



Irrational Procurement of 3 million GEL worth New Year Decorations for 2017-2018 in Tbilisi

GYLA disseminates the latest information regarding the simplified procurement of 3 million GEL worth New Year decorations for 2017-2018 in Tbilisi.

The official documents we have obtained reveal that the relevant administrative bodies and the Ltd “Tbilservice Group” and the Commission set up for providing top quality New Year events and decorating the capital city with New Year illuminations and accessories allegedly did not /were not able to rationally plan and implement the state procurement. The above statement is based on the following:

- Pursuant to the Order of Tbilisi Mayor the Commission was set up on June 16, 2017 with the view to arranging top quality New Year events and decorating the city with the New Year illuminations and accessories. The Commission held three meetings in total. First, the Commission meeting was summoned on 26 June 2017 and resolved

that **no later than 10 July**, the Tbilisi Architecture Service had to submit to the Commission the design of the New Year illuminations and accessories, and the Department of Finance had to present the suggestions how to mobilize funds from the budget of 2017. Despite the above, the **next meeting of the Commission was not held till September**;

- Although the first meeting of the Commission summoned on June 26, 2017 focused on the issues related to the state procurement of the New Year illuminations and the importance of timely initiation of the procurement procedures for this purpose, **the second meeting of the Commission was held on September 7, 2017, 41 days later after the first meeting**. During all that time, the Commission was unaware of the final cost of the illumination and accessories to be procured and the exact design of the goods;

- **It took the Commission more than 3 months** to approve the design of the New Year illuminations and accessories and to request "TbilService Group" to start the state procurement procedures;

- **None of the minutes of the meetings held by the Commission point out the need for the use of simplified state procurement as a form of state procurement** and the prerequisite for "holding state and public importance activities". Contrary, the minutes of the first session of the commission deal with only the issue of "e-procurement".

GYLA believes that the Commission, the relevant administrative bodies and LLC "TbilService group" must provide to the public the information why they failed to conduct the process in such a way so that the simplified state procurement could have been avoided and the company could have used e-procurement as the form of the state procurement.

We would like to note again that if the Commission and the relevant bodies had worked efficiently, the e-procurement could have been implemented, which would promote the rational expenditure of the funds of the state procurement and support the development of a healthy competition. In addition, the electronic procurement would have reduced the risk that as a rule is associated with the selection of a supplier company during a simplified procurement.