INTEGRATION OF TOOLS OF THE INSTITUTE OF EVALUATION IN THE PROCEDURES OF SUBSTANTIATION OF THE INITIAL (MAXIMUM) CONTRACT PRICE IN PROCUREMENT ACTIVITIES

ABSTRACT

Analysis of the legal and economic provision of the public procurement system and the features of control and monitoring procedures in the current model of public procurements in Russian federation is an important issue to ensure the competition. We have highlighted major innovations and weaknesses in the regulations and the results of the contract procedures in the planning, allocation, evaluation and control stages. We have formulated the conclusions and recommendations on improving the effectiveness of the public procurement control system in Russia through the integration of advanced tools for valuation and inclusion in the process of control activities and the formation of expert opinions regarding the justification and confirmation of the cost characteristics of the contract in field of the state order and procurement of state corporations. Specificity of institutionalization of control processes in the mechanism of public procurement has been overviewed.

Theoretical and practical basis for improving the system of public procurement control in Russia have been examined. An approach is figured out, how to further regulate control procedures in the contract system in order to ensure a qualitative impact on procurement processes.

INTRODUCTION

A key element in the improvement and functioning of the public and private sectors of the economy is the procurement system. It is the subject of many discussions in the researchers', economic and political communities. Experts from different branches of knowledge study the existing procurement mechanism with a view to make proposals on how to improve its efficiency. The agenda of reforming of the described mechanism is also considered [Kudryavtseva T. Yu., 2013; Korytsev M. A. 2015]. The special social and economic importance of the state order on a national scale is explained by the fact that purchases of goods (works, services) are necessary to ensure state and municipal needs. Achieving the goals of strategic development and increasing the efficiency of spending budget funds require rational interaction of participants. The public procurement system serves a significant share of domestic demand.

THE PROCUREMENT MECHANISM

The procurement field has undergone a number of significant institutional changes as a result of the adoption of a number of federal laws [Federal Law 2013; 2011; 2012; Order of the Ministry of Energy 2014, Order of the Ministry of Economic Development, 2013]. Moreover, the mechanism of the procurement system has been created, which is constantly being changed in order to improve its efficiency and promote the development of the state economy, the institution of public procurement. Efforts are being made to establish mutually beneficial relations between various economic agents.

Particular attention is paid to the state procurement of goods, works, services to satisfy national needs and the needs of state corporations. Improving the effectiveness of the materialization of budgetary funds is a cornerstone issue in the country’s socio-economic development strategy [Decre, 2008]. Starting from 2016, the total volume of the state order market, including purchases of state corporations, reached 30 trillion rubles, or 25% of GDP [Artemyev I., 2016], which indicates an absolute importance of further improvements in the procurement system, especially for effective control, monitoring and justification of contract costs.

The mechanism of state orders includes such basic elements as legislative base, planning, allocation, monitoring, execution, control [Pratura O. S., 2016]. Thus, the procurement process itself turns into a regulated multi-stage cycle. Systematization of processes, computerization of procedures, and control and monitoring functions [Federal Law, 2013, art. 6] are assigned to the Federal Antimonopoly Service, the Accounts Chamber, the Federal Treasury and their regional offices. Nevertheless, in the procurement activities, there are still corruption problems, including non-marked spending in public procurements, intentional theft of funds and illicit payoffs [Serkov D., Kozlov V., 2017]. Relevant are not only the issues of the control over formal procedures for contracting, but also the multi-cycle of public procurement, from the planning stage to expert analysis. The main goal of this approach is to reduce the risks of illegal and improper use of budget funds. The sphere of state procurement is carried out at different levels: it can be departmental, public, as well as in the form of planned and unscheduled inspections of control bodies, and internal control by the customer [Artemyev I., 2016].

Each element of the state procurement mechanism has its own specifics and requires the preparation of justifications, protocols (documentation and information support requirements are presented in [Federal Law, 2011, Article 4, Federal Law, 2013, Article 4, Federal Law 2012, Article 15]) and the application of monitoring and audit procedures at each stage of the procurement process. An integrated approach to the functions of control, monitoring and delineation of powers should be considered as the most significant innovation. Of course, control and monitoring measures to assess the quantitative and qualitative parameters of the implementation of formalized procedures for information support for planning, placement and execution of the contract enhance the efficiency of the procurement mechanism. This article examines the effectiveness of existing approaches to control and monitoring procedures, the informative nature of the results of these procedures and ways to improve their effectiveness.

KEY DIRECTIONS OF MODERNIZATION OF CONTROL PROCEDURES

Based on an analysis of the requirements of federal legislation [Federal Law, 2013 Art. 22; Regulation 2017; Order of the Ministry of Economic Development of 2013], it seems possible to draw a number of conclusions. First, in the legislative framework described above, the requirements for verifying the correctness of the choice of the method for determining and justifying the calculation of the initial maximum contract price (IMCP), that is, in fact the requirement is formalized. Obviously, control and monitoring activities are aimed only at identifying shortcomings in documentary turnover, which in turn opens up opportunities for corrupt conspiracies. Secondly, there is an obvious vulnerability of the legislation regarding the definition and justification of IMCP according to the described methodology (for example, in the case of deliberate overstatement). This approach is also possible to limit the number of participants by making unreasonable demands on the purchased goods, services (example: Decision, 2014).

Lastly, the lack of requirement for formulated inquiries and confirmations of market analysis data (the law explicitly states that such information can be a “screenshot”) is fraught with the use of paid-for analytical reviews. Separately outlined are the procedures of rationing and the creation of documentation on rationing [Smetritskaya I. L., Shuvakov S. S., 2017; Poroshin S. A., 2016]. Under the regulation in the procurement sphere, it is understood that the requirements for the goods, work, services purchased by the customer (including the marginal price of goods, works, services) and (or) standard costs for ensuring the functions of state bodies, subordinated institu- tions, municipal needs, budget institutions and territorial bod- ies. The Government of the Russian Federation determines the rules of rationing in the sphere of procurement to ensure state and municipal needs, including:

• general requirements to the procedure for development and adoption of legal acts on rationing in the sphere of procurement content of those acts and ensuring their implementation;
• general rules for determining the requirements for certain types of goods, works, services (including the marginal price of goods, services) to be purchased by the customer and the standard costs for ensuring the functions of state bodies, government extra-budgetary funds, etc.
**PROPOSALS TO IMPROVE EFFICIENCY OF CONTROL PROCEDURES IN CONDUCTING THE STATE PROCUREMENT**

Attention should also be paid to the published reports on the results of inspections and monitoring of compliance with the requirements of legislation in the field of public procure-
ing. They are published by bodies of the Ministry of Finance of the Russian Federation [Monitoring Procure-
ment, [without year]] and the Uniform Information System in the Procurement Area (Official Website, [without year]).

The main tasks of the audits and monitoring are mainly the quanti-
tative analysis of the functioning of the system of procurement of goods, works, services by certain types of legal entities and evaluation of the achievement of the objectives [Federal Law 2011; 2013]. This information is of a reference nature and not only does not contribute to solving existing problems in the public procurement system, but also solving the problem of increasing the efficiency of the system as a whole. On the basis of these documents, it is impossible to assess the effectiveness of the system, and it is only possible to analyze the impact of the changes introduced over the volume of the public procure-
ment market [Istomina E. A., 2014; Sedova M. V., 2014].

In the public procurement system for a long time there is the problem of cartel price-fixing. In the view of the con-
spicuity of the customer and the executor, as well as deriva-
tives from them, on the other hand. Its solution is the main criterion of the effectiveness of the procurement system as a whole, achievement of competitive prices with sufficient qual-
ity of products, timely provision of state and municipal needs.

In case of a cartel, several firms in the auction reduce to mini-
mum, achievement of competitive prices with sufficient qual-
ity and volume of the processes, and it is only possible to analyze the impact of the changes introduced over the volume of the public procure-
ment market [Istomina E. A., 2014; Sedova M. V., 2014].

The upcoming changes in the procurement process of in-
dividual legal entities [Project, 2015], changes according to which will come into force from July 1, 2018, will ensure conver-
gence of federal laws [Federal Law 2011; 2013], in terms of non-
competitive and competitive procurement methods, with mandatory electronic procurement from small and medi-
um-sized businesses (Law, 2018). A regulation is introduced, implying the submission of an exclusively by the partic-
ants in the procurement who have submitted an application.

This regulation can be associated with a significant corruption risk, when the filing of applications is hampered by the cartel representatives or directly by the customers who have con-
spired with the protect of the customers. The new draft envisages the introduction in the process of consideration of complaints, only the argu-
ments contained in a certain complaint are taken into account. As a result, dishonest procurement participants will have the opportunity to influence the qualification of goods, prices and terms of sale or whose turnover is limited, and which have restrictions.

The conclusions are prepared by the experts who are aware of the facts in the public procurement. Considering exam-

ple of conspiracy between the customer and the executor, the analysis, the Federal Antimonopoly Service can issue warnings and conduct inspections.

When discussing changes into the federal law Federal Law dated 2013, the trade protocol to identify suppliers is declared. As long as for the present, there is no proper analysis and preventive regulatory measures in relation to software products. Considering the peculiarities of the procurement competition, this measure seems premature.


The results of the study may represent a certain interval of cost,

The following conclusions are made:

- the requirement for the expression of opinions, experience or employment history in the field of procurement, experience in use of valuation tools, including the mass ones; there may be requirements for the position, for example, work in scientific sphere, having an ac-
cademic degree, which will avoid affiliation of interests and corruption conspiracies of the participants in procurement.

- The new draft envisages limitations: in the field of public procurement. An analysis of the arbitration practice for considering such cases (examples: the decision of the Arbitration Court of the Republic of Tatarstan dated April 11, 2017 in case No. A60-2601/2017, in which the third per-
son acts as a specialist ‒ MBU “Institut Kazgrazhdanproekt”, Decision of the Arbitration Court of Moscow dated May 28, 2018, in case No. А40-5077/18, 64-38, Resolution 17 of the Arbitration Court of Appeal dated February 15, 2018, in case No. А60-40960/2017, Resolution of the Arbitration Court of the Moscow District dated January 9, 2018 in case No. А40-
83040/2016, Decision of the Arbitration Court of the City of St. Petersburg and Leningrad Region dated 02 June 2016 in case No. А56-6623/2016) allows us to deduce that expert opinions are often used, experts are attracted to participate in the trials. In the expert opinion, the answers may be given to the questions about the validity of government procurement, IMCP, the amount of contract, the quantitative and qualitative characteristics of goods, works or services are determined.

- The upcoming changes in the procurement process of in-
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