



**KINGDOM OF CAMBODIA
NATION RELIGION KING**

THE ROYAL GOVERNMENT OF CAMBODIA

DRAFT

**LAW
ON
PUBLIC PROCUREMENT**

CHAPTER 1 GENERAL PROVISIONS

Article 1:

The purpose of this Law is to ensure the process of public procurement of goods, works, renting services, and consultant services to be proceeded in a transparent, accountable, fair, effective, distinguished, equal, economical, and timely manner and to ensure a unified public procurement system in the Kingdom of Cambodia.

Article 2:

The objective of this Law is to prescribe the rules, methods, procedures, and structures for governing and implementing all public procurements in the Kingdom of Cambodia.

Article 3:

This Law has its scope that is applicable for all public procurements in the Kingdom of Cambodia irrespective of the source of funds, except for:

- Any procurement that is financed by development partners and that needs to comply with the procedures specified under financing agreement. If the financing agreement has not defined any other procurement procedure, the procurement process shall abide by the provisions of this Law.
- Any procurement that impacts on confidential information of the National Defense and Public Order, that needs approvals from Samdech Prime Minister.
- Granting of concessions by the Government that shall comply with separate Laws and regulations.

Article 4:

The definition of terminologies being used under this Law is defined by a lexicon attached to this Law as an appendix

CHAPTER 2 INSTITUTION GOVERNING PUBLIC PROCUREMENT

Article 5:

The Ministry of Economy and Finance is the competent institution that governs public procurement and has the right and power over the development of public

procurement policy, as well as executing the right and power as defined under this Law and other relevant legal documents.

Article 6:

The Ministry of Economy and Finance shall have the General Department of Public Procurement (GDPP) as its Headquarters to oversee all public procurement activities in the Kingdom of Cambodia.

CHAPTER 3

THE RESPONSIBILITIES OF PROCURING ENTITY

Article 7:

The Head of Procuring Entity shall oversee and lead the implementation of public procurement works strictly pursuant to the provisions of this Law, and other relevant legal documents.

Article 8:

All Procuring Entities shall form a Procurement Committee to take charge in reviewing Procurement Plans and Bidding Documents, assessing and awarding contracts, supervise contract implementation, and address procurement complaints based on their competencies.

The Head of a Procuring Entity shall be the Chair of a Procurement Committee. The Procedure for establishing a Procurement Committee shall be determined by a Sub-decree.

Article 9:

A Procuring Entity shall be equipped of a Procurement Unit (PU) with clear structure and shall be staffed with officers of adequate public procurement qualifications, and who are given appropriate authority to be responsible for undertaking all public procurement activities.

The Procurement Unit has its structure that is under the direct supervision of the Head of Procuring Entity and serves as assistance unit to the Procurement Committee. The Procurement Unit shall be led by a Unit Head who shall not

hold any positions and responsibilities related to other financial aspect of his/her entity. The Head of the Procurement Unit is the Secretary of the Procurement Committee.

The procedures for establishing, organizing, and functioning of the PU shall be determined by a Sub-Decree.

If the Department of Budgeting is granted the right as the delegated manager of ministries/institutions, the Minister of MEF can issue the Prakas on Transfer of Authority to the Budgeting Unit of that ministry/institution to implement procurement activity, if necessary.

Article 10:

All Procuring Entities shall form a Procurement Committee which will be responsible for reviewing procurement plan and bidding documents, contract evaluation and award, contract administration, address procurement complaints pursuant to their competency.

The Head of Procuring Entity is the Head of Procurement Committee.

The procedure for establishing the Procurement Committee shall be determined by a Sub-decree.

CHAPTER 4

METHODS OF PROCUREMENT OF GOODS, WORKS AND SERVICES

Article 10:

The procurement methods of goods, works and services shall be conducted in compliance with Articles 11, 12 and 13 of this Law. The conditions, thresholds, and the procedure for implementating each procurement method shall be determined by a Prakas of the Minister of the Ministry of Economy and Finance.

Article 11:

Public Competitive Bidding is the method for selecting suppliers, contractors or

service providers opening to domestic and international bidders. This method is highly transparent and is preferred for all public procurements. This method consists of:

- a- International Competitive Bidding.** This method is used for procurement project with large value and highly technical.
- b- Domestic Competitive Bidding.** This method is used in cases where there are sufficient domestic products, production or construction capabilities.

Article 12:

Other Competitive Bidding Methods are methods of procurement of non-public bidding, including:

- a- Restricted Competitive Bidding** is a procurement method for selecting suppliers, contractors, or service providers and is used for turn-key project procurement targets of complex technical nature where technical specifications cannot be set in advance and where few bidders are qualified. This method requires pre-qualification exercises.
- b- Competitive Shopping** is a procurement method for selecting suppliers, contractors, or service providers and is used when existing procurement targets are readily available in local markets and of medium value.
- c- Canvassing** is a method for selecting suppliers, contractors, or service providers which is used when procurement targets are readily available in local markets and of low value.

Article 13:

Non Competitive bidding Method is used for selecting suppliers, contractors, or service providers without bidding. This method can be used unless there is prior approval from the Ministry of Economy and Finance. This method includes:

- a- Direct Contracting** is a procurement method that requires price and technical specifications negotiation directly with the suppliers, contractors, or service providers in one of the following circumstances, where:
 - Procurement target is single sourced.
 - Procurement target that has been competitively and publicly tendered once and it is urgently needed with no sufficient time for competitive and public tender for the second time.

- Competitive and public tender for the second time is not successful.
 - Urgent need at times of natural disasters or other emergencies and there is limited time, cannot wait to use other methods, or
 - For the purpose of research, experimentation, or development.
- b- Repeat Order** is a procurement method that requires price and technical specifications negotiation directly with suppliers, contractors, or service providers in circumstances, where:
- The procurement target is the same as that in the initial contract obtained through bidding.
 - The duration is not exceeding 6 months after the initial contracts become effective and is within the same budget year.
 - The unit price is equal or less than that of the initial contract, and
 - The total contract price is not exceeding 25% of that of the initial contract.
- c- Force Account** is a procurement method that requires price and technical specifications negotiation directly with the state agencies that are equipped with sufficient resources, machinery, tools, materials, and labor force for executing the contract.
- d- Contracting with Communities** is a procurement method that is used to encourage local communities for utilization of local labor force, knowledge and materials to contribute to community development.

CHAPTER 5

PROCUREMENT OF CONSULTING SERVICES

Article 14:

Consultants may be selected to render specialized services for project management, implementing major contracts, or to provide expert advice for institutional expansion and strengthening or increasing capacity. Consultants may either be consulting firms or individual consultants.

Article 15:

Consulting firms shall be selected when the Procuring Entity requires relevant multi-disciplinary expert services at the same time. The selection of consulting firms shall be undertaken based upon technical and financial proposals of each consulting firm.

Article 16:

Individual consultants shall be selected based on their qualifications for providing services to the Procuring Entity.

Article 17:

The methods for selecting consultants shall include:

- Quality Based Selection
- Quality and Cost Based Selection
- Budget Based Selection
- Least Cost Based Selection
- Direct Negotiation Based Selection, and
- Qualifications Based Selection.

Article 18:

Quality Based Selection is used for selecting consulting firms. This method is used when the Procuring Entity requires relevant multi-disciplinary expert services at the same time and focuses primarily on the technical levels of those services.

Article 19:

The method of Quality and Cost Based Selection is used for selecting consulting firms when the Procuring Entity takes into considerations the quality and the cost in conformity to the level of technical complexity of the required services.

Article 20:

The method of Budget Based Selection is used for selecting consulting firms when the Procuring Entity has a fixed budget with clear objectives. The Procuring Entity shall clearly indicate the availability of the budget, so that

consulting firms would submit their technical proposals in line with the size of the budget.

Article 21:

The method of Least Cost Based Selection is used for selecting consulting firms. This method is used when the Procuring Entity requires well defined and standard consulting services.

Article 22:

The method of Direct Negotiation Based Selection is used for selecting consulting firms in special circumstances. The special circumstances that are appropriate to this method include:

- The continuation of previous work carried out by the consulting firm or the individual consultant.
- In emergency cases where responses are to be made immediately, or
- When only one firm or an individual is qualified and has experiences.

Article 23:

The method of Qualifications Based Selection is used for selecting individual consultant. This method of selection shall be based on the knowledge, level of professional expertise, experience and other relevant skills of the consultant.

Article 24:

The selection of consulting firms shall be publicly advertised, so that expressions of interest from domestic and international consulting firms can be broadly submitted.

Article 25:

The procedures for selecting consultants shall be determined by a Prakas of the Minister of MEF.

CHAPTER 6

QUALIFICATIONS OF BIDDERS

Article 26:

All bidders are given fair and equal chances to participate in all public procurements except those who are blacklisted, or forbidden by the courts.

Article 27:

Bidders shall register their types and levels of classification at the Ministry of Economy and Finance to be eligible to participate in public procurement. The Ministry of Economy and Finance shall classify the types and levels of bidders in accordance to their capacities to ensure the implementation of contracts. The procedures of classifying the type and level of bidders shall be determined by a Prakas of the Minister of MEF.

Article 28:

Prequalification of bidders shall be made by the Procuring Entity and is only for projects with complex technical specifications. The procedures for prequalification of bidders shall be determined by a Prakas of the Minister of MEF.

Article 29:

The Procuring Entity shall assess and conduct post-qualification of the lead bidders prior to decision to award the contract. The procedures for post-qualification of bidders shall be determined by a Prakas of the Minister of MEF.

Article 30:

The Ministry of Economy and Finance shall blacklist the bidders, suppliers, or contractors after finding that they breach the provisions of this Law or other regulations related to public procurement

The Ministry of Economy and Economy shall purge the blacklists of any bidders, suppliers, or contractors who should no longer be blacklisted.

Blacklisting and de-blacklisting of bidders shall be publicly disseminated and be copied to all Procuring Entities in the Kingdom of Cambodia.

The procedures of blacklisting, de-blacklisting, and dissemination of blacklists

of bidders shall be determined by a Prakas of the Minister of MEF.

CHAPTER 7

PROCUREMENT PLAN

Article 31:

All Procuring Entities shall develop annual procurement plan. The Procurement plan shall be consistent with the annual approved budget envelope.

All spending projects that require procurements shall be recorded in the procurement plan. If not, spending will not be permitted.

The procedure for developing a procurement plan shall be determined by a Prakas of the Minister of MEF.

Article 32:

The Procuring Entities shall bind into a procurement package any procurement target of the same type, feature, or of similar characteristic in conformity to the practical needs for single bid in order to increase the quality of competition, cost cutting, and time saving.

Article 33:

It is prohibited to disaggregate into small projects with ill-will to offend procurement methods or to meet the authorized thresholds of the Procuring Entities.

Article 34:

A procurement plan is authorized to be adjusted in case of necessity. Any adjustment to the procurement plan due to insufficient time to execute the procurement or to adjust to the completed procurements is prohibited.

Article 35:

The Procuring Entities shall submit their annual procurement plans to the Ministry of Economy and Finance for review and approval prior to 31st of December prior to budget executing year.

Article 36:

The Procuring Entities shall strictly implement their annual procurement plans which have been approved by the Ministry of Economy and Finance and shall regularly send the procurement report to the Ministry of Economy and Finance.

CHAPTER 8

PROCUREMENT IMPLEMENTATION PROCEDURES

Article 37:

Procurement units shall execute the procurement activities in compliance with the approved procurement plan and approved bidding documents.

Article 38:

The procurement units of the Procuring Entities shall prepare notification for bidding advertisements for selecting bidders. The notification shall consist of the key information as follows:

- Description of the type and quantity of goods, works, or services to be procured
- Name, address, e-mail, phone, and faxes of Procurement Unit
- Method of procurement to be used
- Requirements of qualifications or pre-qualifications
- Date of selling, receiving and opening of bids or pre-qualification documents
- Specification of the requirement for bidding security and performing security

Article 39:

Procurement units shall formulate bidding documents in compliance with the provisions of this Law by precisely indicating the requirements and criteria for selection of bidders for submitting to the Head of Procuring Entities for review and signature. For the procurements that require review and approval from MEF, Procuring Entities shall seek approval from the Ministry. The standards of bidding documents shall be determined by a Prakas of the Minister of MEF.

Any procurements that require review and approval from MEF shall not cover the procurements undertaken by communes/sangkats.

Article 40:

Notification of prequalification, bidding and amendments shall be displayed on the Public Procurement Website, and on newspapers, and to be posted on the bulletin boards of Procuring Entities.

Article 41:

Bidding documents shall be displayed on the Public Procurement Website. The Procuring Entities shall develop sufficient bidding documents for selling to those who want to bid.

The arrangement and price fixing of bidding documents shall be determined by a Prakas of the Minister of MEF.

Article 42:

If any bidders request for clarification about the bidding documents, the Procuring Entities shall response in writing to all bidders who have received bidding documents. In case of necessity, the Procuring Entities shall conduct a meeting prior to the deadline of bid submission in order to provide clarifications by inviting all bidders who received bidding documents to participate.

Article 43:

The procurement units shall receive, record, and keep the bids in sealed envelopes in a secure place and avoid damaging the original form of the envelopes that contain the bids prior to the deadline for bid opening. All bids are to be accommodated with bidding security, except those bids of any procurement that apply canvassing method. Bidding security shall be determined by a Prakas of the Minister of MEF.

Article 44:

All bids shall be opened in public immediately following the deadline for receiving bids. The important details of each bid shall be announced in front of the participants who attend bid opening and be recorded in the minutes of bid opening, then make copies to all bidders and participants.

In case of less than three bids were received on initial bidding, the procurement committee shall not open the bids, and they be returned back to the bidders.

In case of receiving less than three bids in the initial bidding, the Procurement Committee shall not open those bids and to return them over to the bidders.

If less than three bids are received from the initial bidding as specified under the above paragraph 2, or no bid was received, or no bid was responded to the bidding requirements, re-bidding process shall take place.

In the re-bidding process, no matter how many bids are received, they have to be opened at the specified date.

Article 45:

The Procurement Committee shall review and evaluate all bids confidentially. The conditions and criteria as stated in the bidding documents, information on objection complaint, and minutes of bids opening are the bases for evaluating and awarding a contract. Any additional conditions and criteria that are not set forth in the bidding documents shall not permit to be used for the evaluation. The Evaluation Procedures shall be determined by a Prakas of the Minister of MEF.

Article 46:

Before beginning to review and evaluate the bids for each procurement, members of the Procurement Committee who are supposed to participate in evaluating and awarding a contract shall sign the Statement on the Code of Professional Ethics as specified in Chapter 11 of this Law.

Article 47:

After finalizing an evaluation to select appropriate bidders, the Procuring Entity shall issue notification on the decision to award contract to the successful bidder by copying it to all the failed bidders. For the procurements to be reviewed and approved by MEF, the issuance of notification on the decision to award contract shall be made after the approval by MEF.

Any procurement be reviewed and approved by MEF shall be determined by a

Prakas of the Ministry, except the procurements undertaken by Capital, Provincial, City, District Administration that shall be determined by a joint Prakas of the Minister of Economy and Finance and the Minister of Interior.

Article 48:

If no complaint is received within 10 (ten) working days after the issuance of the notification of contract award, the Procurement Unit shall ask the successful bidder to provide the document of security placement to ensure contract implementation and to develop Procurement Contract as specified in Chapter 9 of this Law.

Article 49:

The procurement contract shall be signed by the Head of the Procuring Entity and the successful bidder. In case of procurements that require review and approval by the Ministry of Economy and Finance, the procurement contract shall be additionally signed by the Minister of Economy and Finance.

Article 50:

The Procuring Entities shall strictly administer the contract to ensure its implementation to comply with the conditions stated in the contract.

Article 51:

E-procurement shall be conducted via Internet, when the Information Technology System in the Kingdom of Cambodia is widely used and sufficiently strong. The procedures for implementing E-procurement via Internet shall be determined by a Prakas of the Minister of MEF.

Article 52:

Public procurements are subject to audit and inspection by MEF and relevant competent institutions in accordance with the provisions of this Law and other relevant and effective legal rules and regulations.

CHAPTER 9

THE PROCUREMENT CONTRACT

Article 53:

The procurement contract preparation shall comply with the provisions of this law and other conditions stated in the bidding documents and the contract template that shall be determined by a Prakas of the Minister of MEF.

Article 54:

The procurement contract shall be written in Khmer language. In case of necessity, the contract may be written in foreign language by translating from the Khmer version. In case of contradiction between the Khmer and the foreign languages, the contract in Khmer shall prevail.

Article 55:

All procurement contracts shall be paid in Cambodian currency, except the contract for carrying out procurement abroad where the payments can be made in foreign currencies.

Article 56:

The technical specifications of goods, works, services which are stated in the contracts shall be of similar specifications set forth in bidding documents.

Article 57:

The contract price shall not exceed the amount of the winning bids after adjustment of computation. The contract price is fixed over the period of contract implementation, except in some special circumstances, the contract price can be adjusted, but need to be approved in advance by MEF. The special circumstances that lead to the adjustment of contract price shall be determined by a Prakas of the Minister of MEF.

Article 58:

All contracts must be accompanied with security deposit, except those contracts that are obtained through canvassing method, contract with individual consultant, and the contracts with State agencies. Successful bidder shall deposit the required contract performance security before the contract becomes

effective. The amount of the deposit to secure the implementation of the contract shall be equal to the amount specified under the contract itself. Contract performance security shall be determined by a Prakas of the Minister of MEF.

The security deposit shall be confiscated and paid into the national budget if the winning bidder refuses to implement the contract that has become effective or violates contract conditions and which is terminated by the Procuring Entity before the deadline.

Contract performance security is valid until the end of the period that the quality of goods, works or services are guaranteed.

Article 59:

The delivery and acceptance shall be appropriately made in accordance with the size, quantity, quality, technical specifications and in compliance with the schedule of delivery and acceptance set forth in the contract and shall be under the supervision of the Procurement Committee.

The procedure for establishing the Committee for Delivery and Acceptance shall be determined by a Prakas of the Minister of MEF.

Article 60:

The Procuring Entity shall make payments of the contract price to the suppliers, contractors, or service providers based on the terms and conditions of payment set forth in the contract.

Article 61:

The winning bidder can partially sub contract a project to a third party, but prior approval from the Procuring Entity is required. If review and approval by the Ministry of Economy and Finance are required for a procurement contract, the Procuring Entity shall seek approval from the Minister of Economy and Finance.

If the winning bidder is permitted to sub contract with a third party, the winning bidder shall be accountable to the Procuring Entity on the implementation of the Project as a whole.

CHAPTER 10

RESOLUTION OF DISPUTES AND COMPLAINTS

Article 62:

Procuring entities have the authority to examine and address the complaints of bidders at each stage of procurement.

A complainant who disagrees with a decision of a procuring entity can lodge his/her complaint to MEF for considerations and seeking solutions

The formality and procedure for lodging and addressing complaints at the procuring entities and MEF shall be determined by a Sub-decree.

Article 63:

A complainant who disagrees with a decision of the MEF can lodge his/her complaint to the competent courts of the Kingdom of Cambodia.

CHAPTER 11

PROCUREMENT CODE OF ETHICS

Article 64:

In the process of procurement, the head, deputy head, and members of procurement committee, procurement officers, bidders, and other concerned officials and staff shall comply with the Procurement Code of Ethics.

The Procurement Code of Ethics shall be determined by the Minister of MEF.

CHAPTER 12

PENALTY PROVISION

Article 65:

Public servants of all levels who offend any provisions of this Law, or are found to be involved in committing any irregularities in the process of public procurement shall be subject to administrative punishments as prescribed by existing rules and regulations. Such administrative punishments are not at all the obstacles to the criminal prosecution and conviction in accordance with the effective rules and regulations of the Kingdom of Cambodia.

Article 66:

In the event that a bidder, contractor, supplier is found to have been involved with corrupt, fraudulent, collusive or coercive practices or providing fake or wrong evidence in submitting complaint during the process of procurement, they shall be immediately dismissed from the ongoing procurement or have their ongoing contract immediately terminated and be recorded into the blacklist.

This punishment is not an obstacle for criminal prosecution and conviction in accordance with the effective rules and regulations of the Kingdom of Cambodia.

Article 67:

Public servant of all levels, bidders, suppliers, contractors, and other concerned staff who are found to have involved in corruption, fraud, collusion, or coercion in the process of procurement shall be convicted in accordance to the Criminal Code and the effective regulations of the Kingdom of Cambodia.

Article 68:

An ill-will act in the process of public procurement to dissipate bidders, or destroy bidding, either through donations, pledge, agreement, or all other dishonest means shall be subject to 6 (six) months to 2 (two) years imprisonment and a fine of 1,000,000 (one million) riels to 4,000,000 (four million) riels.

Article 69:

An ill-will act in the process of public procurement through bidding to create obstacles to the freedom of bidding by violence, coercion, or threat, shall be imprisoned from 1 (one) year to 3 (three) years and shall be subject to a fine from 2,000,000 (two million) riels to 6,000,000 (six million) riels.

Article 70:

An attempt to commit misdemeanor as stated in Article 68 and 69 of this Law shall be similarly convicted as a successful committed misdemeanor.

Article 71:

For the misdemeanor as stated in Article 68 and 69 of this Law, one or more additional charge as stated in Article 53 (type of additional charge) of the Criminal Code can be declared.

Article 72:

A legal person can be declared to take criminal responsibility based on the condition set forth in Article 42 (Criminal Responsibility of a Legal Person) of the Criminal Code for misdemeanor that is specified under Articles 68 and 69 of this Law.

A legal person shall be convicted and charged a fine from 20,000,000 (twenty million) riels to 100,000,000 (a hundred million) riels and shall be subject to one or more additional charge as specified under Article 168 (additional charge applied to legal person) of the Criminal Code.

Article 73:

An entity and other individuals who are aware of any corrupt practices as specified under this Law and in other rules and regulations that are effective in the Kingdom of Cambodia shall lodge complaint to the Anti-Corruption Unit or Municipal/Provincial Anti-Corruption Offices of the Issue of the offence.

CHAPTER 13

TRANSITIONAL PROVISION

Article 74:

The Sub-Decree # 105 ANKr.BK, dated 18 October 2006, on Public Procurement, and other relevant and effective legal documents of Public Procurement are still valid until new legal documents are in place to substitute them in accordance with the spirit of this Law.

CHAPTER 14

FINAL PROVISIONS

Article 75:

Any provisions that are contrary to this Law are considered as null and void.

Article 76:

This Law shall be declared as a matter of urgency

This Law is adopted by the NA of the Kingdom
of Cambodia on month , 2011
at the session of the 4th term of the NA.

Phnom Penh, day month 2011

President of the National Assembly

Samdech Akka Moha Ponhea Chakrei

Heng Samrin

Lexicon, Appendix to the Law on Public Procurement

- **Procurement** means any purchase or acquisition of goods, works, services, or consulting services using the methods specified under this Law.
- **Procurement Activities** means the procurement process started from the preparation of bidding documents until when the goods, works, services, or consulting services are acquired.
- **Public Procurement** means the procurement implemented by ministries, institutions, provinces, municipality, cities, districts, khans, communes, sangkats, public enterprises, public enterprises with administrative characteristics, other financial autonomous entities, and public-private partnership.
- **Procuring Entities** means ministries, institutions, provinces, municipality, cities, districts, khans, communes, sangkats, public enterprises, public administrative enterprises, other financial autonomous entities, and public-private partnership that implement public procurement activities.
- **Budget Entities** means entities with capability to take charge and ownership in implementing their activities in preparing and managing budgets and oversight their performance of activities and budget implementation in compliance with the principles and the procedures of ministries and institutions.
- **Procurement Officials** means the Head, Deputy Head and all staff of the Procurement Unit of a Procuring Entity.
- **Bidding** means a procurement process whereby a bid is submitted, received, and evaluated for awarding contract.
- **Bidding Documents** means a set of bidding documents prepared by the Procurement Unit and initially provided to bidders, so that bid can be initiated, including Bidding Application, Invitation for Bidding, or request of expression of interest, invitation to participate in defining pre-qualifications, guidelines for bidders, details of technical specifications, scope of work, terms of reference, and terms of contract.
- **Bid** means a set of documents including Bidding Documents completed by bidder attached with a number of other documents as required by bidding documents and submitted to Procuring Entity for supplying goods, undertaking construction work, providing services, or consulting services.

- **Goods** means the liquid, solid, or gaseous substances with value or economic benefits, such as machinery, tools, materials, equipments, consumption goods, medicines, other products including electrical appliances.
- **Works:** means any activity associated with construction, repair, renovation, installation, digging, dredging and the like leading to the use of labor force, machineries, equipments and technologies.
- **Services** means any activity associated with the use of human labor, equipments, or technology that bring about the benefits to public institutions, but does not include construction works and consulting services.
- **Bidder** means individuals, firms or consultants who intend to participate in public procurement and have submitted their bids or Letter of intent.
- **Lead Bidder** means bidder who have participated in bidding and his/her bid has been assessed by the procurement committee to be the most appropriate bid before making post qualification.
- **Consulting Service** means advisory service provided by consulting firms or individual consultants associated with any project or for institutional strengthening or capacity development.
- **Consultant** means consulting firm or individual consultant whose job is to provide intellectual services. Consulting firms can be trading companies or other legal persons.
- **Supplier** means the individual or the company who entered into a contract for selling goods to a Procuring Entity.
- **Contractor** means the individual, company, or the consultant who entered into a construction, repair, service, or consulting service contract with a Procuring Entity.
- **Procurement Target** means goods, works, services and consulting services that are subject of bidding, competitive shopping, canvassing, or price negotiation.
- **Procurement Package** means a combination of procurement lots which are of identical or similar nature and included into one group for single procurement.
- **Code of Procurement Ethics** means a code whereby those who are involved in public procurement shall comprehend and implement with honesty the effective legal regulations and appropriately implement their roles and functions.

- **Audit** means regular annual audit by the Ministry of Economy and Finance on all public procurements that have been implemented and are under the authorized thresholds of Procuring Entities.
- **Black List** means the list of debarment of bidders into public procurement process that is decided by MEF.
- **Fraudulent Practice** means a misrepresentation of facts in order to influence public procurement process.
- **Collusive Practice** means a scheme or an arrangement between two or more bidders, designed to establish artificial bid prices without true competition or to influence an action of any party in the procurement process or impact the execution of a contract.
- **Coercive Practice** means prohibition of direct or indirect threat to harm, to individuals or their properties to influence their participation in public procurement process, or affect the execution of a contract.