



**"Government Finance Management Information System"
implementation project
Report of PHASE 2.2**

**GFMIS Implementation Model
PROCUREMENT**

Abbreviations:

KΦKTX	Government Finance Management Information System
Finance Ministry	Ministry of Finance
GKV:	Department of Procurement Policy
Bulletin:	RA Ministry of Finance official website procurement.minfin.am (gnumner.minfin.am).
GMO:	Operational day of the Treasury
GPP	Procurement planning and contract management
GMA:	Unified list of purchases
CG:	Request a quote
BM	Open competition
ABM	Urgent open tender
GP:	Purchase plan
PA:	Client Administrator
YES	System administrator
PS:	Responsible department
PSC	Non-purchase expenses
"Mulberry" system	"Mulberry" electronic document circulation system
MoH:	Ministry of Justice
RA RA	Accounting for the Public Sector

Documents

1. A model of implementation of the FCTC
2. Model of implementation of KFCTS . Budgeting module
3. Model of implementation of KFCTS . Treasury module
4. Model of implementation of KFCTS . Shopping module
5. Model of implementation of KFCTS . Module for managing public debt and budget liabilities
6. Model of implementation of KFCTS . Public Sector Accounting Module
7. Model of implementation of KFCTS . Internal audit module

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Introduction:

This document presents the various functions implemented in the Procurement Policy Department of the Ministry of Finance of the Republic of Armenia, the summary of the study of the state procurement system of the Republic of Armenia, the conclusions based on them, as well

as the State Procurement Module (hereinafter referred to as the Procurement Module) within the framework of the Government's Finance Management Information System (FMIS).) functional and structural options proposed for implementation.

The document consists of 3 sections .

1. Summary of the current situation - the summary of the study carried out in the previous stage, the connections between the existing electronic systems, their advantages and disadvantages, as well as a conclusion based on the results of the summary of the existing business processes are presented.
2. Structure of the procurement module - the structure of a possible solution for the complete automation of the procurement process is presented, based on the results of summarizing the existing business processes.
3. Functional capabilities of the procurement module concept - a functional description of process optimization and automation options is presented.

1 . Summary of the current situation

The procurement process is one of the functions of the FCTC one of the most important frameworks . Currently, procurement management is mostly automated , using various electronic tools. It should be noted, however, that some functions are still not performed automatically .

The Procurement Planning and Contract Management (PPCM) system ensures the creation and subsequent management of the procurement plan, as well as the creation of the procurement procedure, and the management of reports and concluded contracts after the completion of the procurement procedure.

Procurement procedures can be carried out through the ARMEPS and E-Auction systems , depending on the cases provided by the Law of the Republic of Armenia "On Procurement". The publication of public data related to the procurement process is carried out through the official website of the Ministry of Finance of the Republic of Armenia www.procsremeo.t.minfin.am (www.gnumner.minfin.am). ARMEPS, GPPC and E-Auction systems have their publicly accessible interfaces (www.armeps.am, www.armeps.am/ppcm/public/reports and www.e-auction.am).

These systems and the website are integrated with each other at different levels, in particular, the GPP system is integrated with ARMEPS , E-Auction , Treasury GGO (LS Finance) systems and the official procurement bulletin . The organization of any purchase procedure begins in the GPP system and is transferred to the ARMEPS or E-Auction system, depending on the cases provided for by the Law of the Republic of Armenia "On Purchases". The announcement and invitation about the publication of the procurement procedure are automatically published in the Bulletin (www.procuremeo.t.minfin.am official website of the RA Ministry of Finance). In the case of the ARMEPS system, the remaining mandatory publications provided by the RA legislation "On Purchases" are carried out manually by the customers, and in the case of the E-Auction system, they are carried out manually.

After the end of the tender, the data from the ARMEPS and E-Auction systems are automatically transferred to the GPP system for the purpose of managing the tender reports and contracts. After entering the reports and recording the signed contracts, the handover-acceptance process is carried out (the handover-acceptance protocol and the invoice are entered) .

All systems have their own separate database and user management subsystem. These systems and the website are integrated with each other at various levels. In particular, in some cases, the transfer of data from one system to another is carried out in fully automated , partially automated or non- automated ways.

The existing procurement management systems and their interrelationships are presented in Figure 1 . in 1.

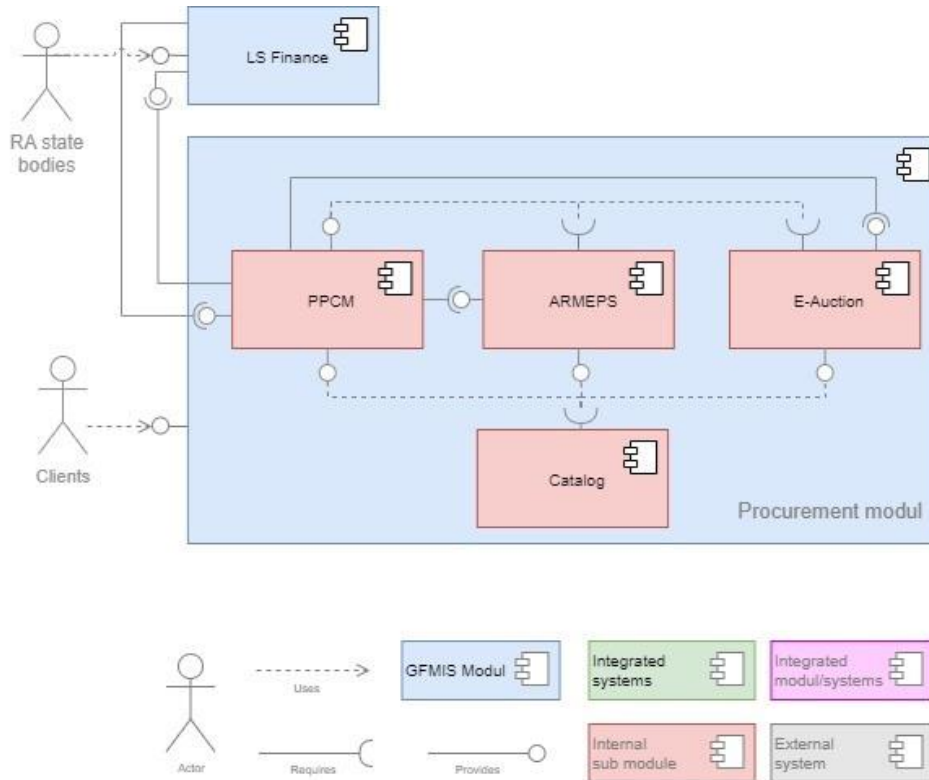


Figure 1 : 1. Description of existing procurement management systems

Conclusion

In general, the current approaches to the organization of purchases have many advantages, the main points of which can be distinguished as follows:

1. Most of the processes are carried out automatically .
2. Electronic tools have been in use for a long time, which allows users to become quite familiar with the toolkit.

3. Some of the software codes of electronic tools are under the management of the RA Ministry of Finance, which, as necessary, allows to implement changes in the mentioned systems.
4. There is a sufficient legal framework to properly implement process automation.

The analysis of the processes, however, revealed some problems, from which the following main points can be distinguished :

1. Existing software packages were developed more than 10 years ago. The software base has not been updated during this period, except for changes made as needed.
2. Systems have been developed at different times, by different organizations, and based on different software platforms.
3. Each system has its own database, which in some cases receives and stores the same data.
4. There is a two-way connection between the systems, which, however, is in different cases automated, partially automated and/or non-automated.
5. In the procurement process, there are still non-automated processes that hinder the implementation of uniform and effective solutions.
6. The level of integration between the electronic procurement management systems, as well as between other RA FSA and non-RA FSA systems is not sufficient for the effective implementation of current business processes.

Taking into account the above, the implementation of the Procurement module/system within the framework of the PFTC is important for the optimization of processes.

Below are the main system requirements that should be taken into account during its design and development. At the same time, it is necessary to note that the detailed description of the system requirements will be presented in separate sections.

Taking into account the proposed concept ¹and study summary of KFCTC, the requirements for the Procurement module are as follows:

- Interoperability with the Budgeting module for automatic receipt of the purchase plan and its modification
- Implementation of tenders, auctions
- Implementation of grant allocation procedures
- Management of procurement contracts and their interoperability with the Contract Management (Public Sector Accounting) module
- Testing, training
- Implementation of analytical and reporting functions

¹ A detailed description is presented in the document "KFCTS Investment Model".

- Management of references (development of GMA codes, combining with economic articles)
- Digitization and centralization of data, which will allow the internal/external systems of KFCTS to use data effectively
- Data collection, processing, as well as reflection in defined formats (for example, availability of purchase request, contract format in the system)
- Ensuring procurement module users have authority over data and processes

2. Purchase module structure

Taking into account the modular principle ²proposed in the framework of the PFTC , it is recommended to implement procurement processes in the PFTC concept . Through the data module , which will have the opportunity to receive and provide data to other modules of the KFCTS , as well as to external systems.

At the same time, in order to fully ensure the procurement process, it is proposed to introduce a procurement specialist management module, which will include the application and registry sub-modules, as well as the testing and training modules ³, through which the testing and training processes of the persons applying for the procurement coordinator qualification will be implemented in one system. and the data will be automatically saved in the Registry.

The proposed structural scheme of the procurement module is shown in figure 2 . In 1 .

² A detailed description is presented in the document "KFCTS Investment Model".

³The detailed description is presented in Chapters 5 and 6 of the document "KFCTS Investment Model".

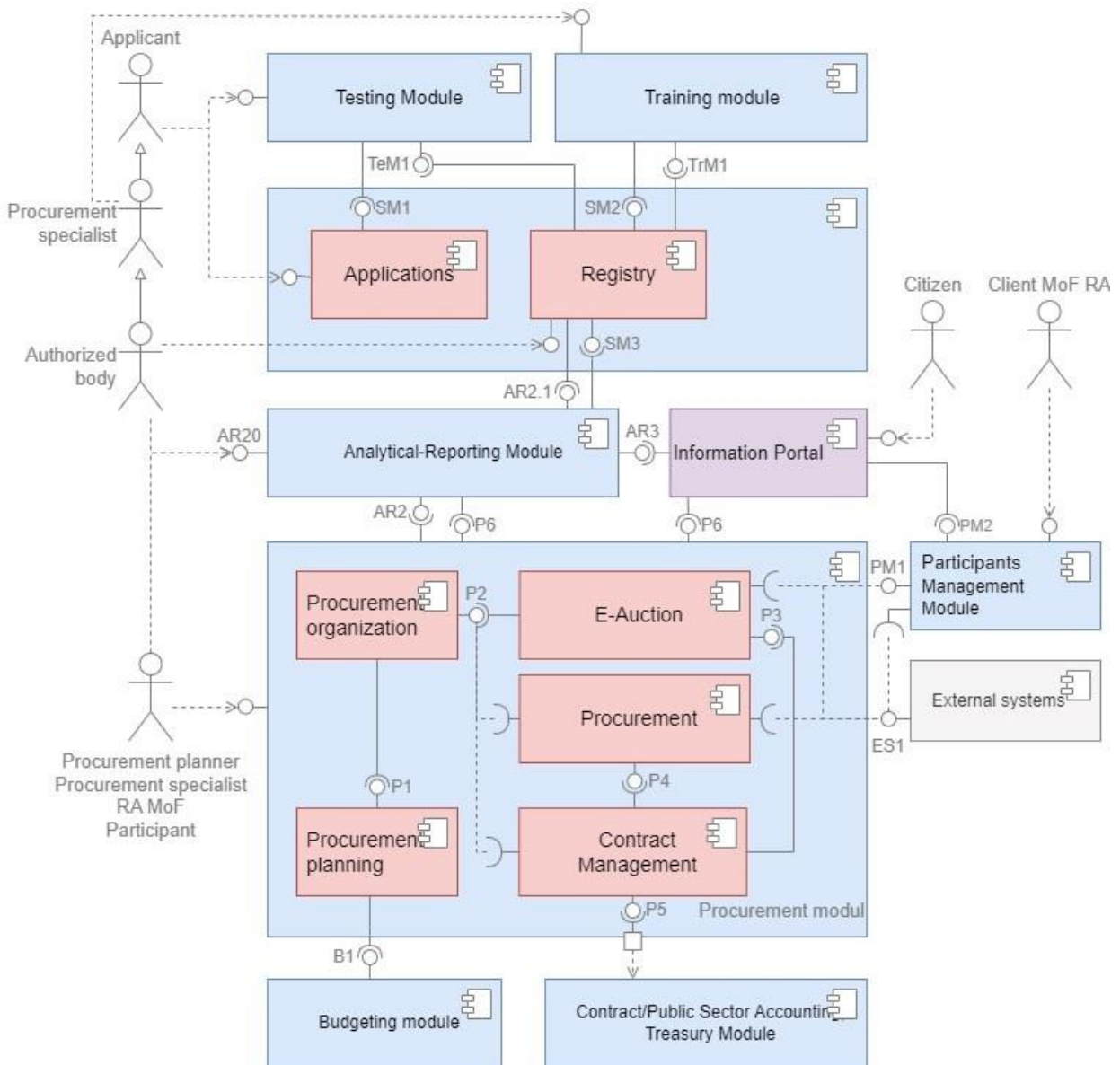


Figure 2 : 1. Purchase module structure

The data flow of the proposed structural scheme for the implementation of the procurement module is shown in Figure 2 . In 2 :

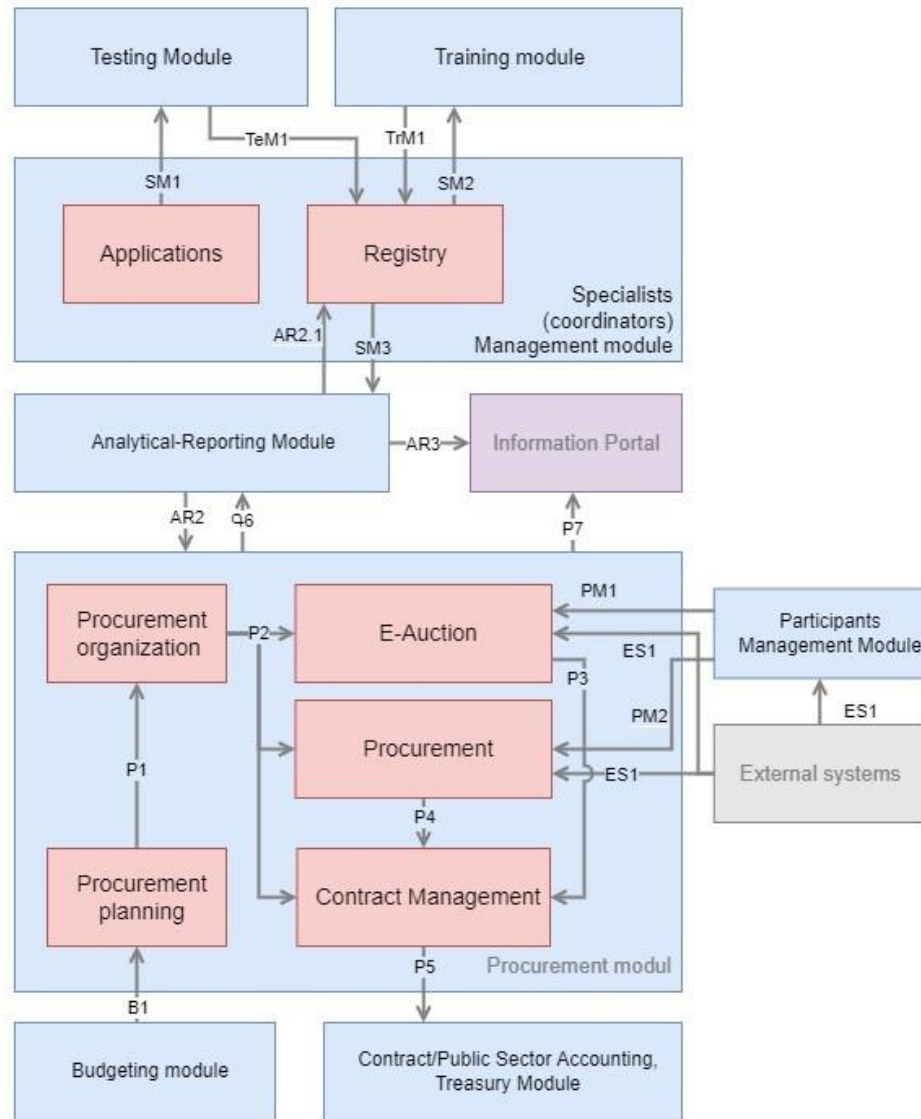


Figure 2 : 2. Data flow of the structural scheme of the purchasing system

Next, the meaning of individual modules and sub-modules is presented, as well as the connection with other external and internal systems. The functional description of the functions implemented using the modules is given in the next chapter.

2.1 Testing module

The module is planned to be implemented to ensure the procedure for participation in the qualification awarding examination of Procurement Coordinators and the qualification awarding processes.

Currently, the mentioned processes are carried out in a partially automated way. More than one electronic system is used for process automation (procquali.minfin.am, armeps.am/exam, procurement.minfin.am (gnumner.minfin.am)).

The introduction of the testing module will provide an opportunity to carry out testing processes for different modules within the framework of the PFTC, for example, Procurement module, Internal audit module ⁴, but must meet the requirements of the procurement module and legal acts.

The automation of the procurement coordinator qualification process will enable the testing module to automatically receive the necessary data (GM1) from the "Applications" submodule, as well as the provision, processing, and storage of data (T1) in the Registry, and harmonized data (Data Harmonization) will be created, which will be applicable to "Analytical -reporting" module and will be published on the Information Portal.

2.2 Training module

The module is planned to be introduced to ensure that the Department of Procurement Policy of the Ministry of Finance of the Republic of Armenia (hereinafter referred to as the "Authorized Body") organizes training courses for specialists with the qualification of Procurement Coordinator (both existing and online), includes appropriately qualified persons in the courses, maintains attendance logs, etc.

Currently, the procurement coordinator under training or the latter's manager submits a written application to the Minister of Finance of the Republic of Armenia via e-mail or the "Mulberry" document circulation system to participate in the training courses, attaching the necessary information about the participant, in particular: the PSC, e-mail address, phone number, copy of passport or identification card. etc.

Automation of the process will make it possible to receive the data of trained procurement coordinators (GM2) from the Registry, as well as process and provide the data of trained and/or unqualified procurement coordinators (B1) to the Registry. Harmonized data will be created (Data Harmonization), which will be applicable in the Analytical -reporting module and will be published in the Information Portal. The necessary data will also be applicable in the User Management module.

2.3 Management module for purchasing specialists

⁴ A detailed description is presented in chapter 5 of the document "KFCTS Investment Model".

2.3.1 Applications Submodule

The applications sub-module will allow applicants to submit electronic applications (GM1) to participate in testing for the purpose of obtaining the qualification of procurement coordinators, in order to be included in the Register of qualified procurement coordinators.

2.3.2 Registry

Implementation of the registry of procurement professionals should allow the Authorized Body to store and process a number of information, namely :

- Information on Qualified Procurement Coordinators
- Information on Disqualified Procurement Coordinators
- Information on procurement coordinators to be trained
- Information on trained procurement coordinators

Currently, the registry is maintained in MS WORD files, and the necessary data is received mainly through e-mail or the "Mulberry" document circulation system and is manually entered into the specified file, which is later published in the Bulletin.

The implementation of the registry will allow to automate the mentioned function, ensuring uniform data acquisition and processing to provide to the analytical-accountability module. The registry data will also be applicable in the User Management module to define the powers of qualified procurement coordinators, as well as to limit the activities of qualified procurement coordinators, if necessary, in the presence of the requirements of Part 3 of Clause 24 of the Resolution of the Government of the Republic of Armenia N 759-N of June 29, 2017.

2.4 Information Portal

The information portal sub-module will ensure the publication of the necessary information in all cases defined by the Law of the Republic of Armenia "On Purchases". Currently, some data is published automatically through existing systems, but some information is imported manually by exporting and downloading from different systems.

The new information portal should be developed in such a way that all the information to be published (C7) can be obtained automatically from the necessary modules . analytical-reporting module, separate sub-modules of the procurement module, etc.

The information portal should provide publicly available data, processing and presentation through a BI (Business Intelligence) tool (BI dashboard), which will enable data search, filtering and presentation in the appropriate format, for example, in the form of graphs, tables, etc.

2.5 Purchase Module

In order to implement the purchasing process, it is planned to introduce a Purchasing module in the PFTC, which is intended for planning purchases, implementing the purchasing process (depending on the form of purchase) and managing purchasing contracts.

2.5.1 Purchase Planning Submodule

Implementation of the sub-module should allow to ensure the processes of procurement planning, as well as approval of changes and/or additions to the procurement plan.

Currently, these processes are carried out in a partially automated way in the case of state administration bodies, and in a non-automatic way in the case of urban communities, CJSCs and foundations.

More than one electronic system is used for the automation of processes by state administration bodies, in particular:

- LS Budget:
- Treasury Operating Day (TDS) system (hereinafter LS finance)
- Procurement Planning and Contract Management (PPCM) system (hereinafter PPCM)

Data exchange between these systems is carried out by export-download method (import of plan from LS Budget to LS Finance is carried out in DBF file format, and PPCM from LS Finance in Excel format).

In the case of other bodies, the process of planning and implementation of changes is carried out by the PPCM system.

During the study of the processes, problems of a different nature were recorded, which require a review of the existing procedures to ensure the most optimal application of the latter. In particular :

- Availability of several electronic systems
- Lack of integration between some systems
- The impossibility of updating some systems (some systems were developed more than 10 years ago, the software base has not been updated during this period, except for changes made as necessary)
- Lack of harmonized data (Data harmonization)

In order to automate the process, it is recommended to exchange the data necessary for the procurement plan with the Budgeting module (B1) of the Budgeting module ⁵, providing information presentation in case of any changes, which will contribute to the automatic receipt of the procurement plan in the appropriate format, which can be approved by the Procurement Policy Department of the Ministry of Finance of the Republic of Armenia if necessary. on the other hand, thanks to which the data will be comprehensively provided to other submodules (C1).

2.5.2 Tender Planning Submodule

The implementation of the sub-module will ensure the implementation of tender design processes.

Despite the fact that the processes are carried out mainly in an automatic way, however, during the study of the processes, problems of various nature were recorded, which require a review of the existing procedures to ensure the most optimal application of the latter within the framework of the PFTC.

Currently, the organization of any procurement procedure starts in the GPP system and is transferred to the ARMEPS or EL-Auction system, depending on the cases provided for by the RA Law "On Procurement". The announcement and invitation about the publication of the procurement procedure are automatically published in the Bulletin (www.procurement.minfin.am official website of the RA Ministry of Finance). In the case of the ARMEPS system, the remaining mandatory publications provided by the RA legislation "On Purchases" are carried out manually by the customers, and in the case of the E-Auction system, they are carried out manually.

The implementation of the tender planning sub-module will allow to receive the necessary data from the Procurement planning sub-module (C1) and to carry out the planning and design of procurement (tender, auction) processes in the Procurement System, using the necessary templates integrated in the System, which will contribute to obtaining uniform data, as well as "Mulberry" in case of interaction with the document circulation system, to the electronic signing of orders.

2.5.3 Contests Submodule

The implementation of the sub-module will ensure the optimal implementation of the tender process.

Currently, the processes are mainly carried out automatically, but some processes need to be updated and automated, and as a result of the discussions, it became clear that the procurement preparation processes should be carried out in the "Tenders Planning" sub-module, then, depending on the cases provided by the RA Law "On Procurement", be moved to the "Competitions" submodule.

⁵ Details of the process are presented in the document " KFCTS Implementation Model, Budgeting Module " .

Optimizing the process will allow the system to automatically obtain the necessary information (C2) from the "Tenders Planning" sub-module, as well as to carry out all tender design processes in one sub-module, and then, depending on the cases provided for by the RA Law "On Procurement", to transfer to the appropriate sub-module (for example, the Tenders sub-module).

7) in all cases defined by the RA Law "On Purchases" .

2.5.4 Electronic auctions sub-module

The sub-module will ensure the implementation of procurement processes through the electronic auction system.

Currently, the process is carried out automatically, but as a result of discussions, it became clear that procurement preparation processes should be carried out in the "Tender Planning" sub-module, and then moved to the "Electronic Auctions" sub-module.

Optimizing the process will allow you to automatically obtain the necessary information (C2) from the "Tenders Planning" sub-module, as well as to implement all tender design processes in one sub-module, and already, depending on the cases provided by the RA Law "On Procurement", to transfer to the corresponding sub-module (For example, Electronic auctions sub-module). , thanks to which it will be possible to carry out data processing in one sub-module, as well as self-publishing of announcements and documents subject to mandatory publication defined by the Law of the Republic of Armenia "On Purchases" in the Information Portal (C7).

2.5.5 Procurement Contracts Management Submodule

The sub-module will ensure the management of existing contracts after the end of the procurement procedures.

Currently, the process is carried out partially automatically, namely, the exchange of contracts is carried out through uploading, signing and downloading. Also, there are data exchange problems with the Treasury system of the RA FSA, in particular, some clients do not implement an electronic procurement system for entering concluded contracts, but instead enter the invoices into the Treasury (LS Finance) system at once and make payments, which leads to data loss.

From the point of view of optimization, it is planned to introduce a "Contract Management" module/sub-module (according to the concept of the CFTC, it is included in the Public Sector Accounting module), which will allow to manage all CFTC contracts (for example, contracts formed from procurement, public debt modules) in one environment, so it is recommended to implement automatic exchange of contracts formed in the Procurement module (C5) with the unified contract management module/sub-module, which will contribute to the receipt, processing and exchange of uniform data with the other necessary KFCTS modules (for example, the Treasury module).

2.6 Participant Management Module

The implementation of the Participant Management Module should allow the Authority to store and process a variety of information, such as:

- Information on participants who are not eligible to participate in the procurement process
- Information on participants who do not have the right to participate in the procurement process by judicial order
- Information on participants in bankruptcy, etc

The implementation of the mentioned module will provide an opportunity to obtain the necessary data (MK1) from a single database, which will be used by the necessary Procurement sub-modules at any stage of the procurement process.

2.7 External Systems

During purchasing procedures, the Purchasing module interacts with a number of external systems, e.g.

- State Register of Legal Entities of the Ministry of Internal Affairs of the Republic of Armenia
- State register of the population of the Ministry of Internal Affairs of the Republic of Armenia
- Banks
- RA courts
- other government agencies

**For data exchange, the aforementioned systems can be integrated with the GIP (Government Interoperability Platform), the operator of which is EKENG CJSC.*

The procurement module receives the necessary information from external systems at various stages of the procurement process (for example, data on Beneficial Beneficiaries of the State Register of the Ministry of Internal Affairs of the Republic of Armenia, persons in bankruptcy, etc.).

2.8 Budgeting Module

The budgeting module is intended for the preparation of budget applications by state bodies, as well as the processes of income forecasting, budget balancing and receipt of approved budgets of municipalities.

The Budgeting module includes the Budgeting sub-module, through which the data filled in the budgeting requests are processed and automatically provided to the Purchasing module in order to create a purchasing plan.

2.9 Contract management sub-module / Public Sector Accounting Accounting module/

The Public Sector Accounting (PSAC) module is designed for centralized accounting of RA public sector organizations. As a result, it will be possible to form state-level consolidated financial budget performance and CFS reports.

The public sector accounting module will also be implemented in the management of PFTC contracts. Automatic exchange of contracts (C5) formed in the procurement module will be carried out with the contract management module/sub-module (C5).

2.10 Analytical-accountability module

It is planned to introduce an Analytical-Reporting module in the PFTC, which will be applicable by all the PFTC modules to implement the analytical-reporting functions in one domain⁶.

The Analytical-Reporting module is also planned to be applied to the "Analytical Functions" of the Department of Procurement Policy of the Ministry of Finance of the Republic of Armenia. The latter will allow the analytical data processed in the internal sub-modules of the Purchases module to be concentrated and used in the implementation of various analytical-reporting functions.

In addition to the data of the Procurement module, the Analytical-Reporting module also concentrates the analytical data of the other modules of the PFTC, which can also be used by the employees of the Procurement Policy Department of the Ministry of Finance of the Republic of Armenia, in case of appropriate authorization.

It is planned to introduce a Directory module (for example, a directory of GMA codes, the control, changes, and additions of which will be carried out by the Procurement Policy Department of the Ministry of Finance of the RA), which will be applicable by all necessary modules of the FCTC, to use the data in a unified domain. The functions of the latter will be implemented in the Analytical-reporting module.

This approach will allow both Purchases and the other modules of the FCTC to implement the most comprehensive analytical and reporting functions.

⁶ A detailed description is presented in the document "KFCTS Investment Model".

2.11 Data Exchanged

R/R	Interface	Data:	Provider module/submodule	Application module/submodule
1:	GM1:	Testing applications/requests	Procurement participant management module	Testing module
2:	T1:	Data on tested procurement professionals	Testing module	Procurement participant management module
3:	GM2	Data on procurement professionals to be trained	Procurement participant management module	Training module
4:	V1:	Data on trained procurement professionals	Training module	Procurement participant management module
5:00	GM3:	Necessary analytical data	Procurement participant management module	Analytical-reporting module
6:00	PC3:	Publishable data developed in the analytical-reporting module	Analytical-reporting module	Information portal
7:00	C6:	Analytical data developed in the procurement module	Shopping module	Analytical-reporting module
8 o'clock	C7:	Information to be published as defined by RA Law "On Purchases". <ol style="list-style-type: none"> 1. Purchase plan 2. Tender/Auction Invitation 3. Requests for clarification 4. Changes made to the invitation 	Shopping module <ol style="list-style-type: none"> 1. Purchase planning sub-module 2. A tender planning sub-module 3. A tender planning sub-module 4. A tender planning sub-module 	Information portal

		<p>5. Declaration on the decision to conclude a contract</p> <p>6. Statement of non-existence of dose</p> <p>7. Declaration of the signed contract</p>	<p>5. Auction, Tender submodule</p> <p>6. Auction, Tender submodule</p> <p>7. Auction, Tender, Contracts management submodule</p>	
9:00	PC2:	Necessary analytical data	Analytical-reporting module	Shopping module
10:00	PC2 : 1:	Data of persons disqualified from purchasing	Analytical-reporting module	Registry
11:00	C1:	Information needed for bidding planning, such as Purchase Item, Purchase Form, GMA Code, Unit of Measure, Unit Price, etc.	Procurement module/ Procurement planning sub-module	Procurement module/ Tender planning sub-module
12:00	C2:	Necessary information provided by the invitation to tender	Procurement module/ Tender planning sub-module	Procurement module/Auction, Tender, Contract management sub-modules
13:00	C3:	Information about the winner of the auction Assessments of committee members Other:	Purchase module/ Auction sub-module	Procurement module/ Contract management sub-module
14:00	C4:	Information about the winner of the competition Assessments of committee members Other:	Procurement module/ Bidding sub-module	Procurement module/ Contract management sub-module
15:00	MK1:	Data of participants who are not entitled to participate in the procurement process	Participant management module	Purchasing module/ Auction, Tender, sub-modules

16:00	MK2	Data of participants who are not entitled to participate in the procurement process	Participant management module	Information portal
17:00	AT1:	Data on bankrupt participants Data on convicted participants Other:	External systems	Purchasing module/ Auction, Tender, sub-modules
18:00	C5:	Purchase contract and data justifying its execution	Procurement module/ Procurement contract management sub-module	Public Sector Accounting/Contracts
19:00	B1:	Data on budget expenditures and outputs	Budgeting module	Purchasing Module/Purchasing Planning

3. Functionality of the shopping module concept

In parallel with the development of a unified system, it will be necessary to optimize existing business processes.

This section presents recommendations for optimizing existing business processes. In particular, some business processes are grouped and their optimization mechanisms are described.

A general prerequisite for optimization of processes is the application of the procurement module in the structure of the KFCTS, which should include the functions of existing existing information systems, as well as the implementation of other requirements resulting from optimization recommendations.

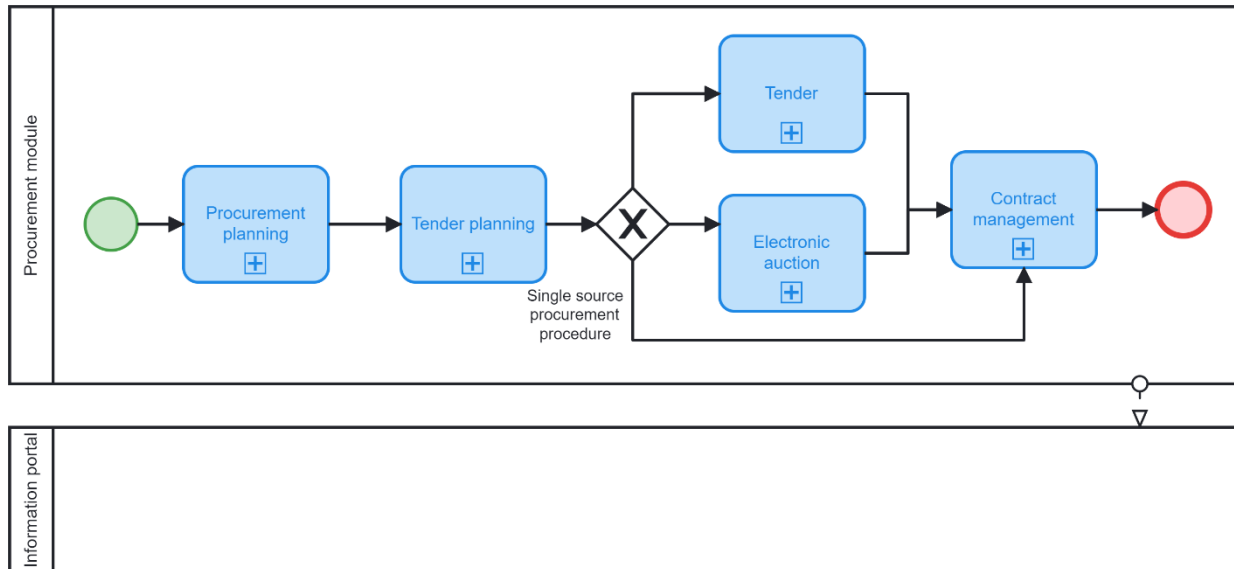


Figure 3 : 1 . A comprehensive description of the procurement process

It is proposed to exchange procurement plan data with the Budgeting sub-module of the Budgeting module. After the end of the purchase planning process, the implementation of the purchase procedure for the portions/lots included in the plan begins.

Within the framework of the new procurement module, it is proposed to carry out all types of procurement procedures design processes (for example, selection of the department responsible for the procurement procedure, selection of the tender secretary, tender design, issuance of clarification requests, publication of the invitation, appeal, implementation of changes to the invitation) in the "Tender Planning" sub-module, and then depending on In the cases stipulated by the Law of the Republic of Armenia "On Purchases", tender data will be transferred to the "Tender" or "EL-Auction" systems.

**In case of purchase procedures carried out by one person, data transfer from the "Tender Planning" sub-module to the "Tender" sub-module is not carried out⁷.*

After the summary of the results of the tender and the EAC and the selection of the winner, the results of the contract award are transferred to the Procurement Contract Management sub-module, where the contract management function begins.

⁷ The process is described in the "Purchase Procedures from One Person" section.

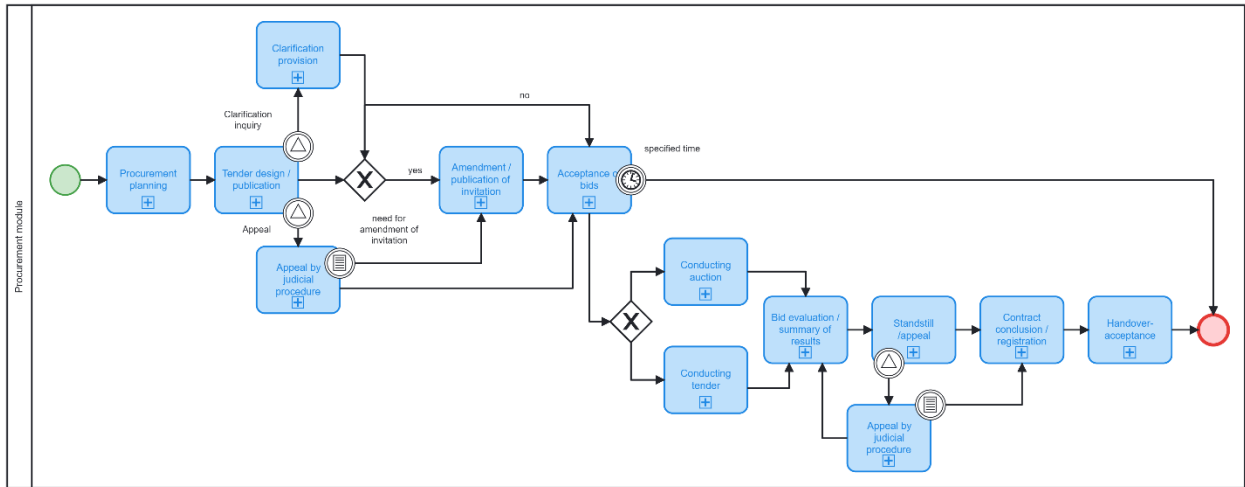
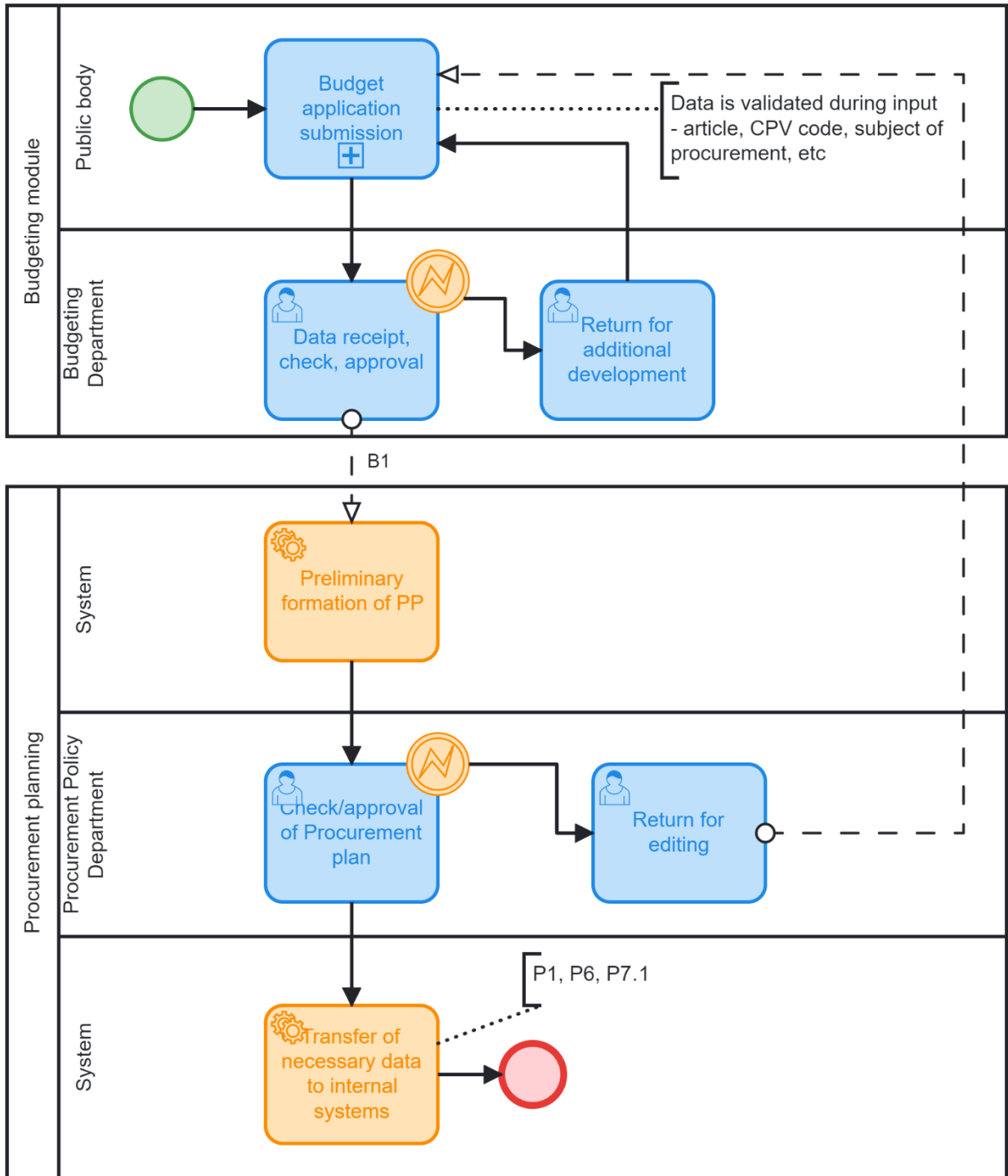


Figure 3 : 2 . A detailed description of the procurement process

3.1 Purchase Planning



Purpose:	Procurement planning, publication, implementation of changes and additions to the plan
Description/Processes	A general prerequisite for the optimization of the procurement planning process is the process of budgeting of the RA state budget. The measures included in the budget applications, which contain purchased goods, works

and/or services, will be completed in the prescribed format, as a result of which a preliminary procurement plan will be formed ⁸.

In the case of purchased goods and services included in budget applications, two options are offered for their completion:

Version 1. In the case of purchased goods and services included in the budget applications at the stage of budgeting, the necessary data should be filled in with the appropriate GMA (CPV) codes.

Version 2. Define a procedure that will enable the necessary data to be filled from the point of view of optimization at the level of articles without GMA codes. The procedure will allow at the specified stage, for example, before the formation of the final application of the RA state budget, all data will be filled in at the level of articles, and the corresponding GMA codes will be added according to the articles. The definition of the specified procedure will provide an opportunity to optimize the purchase planning process, in particular: the data necessary for the procurement plan will be generated in the specified format from the Budgeting sub-module (Budget Requests), but changes to GMA codes will not be made during the entire costing process.

**In the case of grant allocations, the appropriate article is filled in the Budgeting module (For example: Other capital grants), the form of purchase is indicated: "Direct grant allocation" or "Grant competition", code, etc.*

**Other bodies whose accounts are in the Treasury module (for example, municipalities) will enter their approved budgets into the budgeting sub-module of the Budgeting module, after which expenditure forecasts and procurement plans⁹ will be automatically generated.*

Other bodies whose accounts are in commercial banks (for example, state-owned closed joint-stock companies) will enter their procurement plan in the procurement planning sub-module of the Procurement module.

Based on the data received at the necessary stage, the System will automatically form a procurement plan with the specified information, in particular: GMA code, purchase object, unit of measure, purchase form, unit price, quantity, total price, program (classifiers and name), event (classifiers and name), article of economic classification, account number with 90000 (possibility of reflecting other data in the system if necessary)

⁸ Details of the process are presented in the document " KFCTS Implementation Model, Budgeting Module " .

⁹ Details of the process are presented in the document " KFCTS Implementation Model, Budgeting Module " .

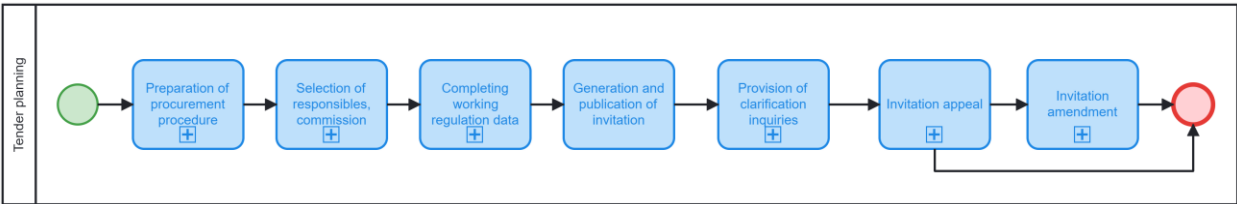
	<p>and necessary checks of purchase forms will be carried out in accordance with the RA Law "On Purchases", for example:</p> <ul style="list-style-type: none"> ● In case of selecting the form of purchase "Quotation Request" for the object of purchase, the System will provide an opportunity to set the amount up to 80 million drams. ● If "One person" (including one person on the basis of Urgency) was set as the purchase form for the purchase item during the completion of the procurement plan, then it will be necessary to fill in the justification, etc. <p>After all the specified inspections are carried out by the System, the procurement plan will be available to the procurement policy department of the RA Ministry of Finance, who, if necessary, can approve the above-mentioned plan within the period specified by the RA Law "On Procurement".</p> <p>In the case of part 6 of Article 15 of the RA Law "On Procurement" (hereinafter: 15/6), it is recommended to include GMA codes at the stage of final submission of budget applications, in case the contract is concluded.</p> <p><i>*Any change in the budgeting module must be reflected in the Purchasing module.</i></p> <p>After approval and publication of the procurement plan, the public body may add new procurement items or make changes to the procurement plan as necessary.</p> <p>It is recommended to start the implementation of the mentioned process from the Budgeting module . In order to make any changes in the purchase plan, it is necessary to make a change in the budgeting module, but if a purchase process has started in the purchase module for a portion /lot/, then the specified line of the purchase plan is deactivated by the System, not allowing the budgeting module to carry out redistributions.</p> <p>This can be the best optimization option for the specified process, ensuring automatic exchange of data between the necessary modules of the FCTC.</p>
<p>A link to an existing process</p>	<p>C1-Purchase planning, preparation and submission of the procurement plan by state bodies to the RA Ministry of Finance, data verification, approval, publication</p> <p>C2-Compilation and publication of the procurement plan by other bodies in the PPCM system</p> <p>C3- Making changes in the purchase plan, approval</p> <p>C4-Implementation of changes in the procurement plan by other bodies</p> <p>C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter</p>
<p>Territory:</p>	<p>State administration body, RA Ministry of Finance (Budgeting, Purchases)</p>

Actors:	Employee of the state body, departments of procurement policy and budget process organization of the RA Ministry of Finance
Input data	B1:
Output data	C1, C6, C7.1

3 . 2 Competition planning and publication

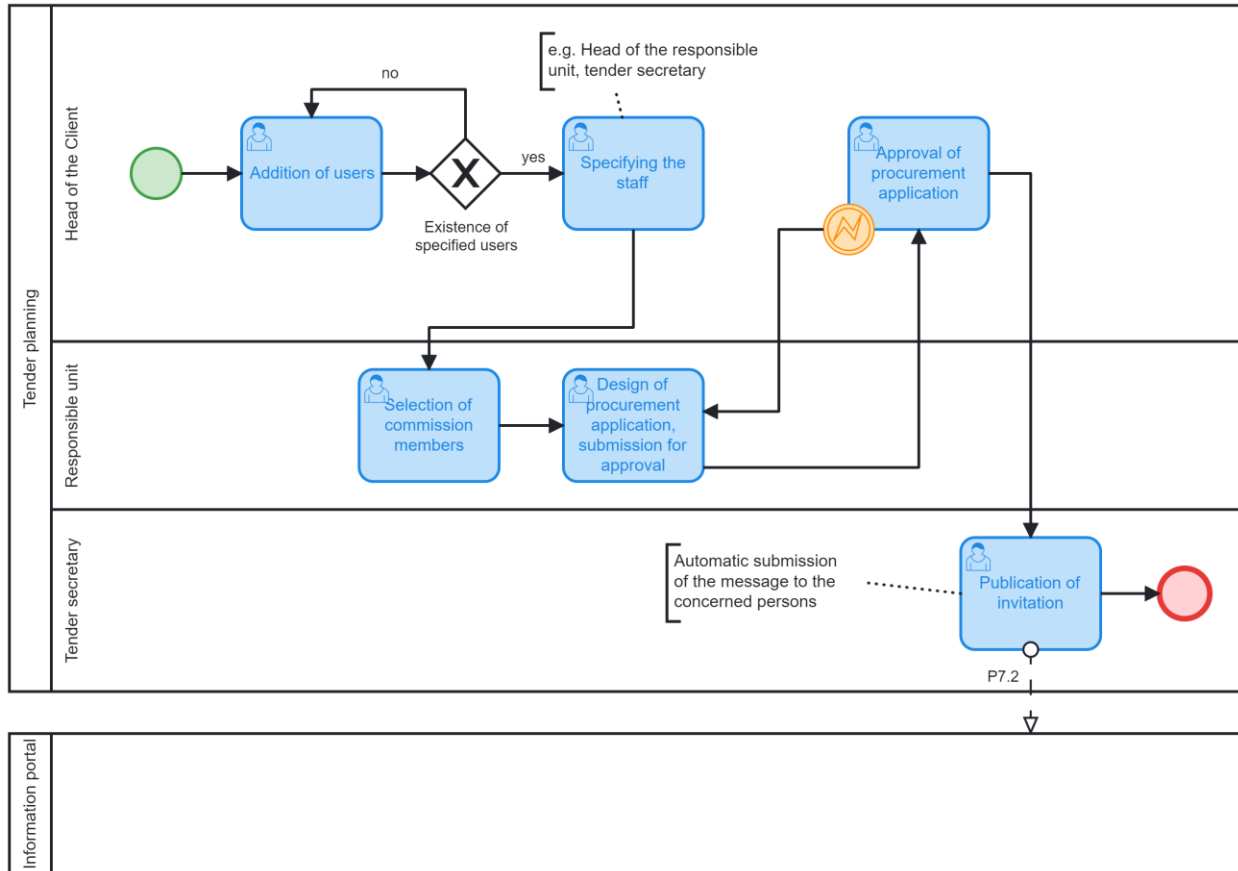
The tender planning process is carried out in the following sequence :

- Preparation of procurement procedure, selection of responsible department/professional group and tender secretary
- Completion of operational data for purchase items
- Selection of the composition of the evaluation committee of the procedure
- Invitation generation and publication
- Providing Clarification Requests
- Appeal of invitation
- Change of invitation



A detailed description of the processes is presented in the following sections.

3.2.1 Preparation of the procurement procedure

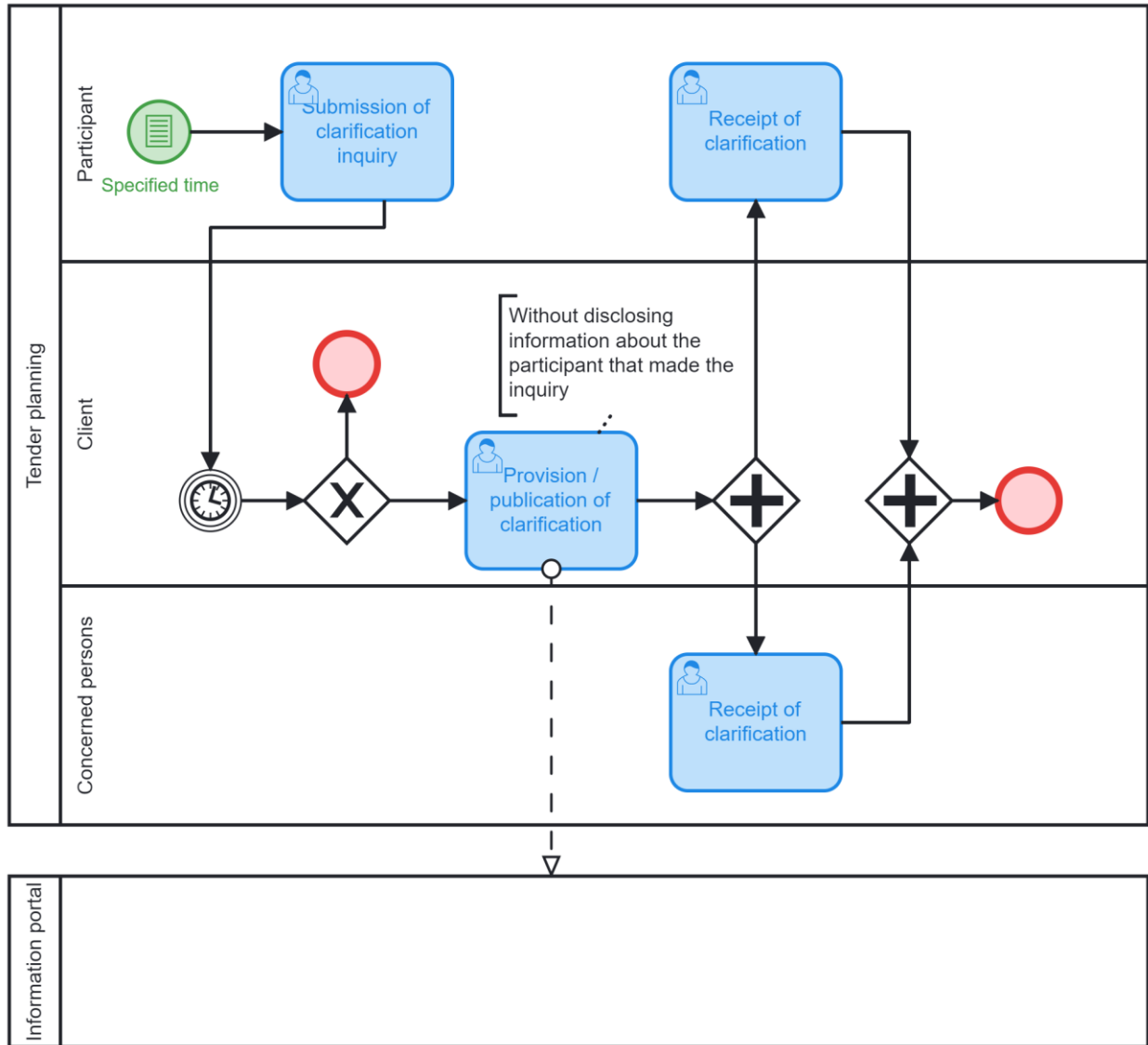


Purpose:	Preparation of the procurement procedure, selection of the responsible department and tender secretary, selection of the composition of the procedure evaluation committee, publication of the invitation
Description/Process	<p>users and groups with appropriate roles is a prerequisite for the optimization of the work of the tender planning module ¹⁰(for example, head of the Client, head of the Client's department, secretary of the tender, etc.).</p> <p>is published by the secretary of the tender within the time limits set by the Law of the Republic of Armenia "On Purchases". on the portal, about which all interested persons are also informed.</p>
A link to an existing process	C5-Preparation of purchase procedure in PPCM system

¹⁰ A detailed description is presented in the User Management Module section of the "KFCTS Investment Model" document.

	<p>C6-Procurement procedure design and publication in the ARMEPS system for all procurement procedures</p> <p>C18- In case of electronic auction purchases, design of the purchase request, coordination, creation of the evaluation committee of the procedure, publication of the announcement and invitation</p> <p>C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter</p>
Territory:	Procurement module, tender planning sub-module, information portal
Actors:	Head of the client, head of the responsible department, head of the department, employee of the department, secretary of the tender
Input data	C1:
Output data	C2, C6, C7.2

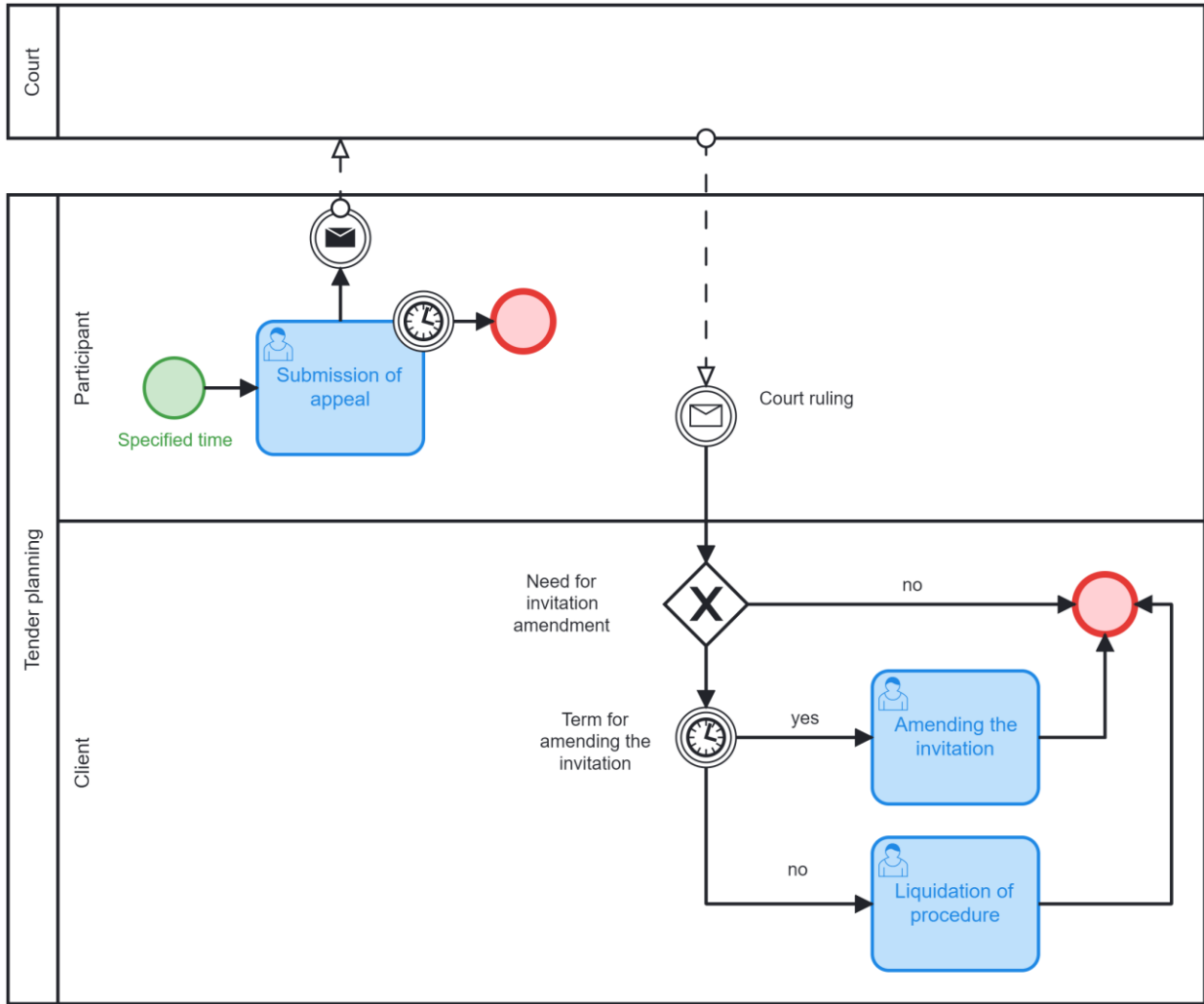
3.2.2 Issuance of Clarification Requests



Purpose:	Submitting requests for clarification on the procurement procedure, providing requests, publishing
Description/Process	<p>The participants have the right to request clarification of the invitation in writing before the deadline for submission of bids established by the RA Law "On Procurement".</p> <p>In the proposed procurement system, the clarification will be provided to the participant who made the request within the specified time period in the cases and within the period specified by the RA law "On Purchases", and for the optimization of the process, it is proposed to define the</p>

	<p>confidentiality of the data display of the participant who submitted the request.</p> <p>The statement about the content of the survey and clarifications is published on the information portal within the specified period, without specifying the data of the participant who made the survey. Clarification is not provided if the request was made in violation of the established deadline, as well as if the request is outside the scope of the invitation's content.</p> <p>In case of not providing an explanation to the inquiry within the period specified by the law of the Republic of Armenia "On Purchases", the system automatically deactivates the process of providing an explanation.</p>
A link to an existing process	<p>Providing clarification requests in case of participation in the purchase procedure through the C7-ARMEPS electronic system</p> <p>C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter</p> <p>C18- In the case of e-auction purchases, design of the purchase request, coordination, creation of the evaluation committee of the procedure, publication of the announcement and invitation</p>
Territory:	Procurement module, tender planning sub-module, information portal
Actors:	Client, participant, interested person
Input data	C1:
Output data	C6, C7 . 3:

3.2.3 Appeal of invitation

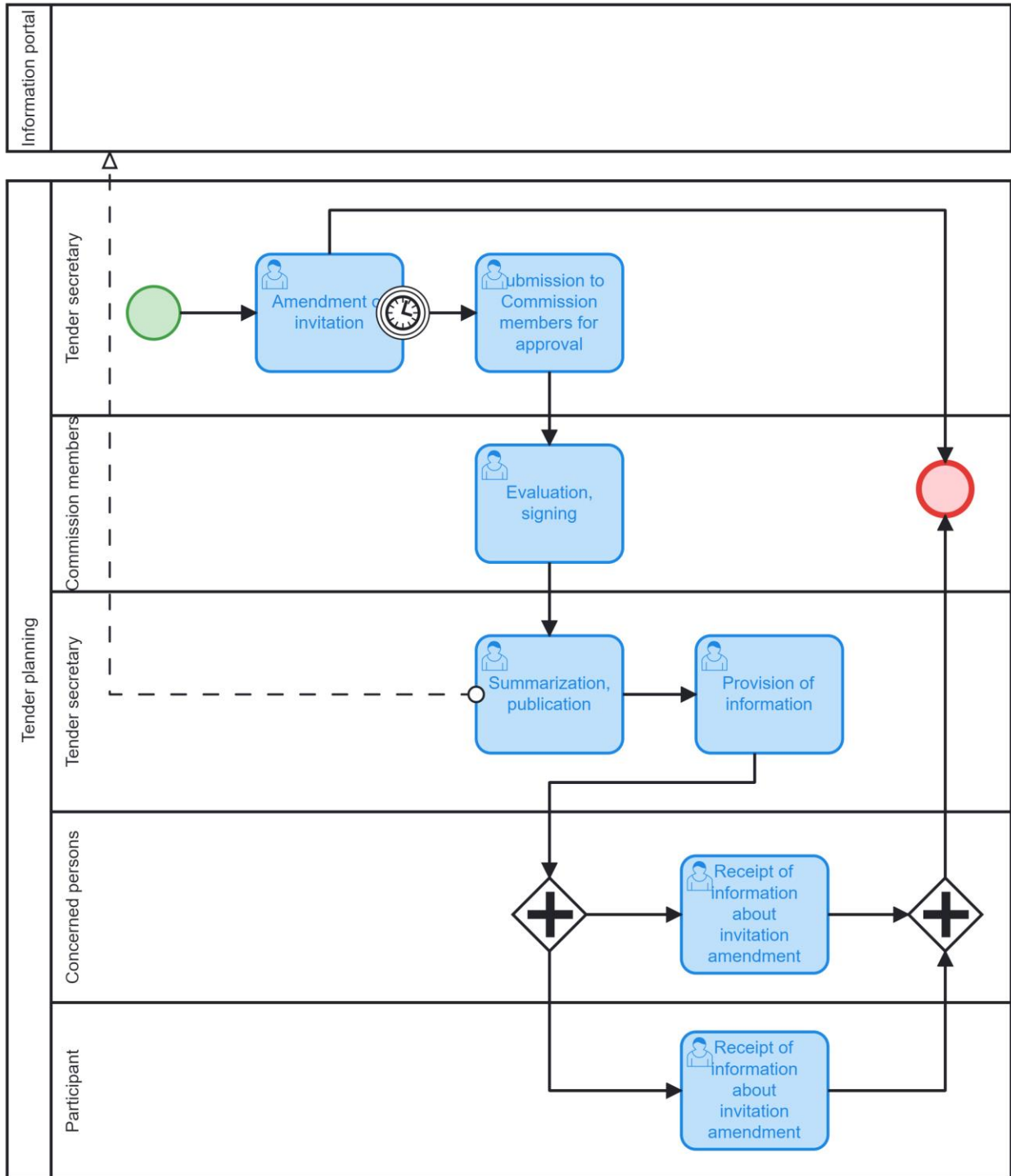


Purpose:	Appealing an invitation to amend
Description/Processes	<p>In the cases defined by the Law of the Republic of Armenia "On Purchases", the participants may appeal the characteristics of the subject of purchase, the requirements of the invitation before the deadline for the submission of bids.</p> <p>In case the court initiates proceedings, the purchase procedure is suspended until the corresponding decision of the court.</p> <p>If the appeal is satisfied by the court, the client will change the invitation¹¹. In the event that the deadline for making changes to the invitation established by the Law of the Republic of Armenia "On Procurement" has</p>

¹¹ Գործընթացը մանրամասն ներկայացված է «Հրավերի փոփոխություն» բաժնում:

	expired , the tender is canceled (liquidated) and a new procurement procedure is organized.
A link to an existing process	C18- In the case of e-auction purchases, design of the purchase request, coordination, creation of the evaluation committee of the procedure, publication of the announcement and invitation
Territory:	Procurement Module, Tender Planning Sub-Module, External System/Court
Actors:	Client, participant, court
Input data	C1:
Output data	C6:

3.2.4 Change of invitation



Purpose:	Implementation of change of invitation, publication
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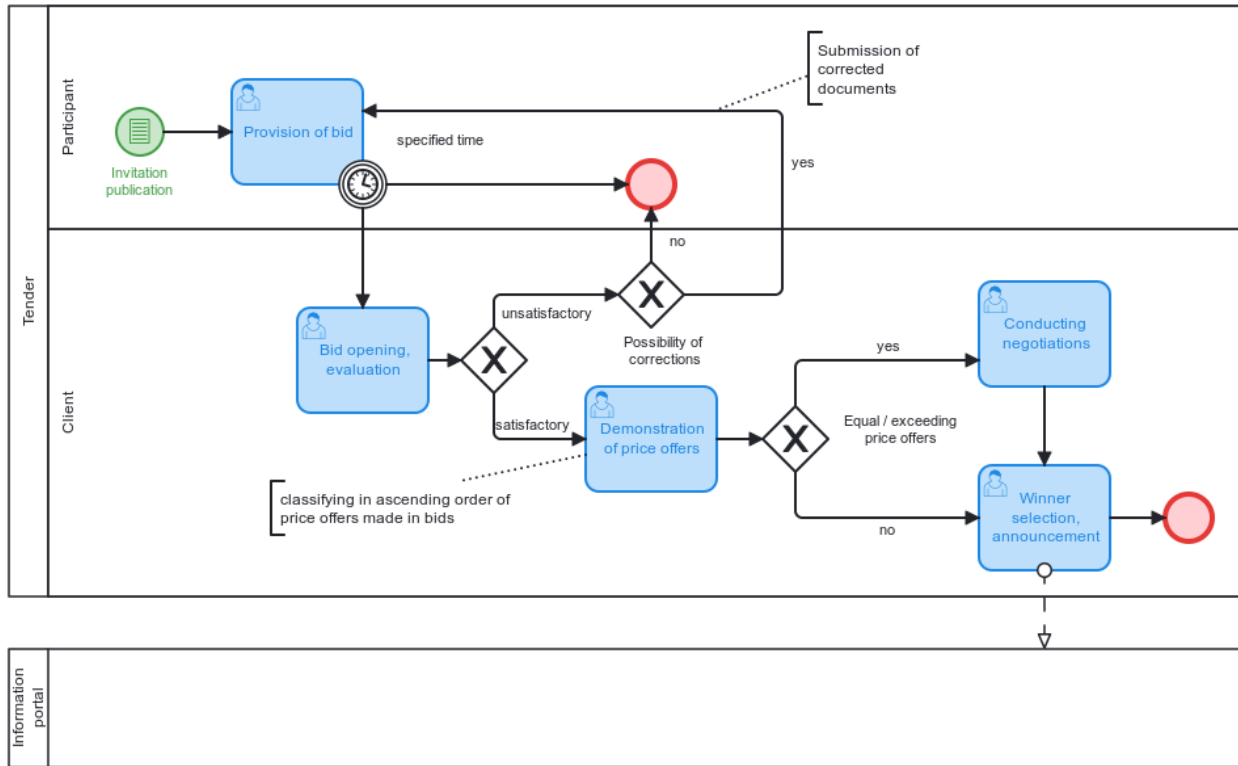
Description/Processes	Amendments can be made to the invitation in the cases and within the time limit defined by the Law of the Republic of Armenia "On Purchases". After the changes are made and approved by the committee members, the announcement about the conditions for making the change and providing them is published on the Information Portal, as well as sent to the participants and interested parties.
A link to an existing process	C6 – Procurement procedure design and publication in the ARMEPS system for all procurement procedures C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter C18- In the case of e-auction purchases, design of the purchase request, coordination, creation of the evaluation committee of the procedure, publication of the announcement and invitation
Territory:	Procurement module, tender planning sub-module, information portal
Actors:	Client, participant, interested person
Input data	C1:
Output data	C7 : 4:

3.3 Competition

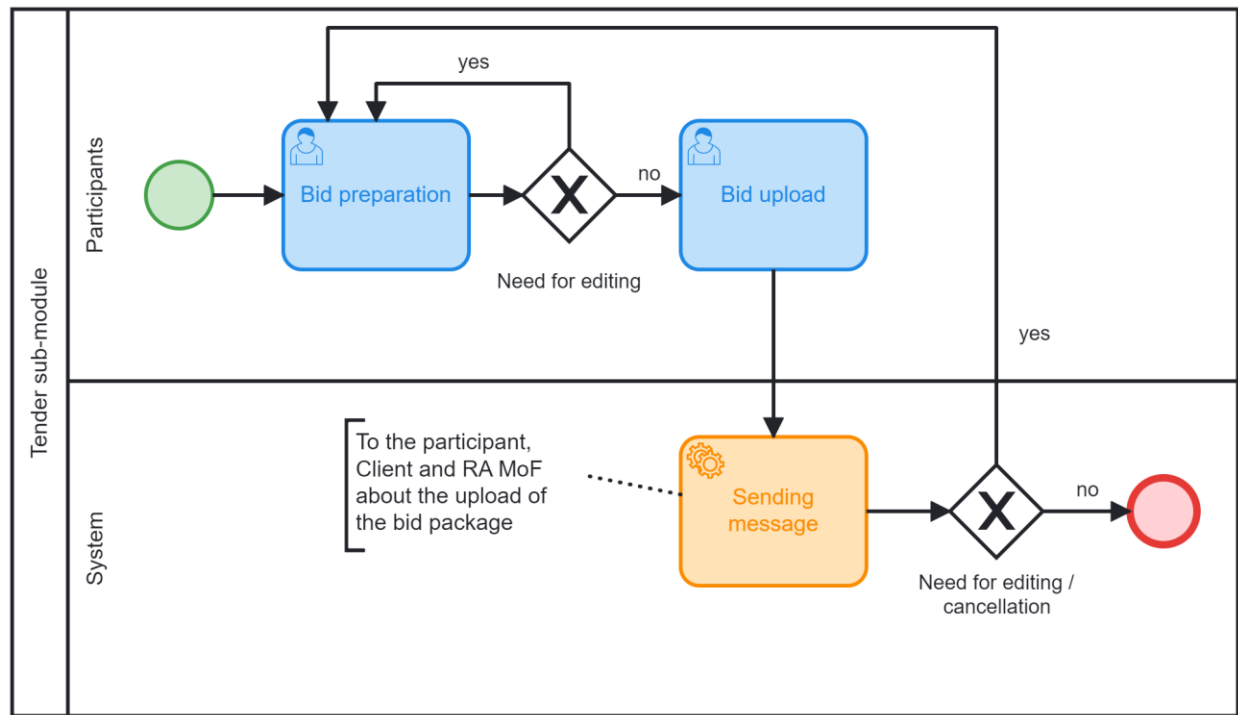
After the completion of tender planning works, the data is transferred to the "Tender" sub-module, depending on the cases provided for by the Law of the Republic of Armenia "On Procurement".

The competition is carried out in the following order :

- Submission of applications
- Opening and evaluation of applications received
- Summary of evaluation results, publication of announcements, setting of inactivity period and appeal

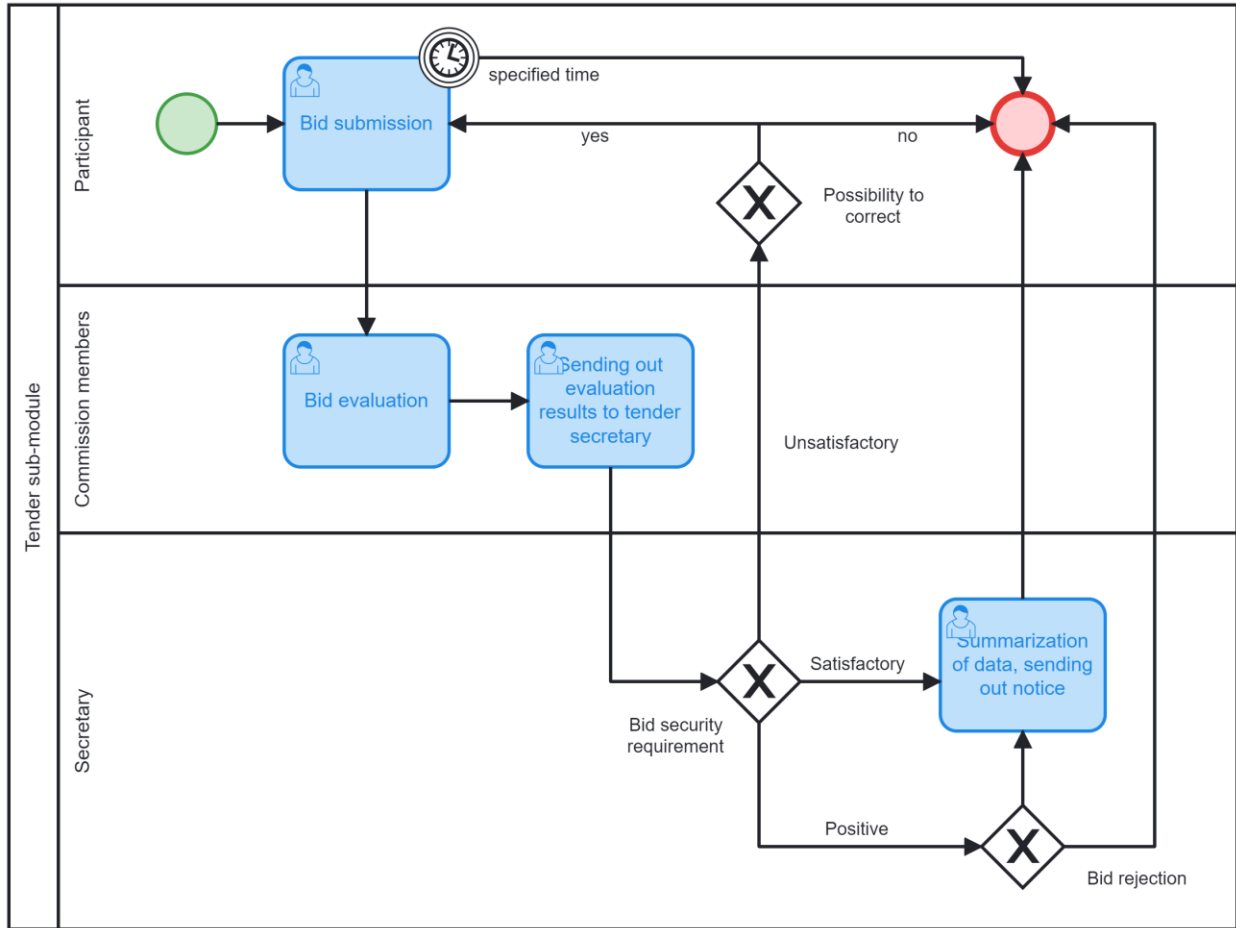


3.3.1 Submission of Bids



Purpose:	Submission of documents provided by the invitation by the participants
Description/Process	<p>Within the specified period, the participants who are not included in the list of "participants who do not have the right to participate in the procurement process" can apply to tenders with "Published" status in the System by submitting the necessary documents. The participants enter, preview and, if necessary, edit and approve the application within the specified time. After confirmation, participants can edit submitted applications or, if necessary, cancel them.</p> <p>After the package is successfully entered into the System, a message is sent to the participant, the customer, as well as to the official corporate e-mail address provided in the system, regarding the download of the application package with relevant information.</p>
A link to an existing process	<p>C8-Participant registration in the ARMEPS system</p> <p>C20 - Submission of bids by participants in the electronic auction system, correction of recorded inconsistencies, conclusion of the contract</p>
Territory:	Procurement module, Tender sub-module, GDP sub-module
Actors:	Participants, client
Input data	C2, MK1, AT1
Output data	C6:

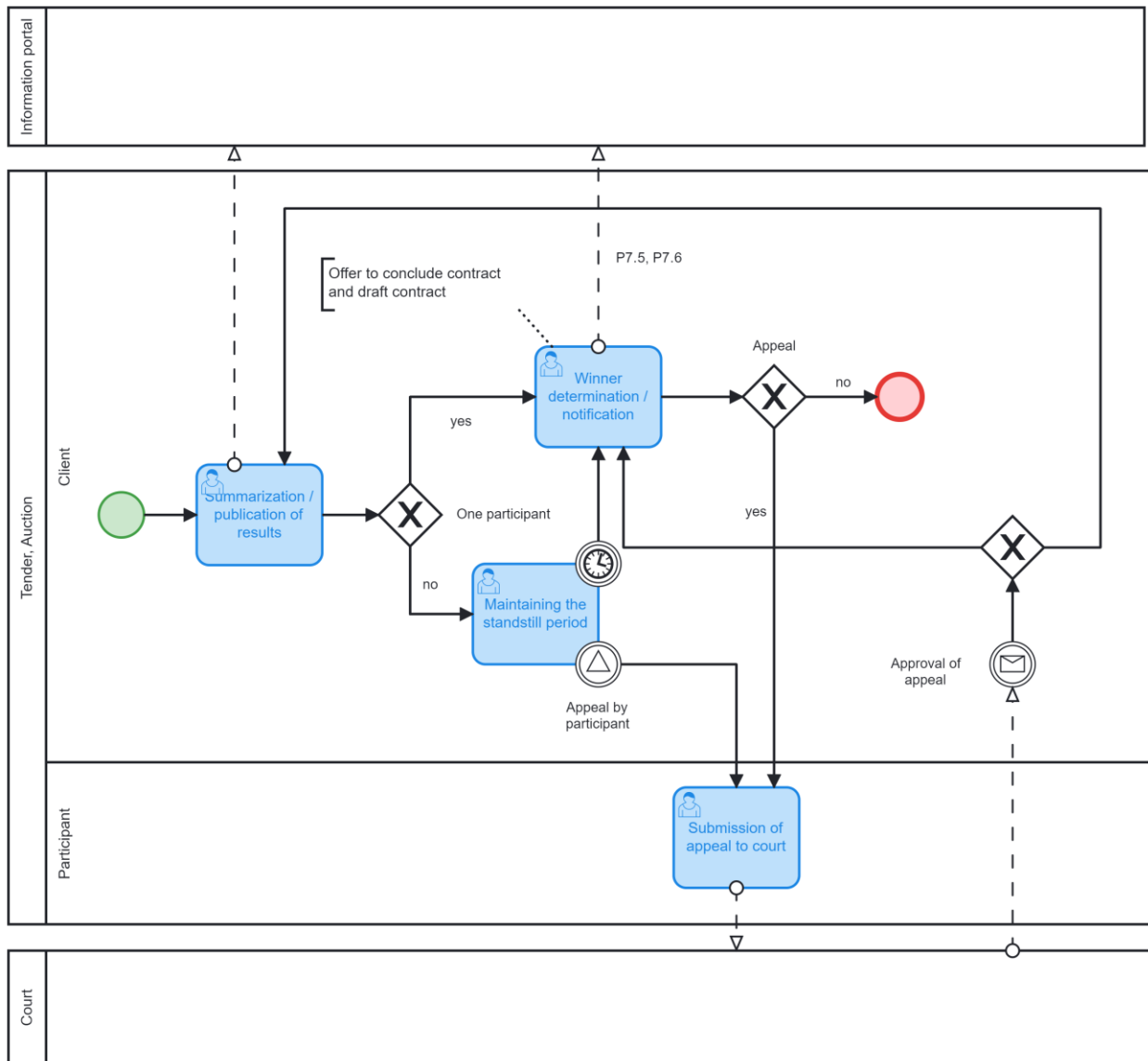
3.3.2 Evaluation of Applications Received



Purpose:	Opening, correcting, evaluating received bids, and, if necessary, conducting negotiations in accordance with the law and within the time limits
Description/Processes	After the deadline for providing the application packages, the committee members open and evaluate the received applications. After evaluating the bids, if necessary, the participant can be given the opportunity to correct the defects within the time limit set by the Law of the Republic of Armenia "On Purchases", and in case of equal bids, the commission initiates negotiations in the manner and time limits set by the law.
A link to an existing process	C10-Opening, correcting, evaluation of applications received through the ARMEPS electronic system
Territory:	Procurement module, Tender sub-module

Actors:	Participants, client/commission member, secretary
Input data	C2:
Output data	C6:

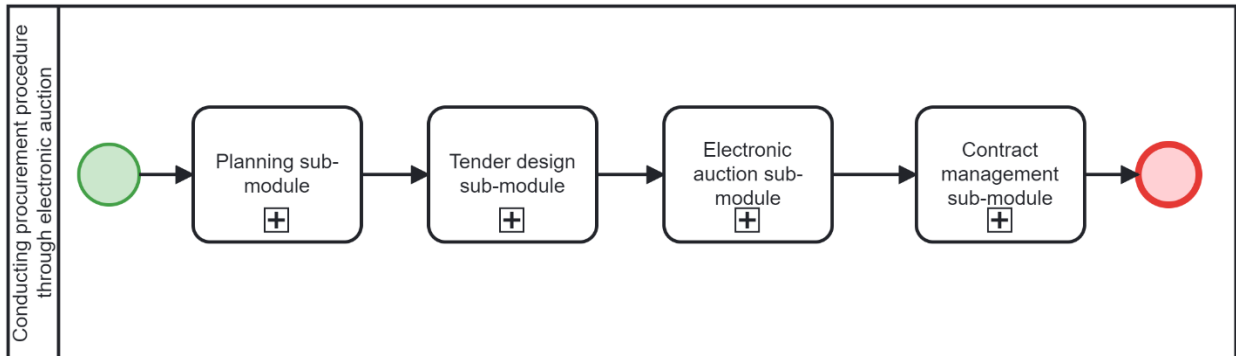
3.3.3 Summary of evaluation results, publication of announcements, setting of inactivity period and appeal



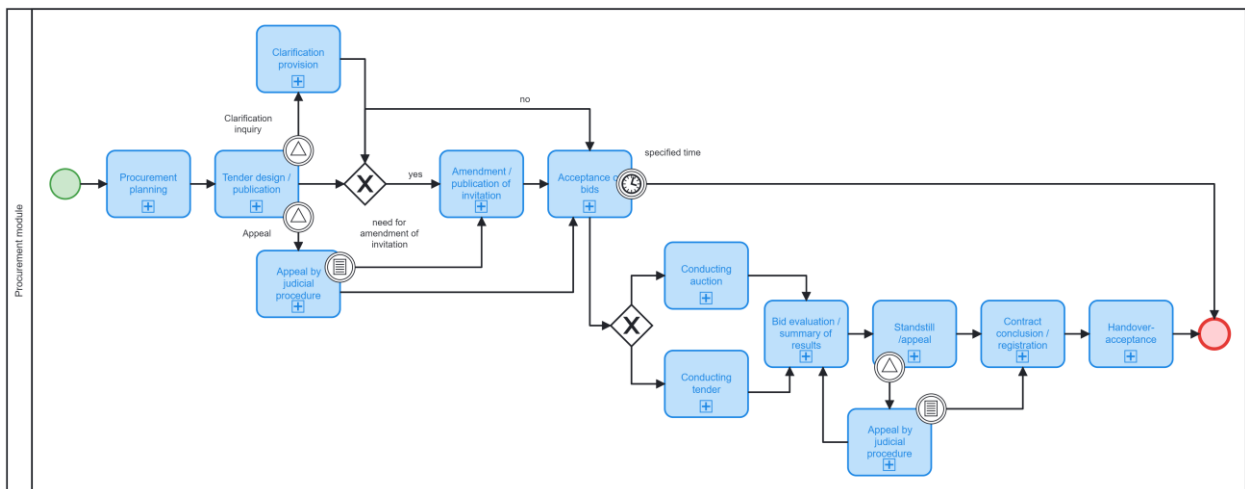
Purpose:	Summary of evaluation results, publication of announcements, setting of inactivity period and appeal
Description/Processes	<p>After the finalization of the classification of the participants, the results of the evaluation of bids and the publication of the decision to conclude a contract, or to declare the procedure void, are carried out, observing the period of inactivity provided by the Law of the Republic of Armenia "On Procurement".</p> <p><i>In the case of one participant, if it is a selected participant, there is no inactivity period and the results of the purchase are published.</i></p> <p>After the expiration of the period of inactivity established by law, the ordering party shall notify the selected participant by submitting the contract proposal and the contract draft, as necessary, for individual or grouped portions.</p> <p>After the end of the inaction, the participants, before signing the contract, may appeal the actions of the client and/or the evaluation committee in a court of law.</p>
Reference to existing processes	<p>C10-Opening, correcting, evaluation of applications received through the ARMEPS electronic system</p> <p>C19 – Evaluation of bids received in case of participation in the purchase procedure through the E-auction electronic auction system, inaction, contract award, contract conclusion, summary of the procedure, notices</p> <p>C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter</p>
Territory:	Procurement module, Tender sub-module, information portal, external system
Actors:	Participants, client
Input data	C2, MK1, AT1, PC2
Output data	C4, C6, C7 . 5, G7 . 6:00

3.4 Electronic auction

After the end of the design process of the tender, depending on the cases provided by the Law of the Republic of Armenia "On Purchases", the data is transferred to the "Electronic Auction" sub-module.



The purchase procedure with EAC is carried out in the following sequence :



3.4.1 Submission of bids

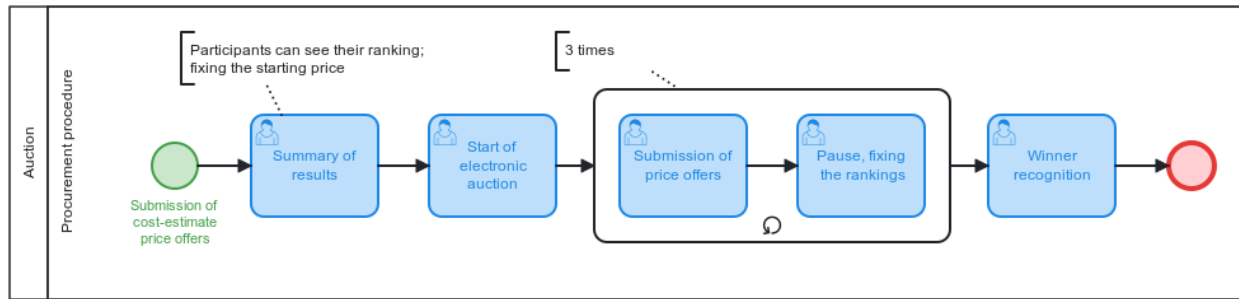
The description of the process is presented in 3.3.1 in the "Submission of Applications" section.

3.4.2 Implementation of electronic auction

on the first business day following the deadline for submission of applications , at the specified time) participants in the procedure can follow the reverse auction and make bids for the portions they applied for.

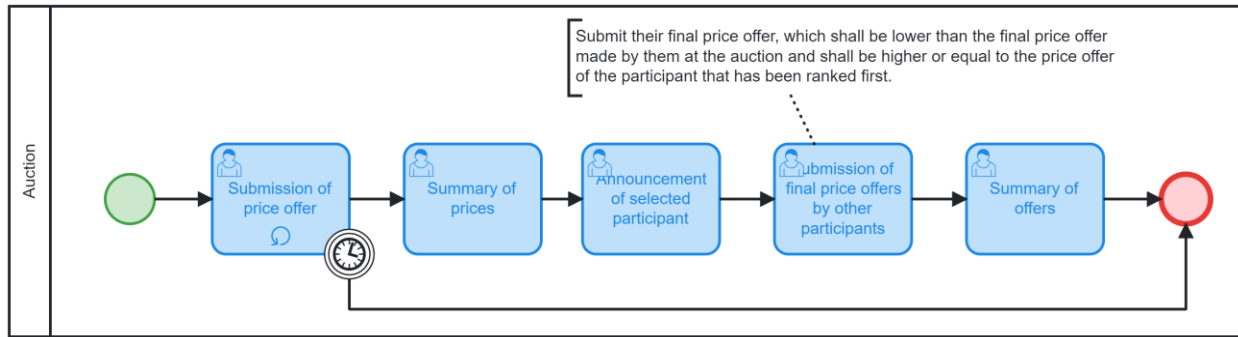
There are 3 options for the optimal implementation of the EDF :

Version 1. Electronic auction conducted on a phased basis (3 phases):



Purpose:	Electronic auction conducted on a phased basis
Description/Processes	<p><u>First phase:</u> The duration of the round is indicated. Participants submit their bids, after which the System captures all bids. A pause is then declared until the start of the next round. Participants can see their place.</p> <p><u>Second stage.</u> Based on the results of the first round, if the auction type is price reduction, then the participant with the highest price submits a price offer first, and if the auction type is price increase, then the participant with the lowest price submits a price offer first. After that, the other participants present their bids in order. A pause is then declared until the start of the next round. Participants can see their place.</p> <p><u>Third stage.</u> The third round is held in the same way.</p>
Reference to existing processes	C17 - The procedure for the implementation of electronic auctions and the management of users
Territory:	Procurement module, a sub-module of GDP
Actors:	Participants, client
Input data	C2, MK1, AT1, PC2
Output data	C3, C6, C7

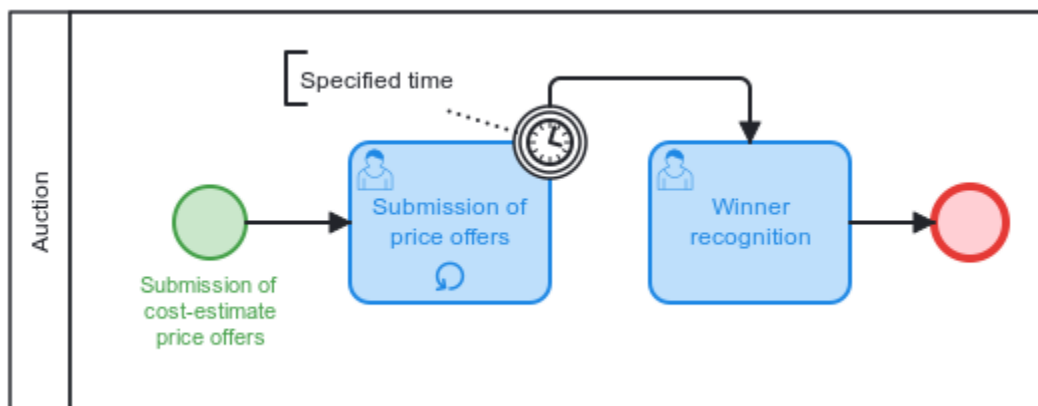
Version 2. Hourly electronic auction



Purpose:	Hourly electronic auction
Description/Processes	<p><u>First phase:</u> The total duration of the electronic auction is set to 30 minutes. The amount deducted as a result of each step taken during the auction should not be less than 1 percent of the minimum bid submitted at the time of the auction. If no new move is made after the 5th minute from the moment of making a move during the total duration of the auction, the auction is considered concluded, and the participant who made the last move is considered the participant who took the first place.</p> <p><u>Second stage:</u> After summarizing the results of the first round and announcing the selected participant, the System gives the opportunity to other participants to submit their final bid (1 time) within a specified time (for example, within 2 minutes), which must be lower than the final bid they submitted in the reverse auction and higher or equal to from the price offer of the first place participant.</p> <p>The bid packages of the participants who are satisfied with the price offer are evaluated at the same time. If the bid of the participant who took the first place is evaluated as insufficient and/or a contract is not concluded with the latter, then the participant who submitted the next lowest price is declared the selected participant. The mentioned process will continue until the contract is concluded with the selected participant.</p>
Reference to existing processes	C17 - The procedure for the implementation of electronic auctions and the management of users
Territory:	Procurement module, a sub-module of GDP
Actors:	Participants, client

Input data	C2, MK1, AT1, PC2
Output data	C3, C6, C7

Version 3. An electronic auction process that takes place on an hourly basis.

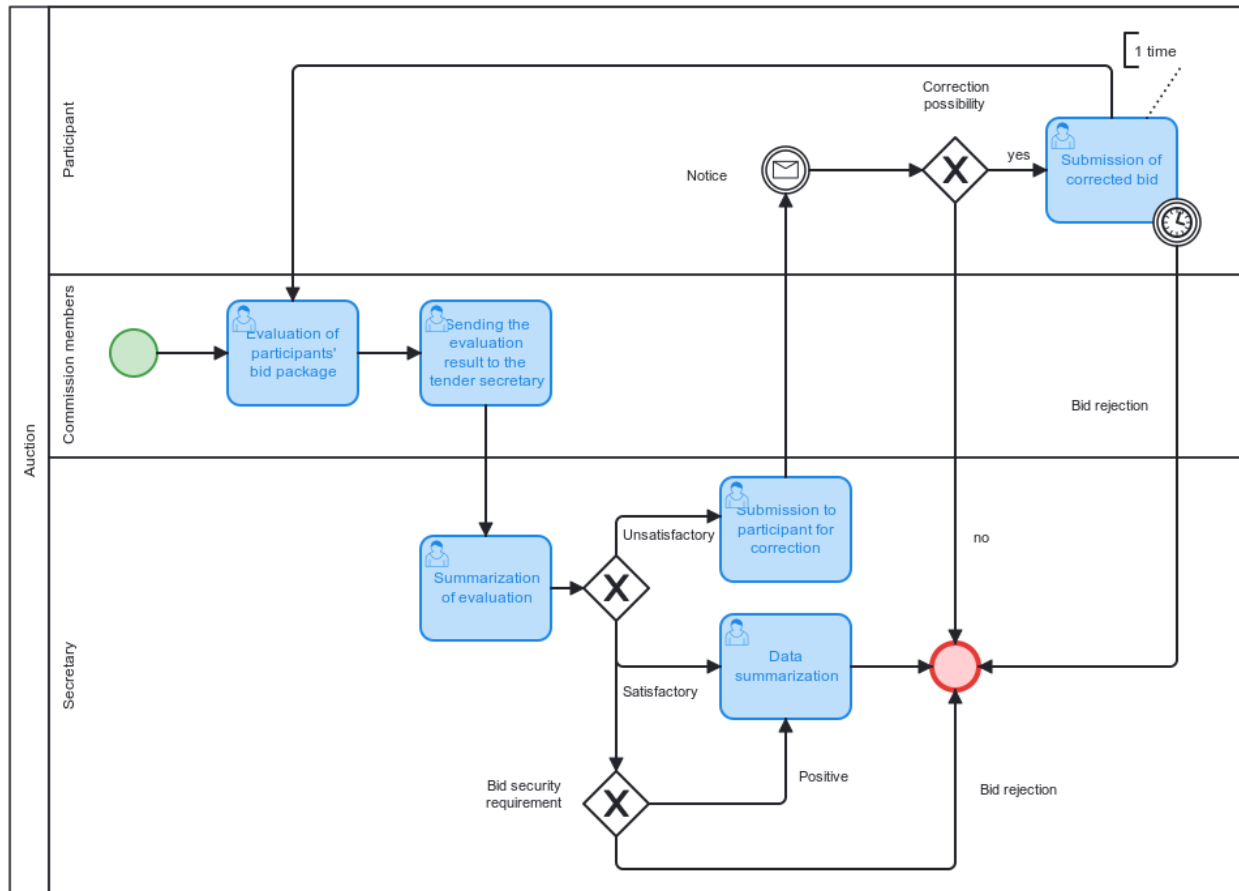


Purpose:	Hourly electronic auction
Description/Processes	<p>The amount deducted as a result of each step taken during the e-auction should not be less than 1 percent of the minimum bid submitted at the time of starting the auction. All participants' bids are reflected automatically.</p> <p>minutes) to submit a new price offer . After 3 minutes of inactivity, if no participant submits a bid, the auction for that portion ends and the participant who made the last move is considered the first place participant.</p>
Reference to existing processes	C17 - The procedure for the implementation of electronic auctions and the management of users
Territory:	Procurement module, a sub-module of GDP
Actors:	Participants, client
Input data	C2, MK1, AT1, PC2

Output data

C3, C6, C7

3.4.3 Evaluation of applications received



<p>Purpose:</p>	<p>Opening, correction, evaluation of received applications</p>
<p>Description/Processes</p>	<p>During the reverse auction, the members of the commission evaluate the bid packages of the participants who have met the precondition of the purchase price according to the allocation procedure and check their compliance with the requirements of the invitation. After evaluation of bids, if necessary, the participants may be given the opportunity to correct the deficiencies within the period specified by the Law of the Republic of Armenia "On Procurement".</p>
<p>A link to an existing process</p>	<p>C19 – Evaluation of bids received in case of participation in the purchase procedure through the E-auction electronic auction system, inaction, contract award, contract conclusion, summary of the procedure, notices</p>

Territory:	Procurement module, a sub-module of GDP
Actors:	Participants, client/commission member, secretary
Input data	C2:
Output data	C6, C3

3 . 4 . 4 Summary of evaluation results, publication of announcements, setting of the period of inactivity and appeal

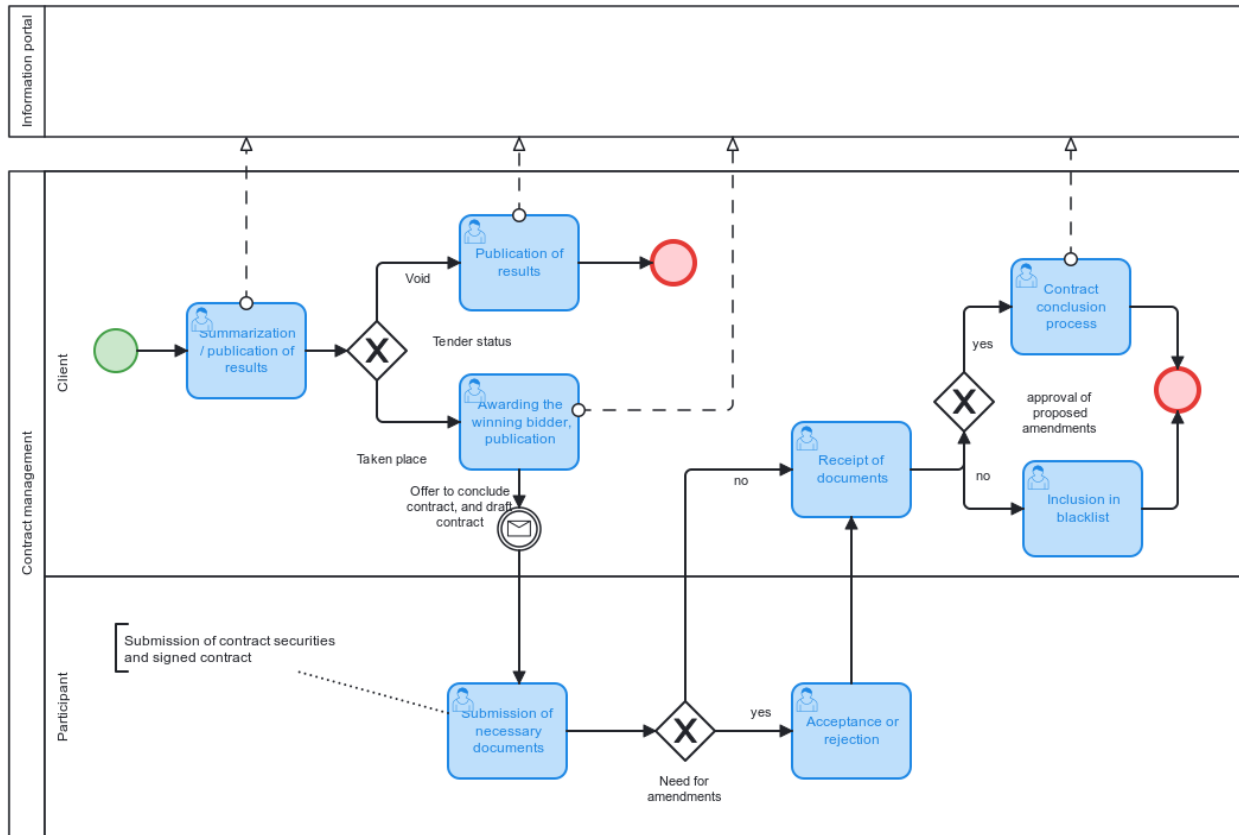
A detailed description of the process is presented in 3 . 3 . 3 in the section "Summary of evaluation results, publication of announcements, setting of the period of inactivity and appeal".

3 . 5 Management of procurement contracts

After the summary of the results of the tender and the EAC and the selection of the winner, the results of the contract award are transferred to the Procurement Contract Management sub-module, where the contract management function begins.

In the case of a one-person procurement procedure, the data is automatically transferred from the Tender Planning sub-module.

3.5.1 Award of contract



Purpose:	Organization of the contract award process for the selected participant
Description/Process	<p>After the summary of the bid evaluation results by the tender secretary, the "Declaration on the decision to conclude a contract" is published on the information portal.</p> <p>inaction ¹², the selected participant is provided with the contract draft and the contract award stage is carried out.</p>
Reference to existing processes	<p>C10-Opening, correcting, evaluation of applications received through the ARMEPS electronic system</p> <p>C20-Eauction Submission of bids by participants in the electronic auction system, correction of recorded inconsistencies, conclusion of the contract</p> <p>C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter</p>

¹² The details are described in "3.3.3 Summarizing the results of the evaluation, publication of the statement, setting the period of inactivity and appeal" in the section

Territory:	Procurement module, procurement contracts sub-module, information portal
Actors:	Participant, customer
Input data	C2, C3, C4
Output data	C5, C6, C7

3.5.2 Submission of contract guarantees /damage, cash, bank guarantee/

The participant submits bid security within the time limits set by Article 35 of the RA Law "On Procurement". The security of the application is submitted in the form of a unilaterally approved statement of damages, bank guarantee or cash.

A contract is signed with the selected participant, if the latter presents the contract security.

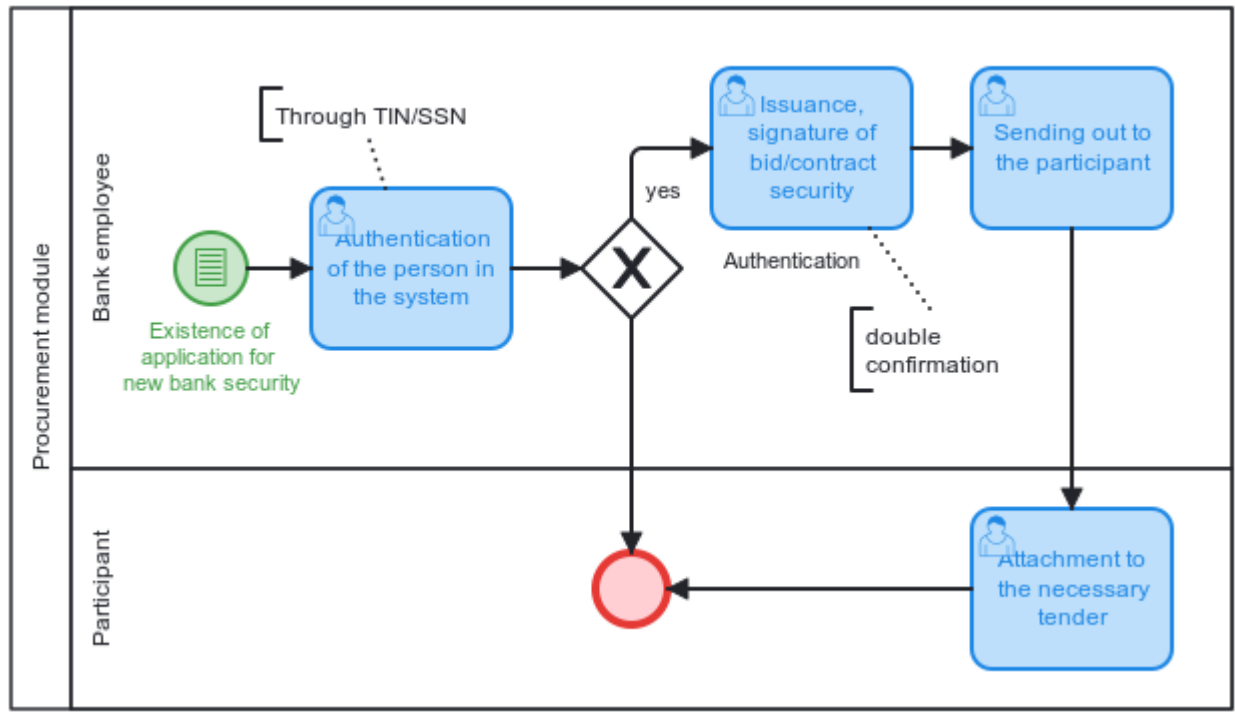
The security of the application submitted in the form of cash is deposited in the treasury account opened in the name of the authorized body.

The participant pays the bid security if he/she 1) has been declared a selected participant, but refuses or is deprived of the right to conclude a contract, 2) has violated an obligation assumed within the framework of the procurement process, which led to the termination of the given participant's further participation in the process.

3.5.2.1 Presentation of bank guarantees

For the optimal implementation of the process, there are 2 options :

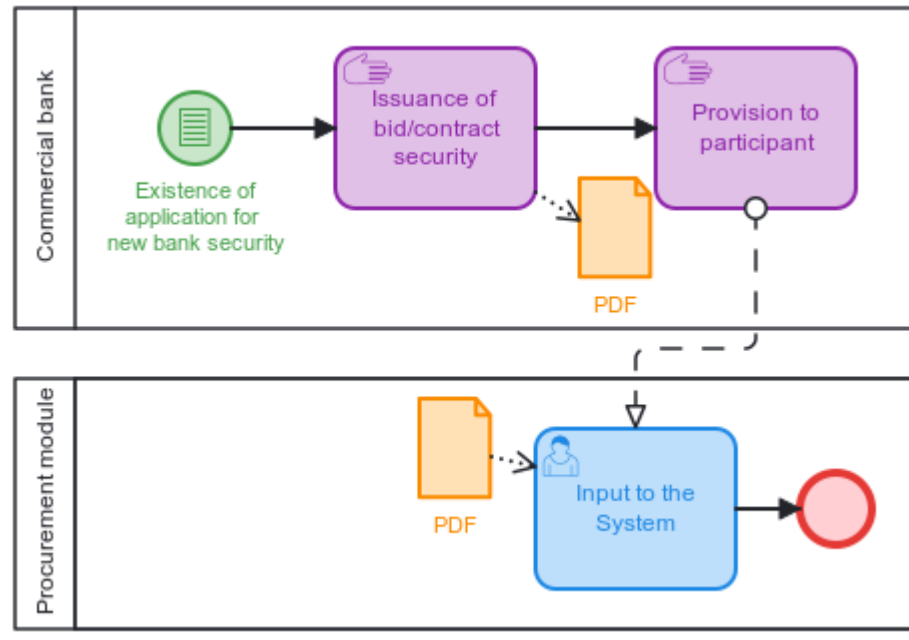
Version 1.



Purpose:	Issuance of bank guarantees in the system
Description/Processes	<p>Provision of contract security by commercial banks is carried out electronically directly in the system. In case of a verbal or written application to receive a new bank guarantee, a commercial bank, by identifying the person, provides a bank guarantee in the system in the prescribed format. A prerequisite for the implementation of the process is the presence of relevant employees of the bank in the system / for example, 2 users: creating an application, approving an application/.</p> <p>If the participant receives the bank guarantee, it is signed online and presented to the customer.</p> <p><i>Disadvantages.</i> In case of implementation of the process, a number of problems are possible, in particular :</p> <ul style="list-style-type: none"> ● issue of cooperation with commercial banks ● data harmonization issue: uniform data entry in both the commercial banking system and the procurement system
Reference to existing processes	<p>C8-Participant registration in the ARMEPS system</p> <p>C20 - Submission of bids by participants in the electronic auction system, correction of recorded inconsistencies, conclusion of the contract</p>
Territory:	Procurement module, contract management sub-module, external systems

Actors:	Client, participant, commercial bank employee
Input data	C4, C3, AT1
Output data	C6:

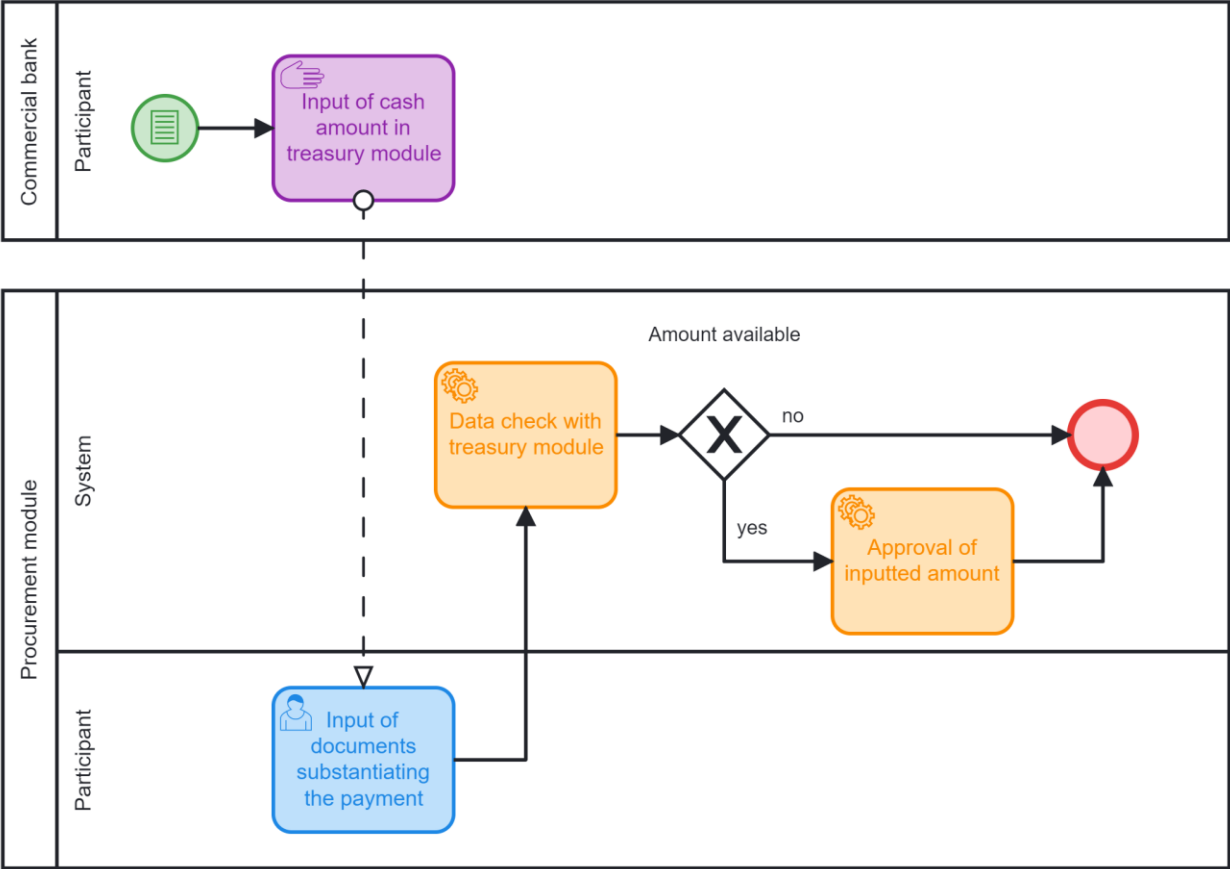
Version 2.



Purpose:	Provision of bank guarantees
Description/Processes	<p>In the presence of a verbal or written application for a new bank guarantee, a commercial bank, by identifying the person, issues the security of the application/contract in the appropriate format (for example, PDF). The participant submits the bank guarantee to the customer through the system.</p> <p><i>*Provisions issued by banks located abroad must be entered into the System in a scanned version.</i></p>
Reference to existing processes	<p>C8-Participant registration in the ARMEPS system</p> <p>C20 - Submission of bids by participants in the electronic auction system, correction of recorded inconsistencies, conclusion of the contract</p>

Territory:	Procurement module, contract management sub-module, external systems/banks
Actors:	Client, participant, commercial bank
Input data	C4, C3, AT1
Output data	C6:

3.5.2.2 Securing the contract in the form of cash



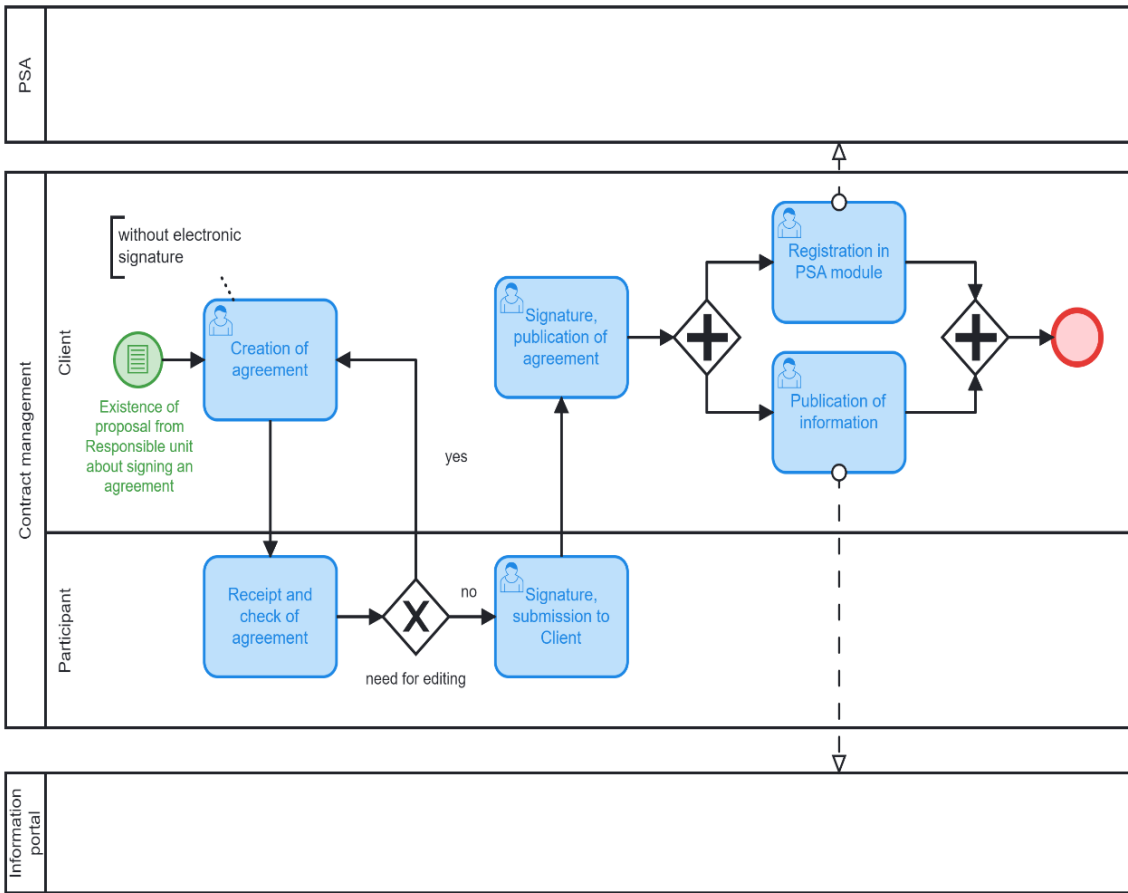
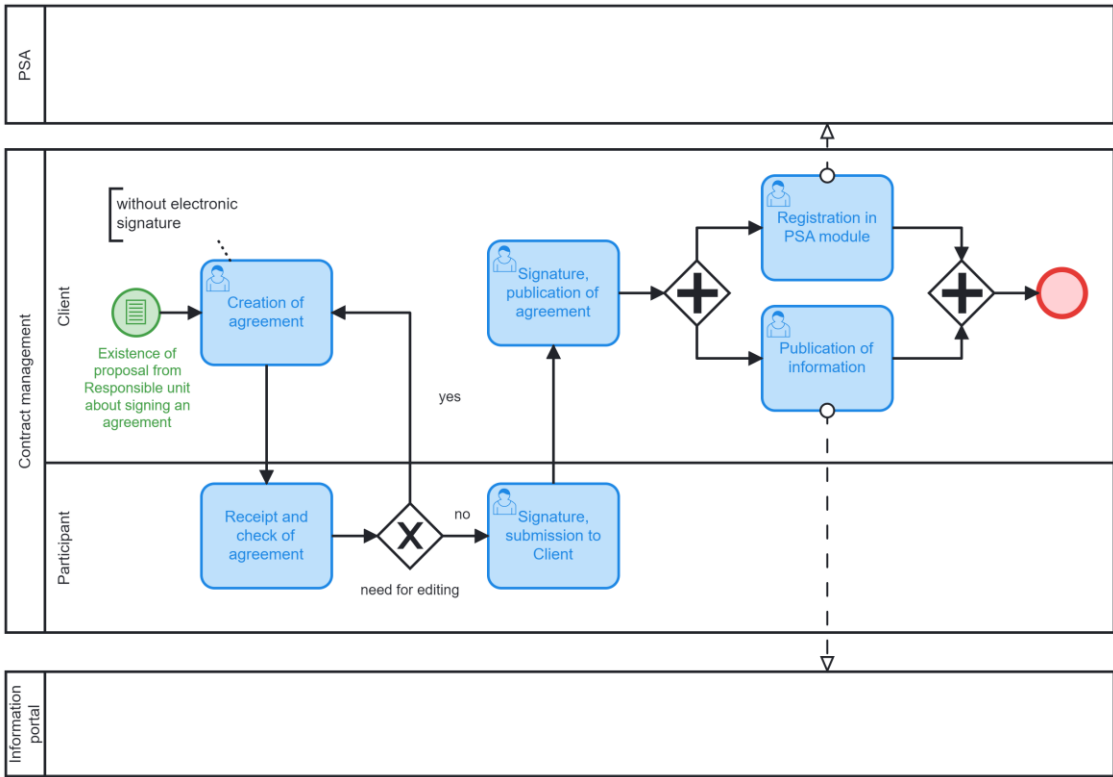
Purpose:	Application security is submitted in the form of cash
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Description/Processes	In the case of depositing the cash amount to the account of the Treasury of the RA Treasury in the case of payment of damages or cash, as defined by law, the participant enters the documents justifying the payment into the System. Self-checking of the data is carried out with the necessary data of the treasury program of the RA Ministry of Finance.
Reference to existing processes	C8-Participant registration in the ARMEPS system C20 - Submission of bids by participants in the electronic auction system, correction of recorded inconsistencies, conclusion of the contract
Territory:	Procurement module, contract management sub-module, external systems
Actors:	Client, Participant, Treasury module
Input data	C4, C3, AT1
Output data	C6:

3.5.3 Registration of signed contracts, publication of the announcement

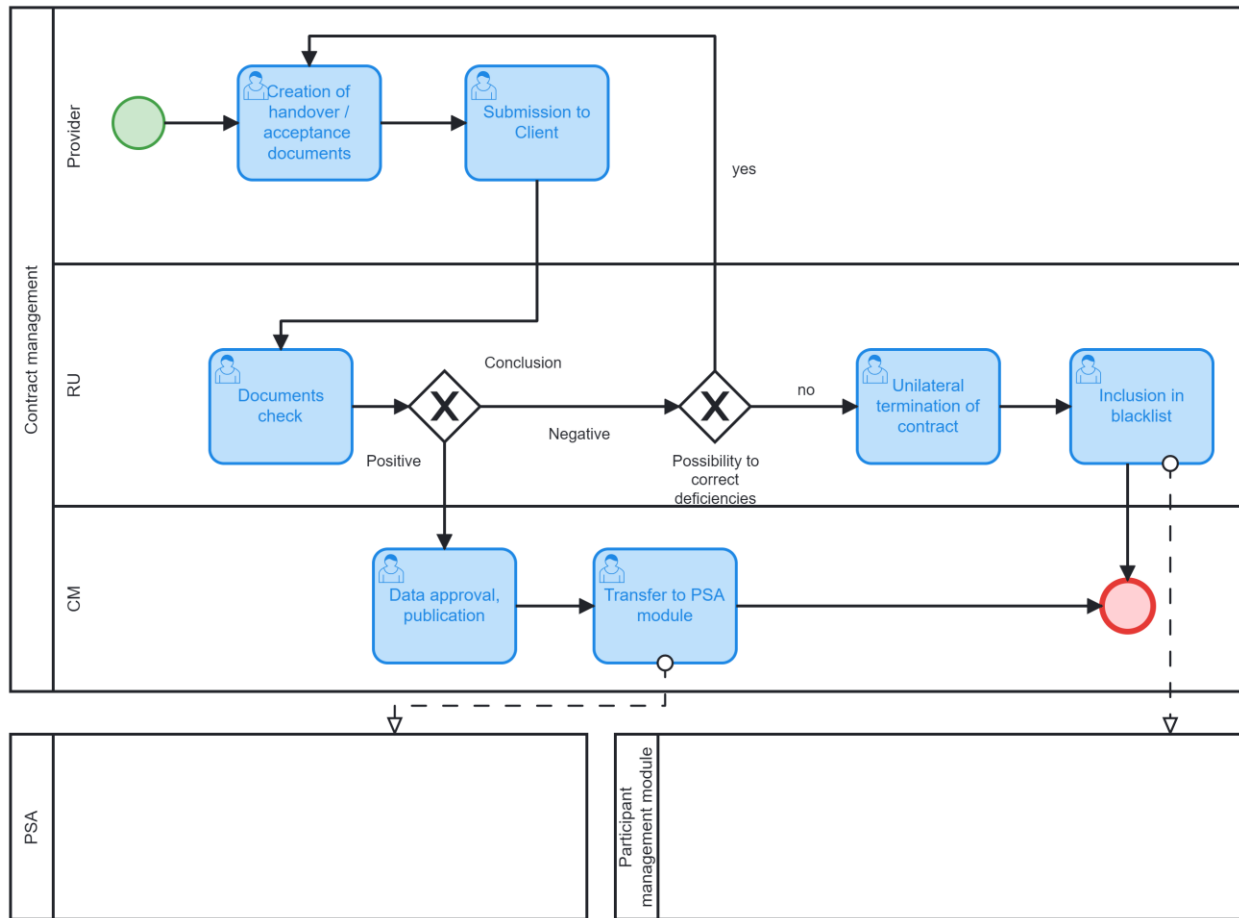
The results of awarding the contract by installments are transferred to the Contract Management sub-module, where the functions of entering the concluded contract and completing the tender report are performed.

In the case of a one-person purchase procedure, the data is automatically transferred from the "Tender Planning" sub-module. After entering the required data, the contract will be automatically generated.



Purpose:	Accounting of signed contracts/agreements and tender report, publication of announcement about the signed contract
Description/Process	<p>The customer sends the information regarding the conclusion of the contract in the appropriate format to the participant without an electronic digital signature through the System.</p> <p>After the participant signs the contract, the latter is also signed by the client.</p> <p>After the contract is signed by the head of the client, accounting is also carried out with the RAAA module and is published on the information portal.</p> <p>The responsible unit has the opportunity during the execution of the contract, depending on the quality of the work performed by the participant, to submit a proposal on concluding another agreement within the framework of the contract.</p> <p><i>* Due to the changes in procurement legislation and/or the procedure approved by the decision of the RA Government N 526 of May 4, 2017, certain standards may change.</i></p>
A link to an existing process	<p>C12- Entering the contract signed by the client and the tender report into the PPCM system</p> <p>C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter</p>
Territory:	Procurement module, sub-module of contract management, information portal, RIA
Actors:	Participant, customer
Input data	C2, C3, C4
Output data	C5, C7, C6

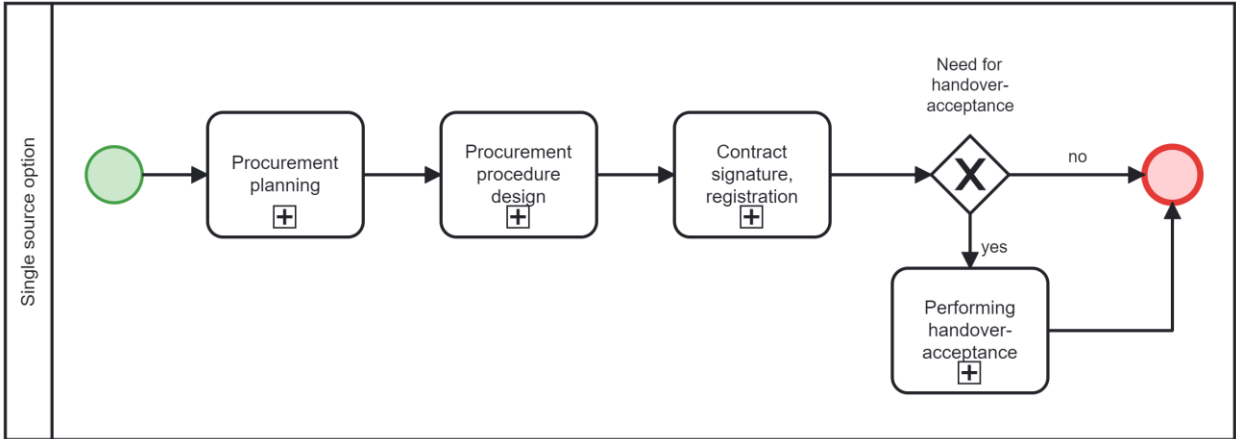
3.5.4 Implementation of delivery-acceptance, presentation of invoices



Purpose:	Submission of delivery acceptance documents, invoices to the customer, data transfer to the RAAA module
Description/Processes	<p>After providing the services, the supplier sends the invoice, the documents defined by the Law to the customer through the System.</p> <p>The conclusion (positive, negative) is signed/confirmed by the customer's PS manager (who was selected as a PS employee/employees at the stage of creating the tender) and submitted to the customer's manager according to the appropriate procedure. If there are no objections, the head of the client transfers the completed handover-acceptance documents to the RAPA module, which is accessible to the necessary KFCTS modules, for example, Treasury, Public Sector Accounting module.</p>
A link to an existing process	C13-Presentation of the handover-acceptance protocol by the participants

Territory:	Procurement module, sub-module of contract management, RPA, participant management module
Actors:	Supplier, customer
Input data	C2, C3, C4
Output data	C5, C7, C6

3 . 6 Purchase procedures from one person



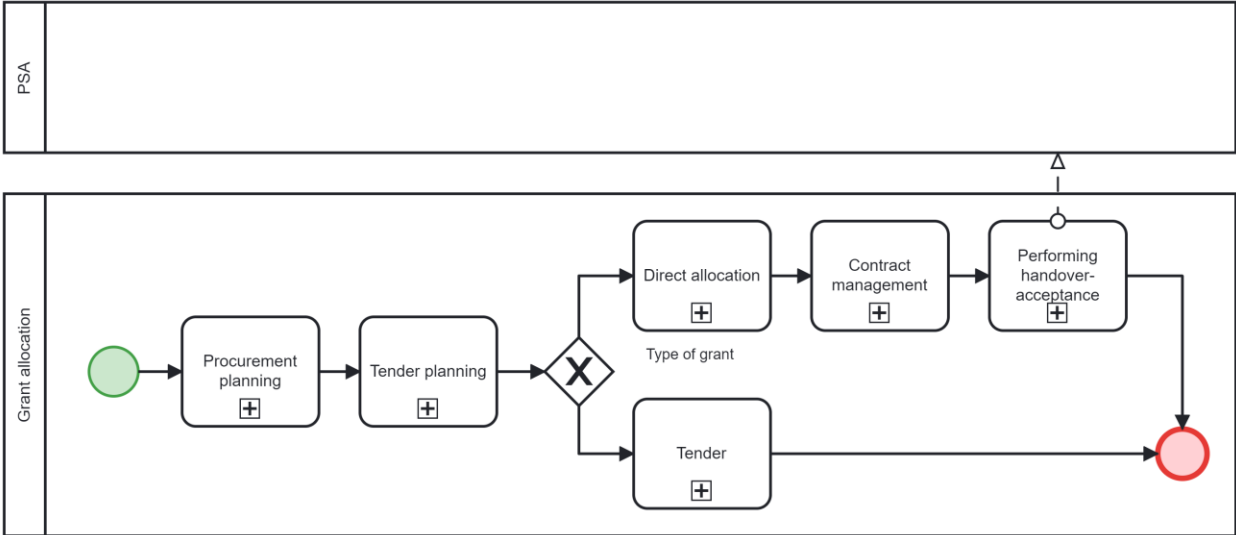
Purpose:	Description of purchase procedures from one person, conclusion of contract, publication
Description/Processes	After the single-person procurement procedures are ¹³ designed in the "Tender Planning" sub-module, they are not transferred to the "Tender" and/or "EAC" sub-module, the status of the given tender in the "Planning" sub-module is changed, and the customer sends the draft contract to the participant ¹⁴ . After the contract is approved, it is transferred to the RAAA module, the announcement about the signed contract is automatically published on the information portal .

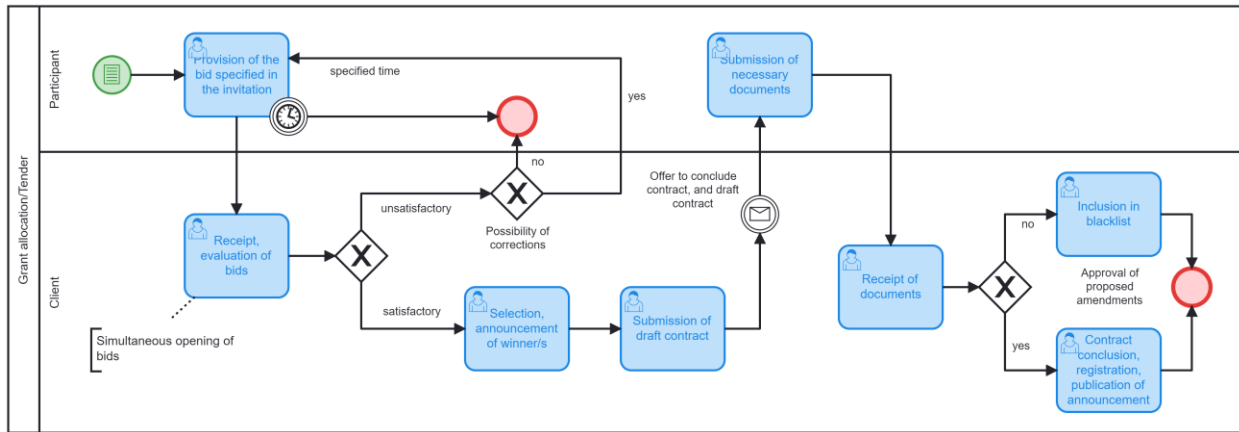
¹³ The process is described in the "Competition Design" section.

¹⁴ The process is described in the "Contract Award" section.

A link to an existing process	C9-Purchase procedures carried out in paper version in the PPCM system C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter
Territory:	Procurement module, tender planning sub-module, single person sub-module, contract management sub-module
Actors:	Client, participant
Input data	C1, AT1, MK1
Output data	C2, C6, C7, C5

3 . 7 Implementation of grant allocation procedures



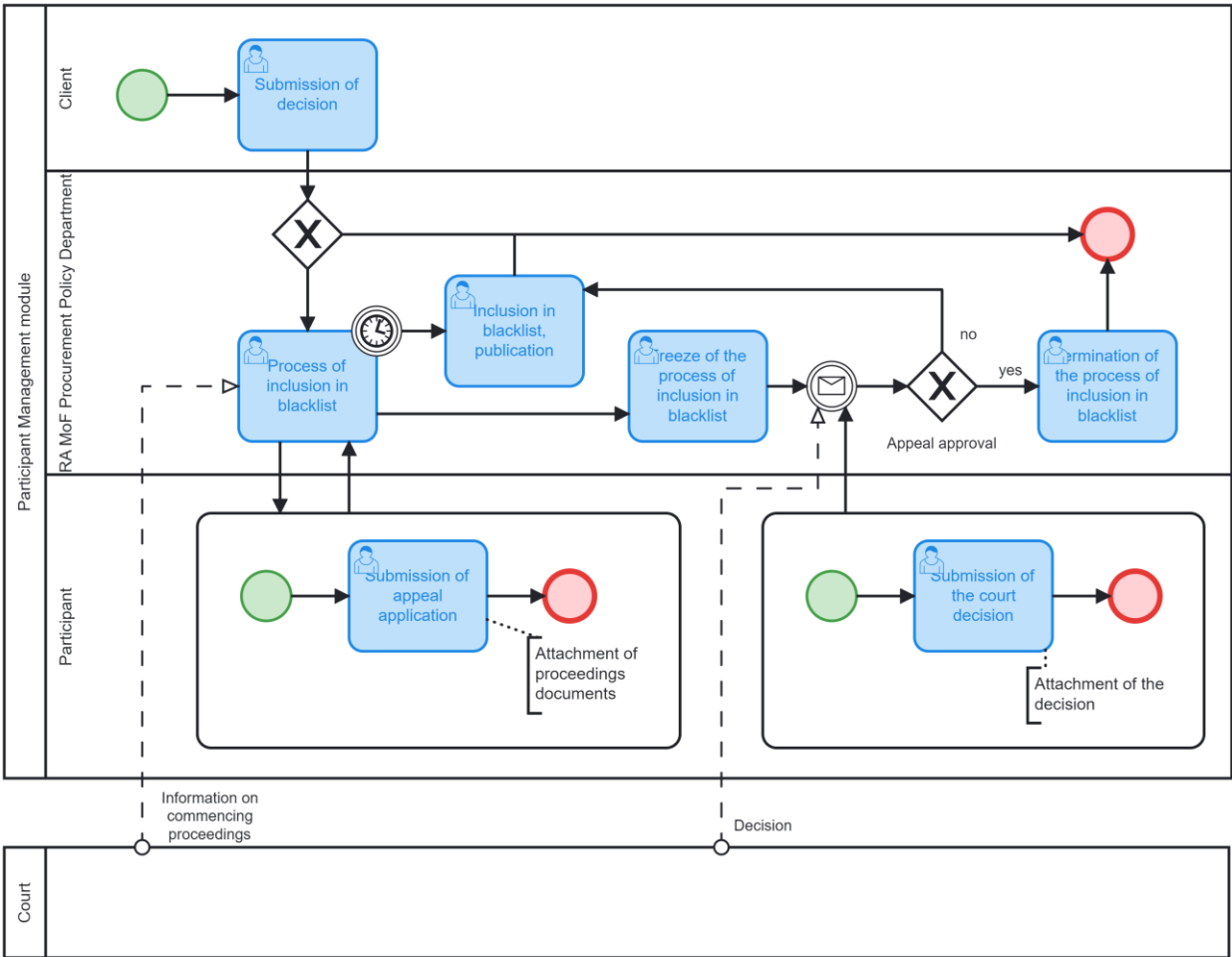


Purpose:	Implementation of the procurement procedure in the case of grant tenders
Description/Processes	<p>In the case of allocations of grants from the state budget, the appropriate article is filled in the Budgeting module (for example: Other capital grants), the form of allocation is indicated: "Direct allocation" or "Competition", code, etc.</p> <p>In the case of the "Competition" variant of the grant allocation, the processes are carried out through electronic systems, and in the case of the "Direct allocation" of the grant (without a tender), they are carried out by the "One person" variant ¹⁵.</p> <p>If the grant is awarded, the procedure provides an opportunity</p> <ul style="list-style-type: none"> • simultaneous opening of the documents submitted with the applications provided for by the invitation • selection of more than one winner <p>In the case of the selection of the winner/winners, the awarding and signing process of the winning participant is carried out within the specified period, after which the winning participant submits a report within the framework of the signed contract.</p> <p>The organization is included in the list of organizations that do not have the right to participate in the competition organized for the purpose of receiving a grant from the state budget (hereinafter, the list), if: 1) as a winner, it refuses or is deprived of the right to sign a contract; 2) violated an obligation assumed by the signed contract, which led to the unilateral termination of the contract by the state body.</p>
A link to an existing process	C16-Implementation of the procurement procedure in case of tenders for grant allocation

¹⁵ The process is described in detail in the "Purchase Procedures from One Person" section.

Territory:	Procurement module, grant allocation, contract management sub-module, HRA module
Actors:	Client, participant, evaluation committee, secretary
Input data	C1, AT1, MK1, PC2
Output data	C6, C7, C5

3.8 Inclusion and management in the list of participants who do not have the right to participate in the procurement process

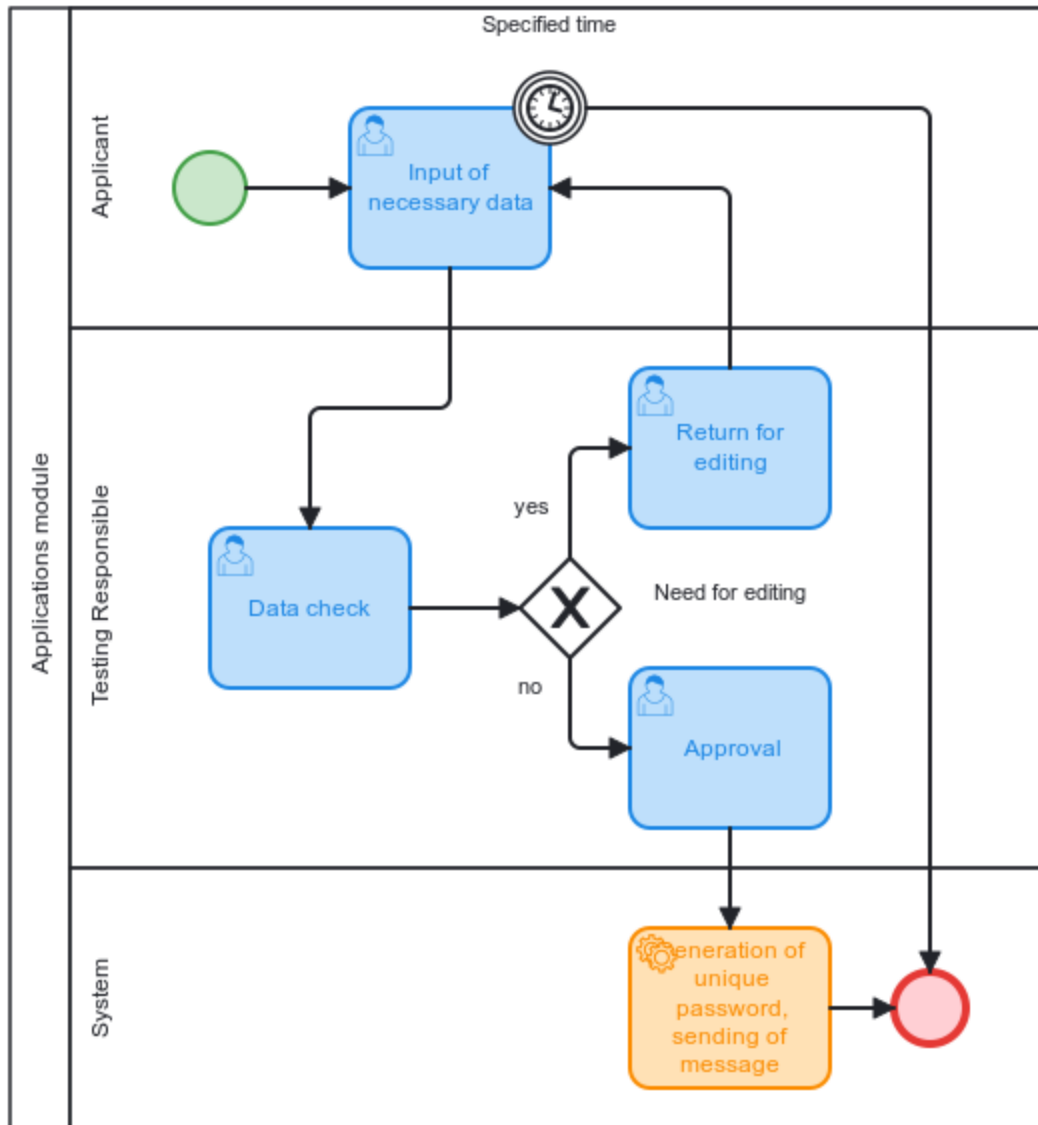


Purpose:	Receiving, listing and maintaining data on participants who are not entitled to participate in the procurement process, publishing data
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Description/Processes	<p>After receiving from the customer the reasoned decision of the head of the customer to include the participant in the list of "participants who do not have the right to participate in the procurement process", the employee of the Department of Procurement Policy of the Ministry of Finance of the Republic of Armenia (hereinafter referred to as the employee of the Authorized Body) enters the data of the participant within the period specified by the Law of the Republic of Armenia "On Procurement" ¹⁶. name, ABXΦ/ΦCX, activity address, legal grounds for not meeting the conditions for participation in the procurement process, date of inclusion in the list /start, end/.</p> <p>From the day after filling in the participant's data in the System, the participant's activity in the System is partially limited, in particular, the participant does not have the right to participate in any new purchase procedure within the period defined by the Law.</p> <p>The Participant has the opportunity to continue the tender procedures applied in the System before being included in the List, as well as to manage his current contracts. After completing and confirming the data, the employee of the Authorized Body publishes the data on the information portal.</p>
A link to an existing process	<p>C24-Inclusion and management in the list of participants who do not have the right to participate in the procurement process</p> <p>C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter</p>
Territory:	Purchasing module, Participant management module
Actors:	Client, employee of the Department of Procurement Policy of the Ministry of Finance of the Republic of Armenia
Input data	MK1:
Output data	C6, MK2

3 . 9 Submission of an application to participate in the qualification awarding examination

¹⁶ If the decision of the head of the client is not appealed in court.



Purpose:	Submission of an application to participate in the procurement coordinators qualification awarding examination, approval/rejection of participation in the examination
Description/Processes	In order to participate in the procurement coordinators qualification awarding examination, the applicants, having made sure of the free days of the examination, submit the necessary-mandatory information to the procurement policy department of the Ministry of Finance of the RA via the system /hereafter: testing officer/. The person in charge of the testing shall check the data and send the appropriate message in case of including the participant in the list of persons authorized to participate in the examination, rejecting or editing the application within the specified period . The message to participate in the exam also contains a unique password consisting of Latin characters and numbers automatically

	<p>generated by the system. The applicant, upon receiving the invitation to participate in the examination, confirms or rejects his participation within the specified period.</p> <p>After completing the applications submitted by the applicants, the testing officer publishes the information about the examination through the System on the necessary public pages (for example, the information portal and the official website of the Ministry of Finance of the Republic of Armenia).</p>
A link to an existing process	<p>C25-Procedure to participate in the examination for awarding the qualification of purchasing coordinators</p> <p>C27- Organization of the procurement coordinator qualification examination</p> <p>C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter</p>
Territory:	Procurement Specialist Management Module, Applications sub-module
Actors:	Applicant, Testing Officer
Input data	-
Output data	GM1:

3.9.1 Testing

The following processes are necessary to conduct the procurement coordinator qualification examination :

- creating a test questionnaire
- test activation
- conducting the test, summary

3.9.1.1 Creating a test questionnaire

Purpose:	Development of a test questionnaire for the procurement coordinators qualification award examination
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Description/Process	<p>In order to conduct the testing, the person in charge of the testing creates a questionnaire in the System within the specified period or edits the existing questionnaire in the System. The questionnaire has a name, it can also have a description, the maximum number of questions included in it (by groups), etc. Each question has clearly defined or possible points.</p> <p>A detailed description of the process is presented in Chapter 5, 5 . in section 1.</p>
A link to an existing process	C27- Organization of the procurement coordinator qualification examination
Territory:	Testing module
Actors:	Testing officer, applicant
Input data	-
Output data	-

3 . 9 . 1 . 2 Activation of the test

Purpose:	Activation of the Procurement Coordinator Qualification Award Exam Test in the System
Description/Processes	<p>For the organization of the examination for the qualification of the procurement coordinator, the person in charge of the testing shall enter the date of the next examination in the system, which is reflected in the relevant (calendar) field of the information portal.</p> <p>A detailed description of the process is presented in Chapter 5, 5 . in the 2nd section.</p>
A link to an existing process	C27-Organization of the procurement coordinator qualification examination
Territory:	Testing module
Actors:	Testing Officer

Input data	-
Output data	-

3.9.1.3 Conducting the test

Purpose:	Conducting the procurement coordinator qualification examination test, summarizing the results, publishing
Description/Processes	The process of conducting the procurement coordinator qualification examination test is presented in detail in Chapter 5, 5 . in 3 sections.
A link to an existing process	Conducting the examination and awarding the qualification of procurement coordinators defined by the C26-RA law C27-Organization of the procurement coordinator qualification examination C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter
Territory:	Testing module, information portal
Actors:	Testing officer, applicant
Input data	GM1:
Output data	T1:

3.10 Training

The training module will allow the Department of Procurement Policy of the Ministry of Finance of the RA /Authorized Body/ to organize training courses for specialists with the qualification of Procurement Coordinator (both existing and online), to include in the courses persons with appropriate qualifications, to maintain attendance records, etc.

following processes will be necessary to carry out continuous professional training for the qualification of procurement coordinators :

- course activation

- conducting a course

3.10.1 Course activation

Purpose:	Activating the course for procurement coordinators to be trained
Description/Processes	The process of activation of the training course for procurement coordinators is presented in detail in Chapter 6, 6. in section 1.
A link to an existing process	C28-Continuous professional training of purchase coordinators C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter
Territory:	Training module, information portal
Actors:	Authorized body, procurement coordinator
Input data	GM2
Output data	V1:

3.10.2 Conducting the course, summarizing the results

Purpose:	Conducting a training course for procurement coordinators to be trained, summarizing results, termination of qualification of procurement coordinator
Description/Processes	A detailed description of the process of conducting the training course for procurement coordinators is presented in Chapter 6, 6. in the 2nd section.
A link to an existing process	C28-Continuous professional training of purchase coordinators C29- Termination of Qualification of Purchasing Coordinator C11-Publication of the information provided by the RA legislation on the procurement processes in the newsletter
Territory:	Training module, information portal

Actors:	Authorized body, procurement coordinator
Input data	GM2
Output data	V1: