

## CONSULTATION WORKSHOP

### Digitizing Public Procurement and the Power of Open Data: Towards a strategic vision for Lebanon

**Wednesday 15<sup>th</sup> Decemer 2021**

9:00 am – 2:00 pm (Beirut Time)

Citea Aparthotel, Beirut (and on Zoom Platform)

*Arabic and English, with simultaneous interpretation*

#### Contextual background

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Since 2019, Lebanon is undertaking a major public procurement reform. A new Public Procurement Law (PPL) was adopted by Parliament in June 2021<sup>1</sup>; considered a major milestone in the reform process. The previous public procurement legal framework was outdated as it dated back to 1959/1963; and fragmented. The PPL is key for Lebanon to improving financial governance, market competition and promote transparency and accountability on the use of taxpayers' money. It ensures a solid, modern and unified legal framework for transform public procurement into a strategic instrument for economic recovery and restoration of investors and citizens' trust.

The law was drafted, discussed and promulgated in light of international standards and guidelines (UNCITRAL Model Law and OECD Guiding principles), and based on the recommendations of Lebanon's MAPS assessment<sup>2</sup> and the technical guidance and support from international partners, namely the World Bank, the Agence Francaise de Developpement (AFD), the OECD-EU SIGMA Joint Initiative. It is founded on 8 principles: inclusiveness, budget integration, efficiency and competition, transparency, integrity, accountability, professionalization, and sustainability.

The Public Procurement Law no. 244/2021 enters into force in July 2022. The new Lebanese Government formed in September 2021 clearly committed in its Statement to "*pursue efforts to reform Public Procurement, including issuing secondary legislations necessary for enactment*". The Government has a tight timeframe until July 2022 to ensure the readiness of the institutional and governance framework, implement capacity building to all concerned parties and establish a central electronic platform as a key tool for law implementation.

The Law has created the foundation for a gradual transformation of public procurement into a digitized process. Article 66 creates the central electronic platform that will be managed and owned by the newly created regulatory authority, the "Public Procurement authority" (PPA). The current Central Tender Board will be transformed into the future PPA as per the Article 88 of the Law. The central electronic platform is a key tool for the execution of the PPL, allowing for the publication of information and the collection and analysis of data, as well as the free and systematic access to

<sup>1</sup> Public Procurement Law no.244, dated July 19, 2021. [http://www.institutdesfinances.gov.lb/wp-content/uploads/2021/11/PP-Law-Eng-version-Sept.-19\\_compressed.pdf](http://www.institutdesfinances.gov.lb/wp-content/uploads/2021/11/PP-Law-Eng-version-Sept.-19_compressed.pdf)

<sup>2</sup> MAPS Final Report (2021) [http://www.institutdesfinances.gov.lb/wp-content/uploads/2021/03/Lebanon-MAPS-Report-final-revised-Jan2021\\_comp\\_compressed.pdf](http://www.institutdesfinances.gov.lb/wp-content/uploads/2021/03/Lebanon-MAPS-Report-final-revised-Jan2021_comp_compressed.pdf)

data. The PPL also mentions standard forms and tools to standardize procurement procedures, coupled with training on their mandatory use.

Despite the devastating socio-economic situation of the country, the public procurement reform process is advancing. The Minister of Finance mandated the Institut des Finances Basil Fuleihan to continue coordinating reform efforts and prepare for a sound entry into force of the Law, in consultation with concerned stakeholders.<sup>3</sup>

With the technical support of the World Bank and AFD, a national public procurement reform strategy<sup>4</sup> was developed to set reform objectives, outcomes on the short and medium term, priorities, identify responsibilities and ensure a common framework for the Lebanese Government to act on the implementation of the new Law, and for the international community to have a clear vision on priority areas to support.

Also, a dedicated **strategy and implementation plan for Lebanon's e-Procurement was developed with the technical support of the World Bank**. The E-Procurement strategy is aligned with the provisions of the new PPL that institutionalizes and promotes the use of e-procurement as a key directive for improving the transparency and efficiency of public procurement and seeks to establish a more open and competitive procurement environment.

The **e-Procurement Strategy is a response to the reform agenda**. The strategy sets out what a best-practice framework would be based on from the best cases worldwide and the lessons learnt over the course of the past two decades. It advises a phased approach to electronic procurement in Lebanon to provide for orderly training and rollout linked with the capacity of the future Public Procurement Authority (PPA), procuring entities at all levels, and private sector to implement and absorb the changes.

As per the estimates of the Organization for Economic Cooperation and Development (OECD), savings from implementation of procurement technologies are in the range of 5-8 % of the procurement value. With an increased global consensus in favor of open contracting and full transparency so that **"Everyone sees everything"**, the UN General Assembly committed to transparency in public procurement in order to fight corruption, and the G7 have highlighted the critical role of developing a digital procurement system with end-to-end transparency and open participation at its core. The Open Contracting Partnership (OCP) is continuously reporting on more than 30 countries publishing open contracting data.

In this framework, the Institut des Finances Basil Fuleihan, in partnership with Westminster Foundation for Democracy, the World Bank, and the Central Tender Board, is organizing a workshop entitled **"Digitizing Public Procurement and the Power of Open Data: Towards a strategic vision for Lebanon"**, on Wednesday, December 15, 2021 from 9:00 am till 2:00 pm (Beirut Time). This workshop is organized in the framework of ongoing consultations and awareness raising to prepare for a sound implementation of the Public Procurement Law no. 244/2021.

The workshop brings together **key reform stakeholders from the public sector, private sector, civil society and representatives of international partners** to 1) get introduced to the strategic vision for digitized procurement and open data in Lebanon, and 2) engage in a discussion on best scenarios in light of international standards and good practices.

<sup>3</sup> Lebanese Minister of Finance decision no.620/1, dated November 2, 2021.

<sup>4</sup> Public Procurement Reform Strategy (Final Draft), October 2021. <http://www.institutdesfinances.gov.lb/wp-content/uploads/2021/11/Lebanon-PPR-strategy-Final-draft-Oct21-Layout-FINAL-CLEAN.pdf>

## Agenda – Wednesday, December 15, 2021

09:00 – 09:30	<b>On-site welcome and registration; participants joining via Zoom</b>
09:30 – 10:10	<b>Opening session</b> <ul style="list-style-type: none"> <li>▪ Mr. Ghassan ZEENNY, Acting President, Institut des Finances Basil Fuleihan</li> <li>▪ Ms. Hasnaa MANSOUR, Country Representative, Westminster Foundation for Democracy</li> <li>▪ Dr. Jean ELLIYEH, Director General, Central Tender Board</li> <li>▪ Ms. Lina FARES, Senior Procurement Specialist, World Bank</li> <li>▪ Tour de table</li> </ul>
10:10 – 11:15	<b>Session 1: Presentation of the Draft E-Procurement Strategy and Action Plan for Lebanon</b> <p>This session aims at introducing to key stakeholders the proposed strategic vision for Lebanon to advance on the agenda of digitizing public procurement, in line with the requirements of the new Public Procurement Law no. 244/2021. The presentation will be followed by commentaries by renowned experts.</p> <ul style="list-style-type: none"> <li>▪ Dr. Paul SCHAPPER, International E-Procurement Expert, World Bank</li> <li>▪ Ms. Julia KEUTGEN, Senior Transparency Advisor, Westminster Foundation for Democracy</li> <li>▪ Mr. Viktor NESTULIA, Head of Eastern Europe and Central Asia, Open Contracting Partnership</li> <li>▪ Ms. Eliza NIEWIADOMSKA, Senior Counsel -Public Procurement, European Bank for Reconstruction and Development</li> </ul> <p>Discussion</p>
11:15 – 11:45	<b>Break</b>
11:45 – 12:10	<b>Session 2: Ingredients of success of procurement platforms towards competitive and transparent procurement</b> <p>This session sheds lights on key ingredients of success of transforming public procurement processes through digital open platforms, as well as on lessons learnt on deployment at the institutional and operational levels, as well as the impact of such transformation on spending efficiency, market competition and transparency in public procurement.</p> <ul style="list-style-type: none"> <li>▪ Mr. Oleksandr SHATKOVSKIY, International Public Procurement Consultant (Former Head of Public Procurement Department, Ministry of Economy, Ukraine)</li> </ul>
12:10 – 13:40	<b>Discussion on future prospects for Lebanon's E-procurement</b>
13:40 – 13:45	<b>Closing</b>
13:45	<b>Lunch</b>

**Moderated by:** Ms. Rana RIZKALLAH FARES, Senior Procurement Specialist, Institut des Finances Basil Fuleihan

## Speakers' Biographies



### **Dr Paul Schapper, International E-Procurement Expert, World Bank**

Dr Schapper is an international specialist in public e-procurement, procurement systems and practice. His career in procurement of more than 25 years has included Supply Commissioner, Chief Executive Officer for the Department of Contract and Management Services, Director-General for the Department of Industry and Technology, CEO for the Office of Public Sector Management, and Professorial Fellow for Governance in Western Australia. He is currently a consultant to the World Bank. Dr Schapper has developed strategic e-procurement frameworks or engaged in e-procurement capacity development, e-procurement legislation reform and procurement practice for more than 40 countries. He has been a peer reviewer for the World Bank and was a founding member on the editorial board of the Journal of Digital Evidence. He is a PhD in Economics and Management, Bachelor of Economics (School of Economics and Commerce); Bachelor of Science School of Physics. Dr Schapper has also lectured in Management at the Australian National Government Executive Development Programme and at the International Development Law Institute (Rome)



### **Ms. Julia Keutgen, Senior Transparency Advisor, Westminster Foundation for Democracy**

Ms. Julia Keutgen is a Senior Transparency Advisor at the Westminster Foundation for Democracy, with technical expertise designing and implementing programmes, and advising on inclusive political processes, accountability/transparency and rule of law. Her specialisation is openness, participation, civic technology and enhancing the role of civil society in public policy making and government oversight. Julia has over 15 years' experience working on governance issues in Eastern Europe, Central Asia, Africa and the MENA region, with long term in country support in Burundi and Morocco. She is also a Trustee at MySociety, a UK based civic tech organisation. She previously worked at the UNDP Brussels Liaison Office advising parliaments on parliamentary openness and innovation. Before that, she worked at the UNDP headquarters in New York on anti-corruption and judicial integrity issues providing policy advice and programme support to UNDP country offices. Her previous positions included advisor in the Cabinet of the Belgian Minister for Development Cooperation and governance programme officer at the Belgian Technical Cooperation. She holds a MS in International Relations (University of Paris), European Studies (University of Bonn) and LL.M (University of Leuven).



**Mr. Viktor NESTULIA, Head of Eastern Europe and Central Asia, Open Contracting Partnership**

Before joining the Open Contracting Partnership, Viktor was acting CEO at SOE Medical Procurement of Ukraine – the central purchasing body set up by the Ministry of Health of Ukraine for medical public procurement. Between 2015-2018 he was a Program Director at Transparency International Ukraine. His portfolio included five significant initiatives – ProZorro, ProZorro.Sale systems development, DOZORRO community building, e-Health system development, and Construction Sector Transparency Initiative implementation. He has experience in the private sector and in government. He headed the procurement risk assessment division in one of the biggest agro-holdings of Ukraine and worked in the Ministry of Infrastructure of Ukraine.

Viktor has a Master's degree in international economy from Kyiv National Economic University in Ukraine and studied organizational behavior and intercultural marketing at the Wirtschaftsuniversität Wien in Austria. Viktor's ambition is to help Eastern Europe and Central Asia become a global open contracting leader.



**Ms. Eliza Niewiadomska, Senior Counsel – Public Procurement, European Bank for Reconstruction and Development**

Eliza is responsible for regulatory advice on digital transformation of government commerce and leads technical cooperation activities under the EBRD UNCITRAL Public Procurement Reform Initiative and the EBRD GPA Technical Cooperation Facility. Lawyer and economist, Eliza holds postgraduate degrees from the Warsaw University, Poland and the University College London and King's College in the United Kingdom. Eliza worked for Polish government during regulatory reforms of Poland's accession to European Union and upon leaving civil service, as a general counsel in the IT industry. Prior to joining the EBRD in 2009, Eliza was head of procurement at power&energy company, PGE Polska Grupa Energetyczna SA in Warsaw.



**Mr. Oleksandr SHATKOVSKIY, International Public Procurement Consultant**

Mr. Shatkovskyi is the international PP consultant cooperating with OCP, involved in projects financed by EIB, EU and UNDP as well as remaining one of the leading experts on the Public Procurement system development in Ukraine. During last 12 years has been supporting the process of approximation of Ukrainian Public Procurement legislation to best EU and international procurement and contract standards (incl. EU PP Directives and WTO GPA), in particular having participated in the introduction and implementation of PROZORRO e-procurement and DOZORRO monitoring systems in the roles of deputy team leader and team leader of relevant EU PP reform projects. He is also deeply familiar with the e-procurement systems in European and ASEAN countries working as transparency consultant with UNDP and OCP.

With general 22+ years of professional experience on public contracting he has 12 years of dedicated involvement as a public procurement (PP) expert and 10 years of civil service including position of the Head of Public Procurement Department in Ministry of Economy of Ukraine.