Municipality's e-procurement processes have improved. In the beginning of March 2009, in response to the municipalities' requests, LGPA organized a series of trainings on e-procurement procedures in four cities: Lezhe, Pogradec, Korce and Kukes. The trainings were delivered in cooperation with training specialists from the American Chamber of Commerce/Tirana (AmCham).

Training participants in Pogradec included members of the procurement unit and offer evaluation committee at the Municipality, as well as representatives of local private sector businesses. In addition, following the trainings, counseling sessions and 'hands on' technical assistance for all tenders issued by Pogradec Municipality, were provided by LGPA.

Erjon Vesho, Deputy Mayor of Pogradec Municipality, noted with appreciation the significant changes that the strengthening of capacities for municipal staff and firms brought to the city: "The trainings organized by the LGPA Project were very successful and since then the Municipality has conducted five successful electronic procurements with the winners published in the Public Procurement Agency's bulletin. Another success as a result of these trainings is the increase by about 50% in the number of offers received in response to the Municipality's tenders. The increase in offers," continued Mr. Vesho, "improved transparency and helped us get better priced offers. This is a very important achievement in an effort to fight corruption, and to keep the Municipality's expenses under control."

Mimoza Shuli, administrator of the local private sector "Perla" Company, described the remarkable changes these training programs brought to her work. "The training programs have been extremely valuable to us for a number of reasons. *First*, we are dealing with new e-procurement procedures, recently entered into force, that have never been applied before. *Second*, the LGPA trainers and their colleagues from AmCham were highly effective, and so was their training methodology. After learning all about the e-procurement procedures, I now feel confident that I can apply online for all tenders"