

Western NIS Enterprise Fund supports public procurement reform in Moldova

Chisinau, Moldova, September 7th, 2017 – Ministry of Finance of the Republic of Moldova, WNISEF, EBRD and 5 local NGOs sign Memorandum on Cooperation on the implementation of a transparent and efficient Public Procurement System in Moldova, called MTender. The project is also supported by EBRD, EU and Transparency International.

Octavian Armasu, Minister of Finance of the Republic of Moldova: *«Our aim is to create a more functional, efficient and transparent system of public procurement. Only in such a way we can guarantee to our citizens the confidence regarding the way the Government manages public funds. Also, we can increase the trust of our Development Partners by the means of a fair and competitive system."*

This Memorandum became a natural continuity of Moldova's efforts towards implementation of transparent electronic public procurement system. In July 2015, the Parliament of Moldova adopted a law on public procurement in the framework of cooperation with the EU and according to provisions of the Association Agreement between Moldova and the EU. Moreover, Moldova has officially become a WTO GPA Party on July 14, 2016. Government of Moldova has adopted the National Strategy on public procurement development for 2016-2020 and Action plan for its implementation.

The first pilot stage of the new comprehensive electronic public procurement system MTender (<u>mtender.gov.md</u>) was launched in January 2017. The pilot stage demonstrated effectiveness and reliability of the new system. The second pilot stage for procedures should start in October 2017 together with the adoption of the Concept of a new system of electronic public procurement system in Moldova.

In the framework of the project business intelligence tool will be developed that would allow analysis and monitoring of public procurement data in various angles and aspects, including the use of red flags systems for different objectives of monitoring and supervision.

Iryna Ozymok, Local Economic Development Program Manager of Western NIS Enterprise Fund: "The success of public procurement reform is based on cooperation triangle: state, business and civil society. The best example of such a synergy that we witnessed in Ukraine is ProZorro. With the support of WNISEF together with other donors and stakeholders, Ukraine managed to develop one of the most transparent public procurement system only within 15 months, which is recognized globally and allows to fight corruption, increase competition and economize state money. Thus, we believe that MTender in Moldova will show such important results".

The new e-procurement system will contribute to a considerable increase of transparency and competition. The bigger number of economic entities will be able to participate in tenders, some of them – for the first time. Participation in bidding will decrease the cost for companies, therefore more SMEs will be able to trade with the state.

Western NIS Enterprise Fund (WNISEF) – is a \$150 million regional fund, a pioneer in Ukraine and Moldova with more than two decades of successful experience in investing in small and medium-sized companies. WNISEF was funded by the U.S. government via the U.S. Agency for International Development (USAID). Since its inception, WNISEF's cumulative investments total over \$168 million to 118 companies employing around 25 000 people and made it possible to unlock \$1.5 billion for companies in Ukraine and Moldova. In 2015 WNISEF has launched a \$35 million legacy program focused on export promotion, local economic development, impact investing and economic leadership. WNISEF is funding innovative, high-impact, reform focused programs aimed to transform lives of the ordinary people in Ukraine and Moldova. www.wnisef.org