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FOREIGN EXPERIENCE IN REGULATING THE PUBLIC PROCUREMENT SYSTEM

The relevance of this research topic lies in the fact that public procurement requires in-depth consideration and comprehensive analysis, including the scientific and methodological level of analysis. The use of special legal documents in public procurement and the specific procedure for the execution of these documents is not a factor in the full understanding of this direction, including the economic assessment of the entire process. An economic and statistical approach using system analysis is required, which was used by the authors of the scientific article as the proposed research methodology.

One of the main parts of the progressive process of commodity exchange in the economies of the analyzed countries is the mechanism for building public procurement. Currently, the problem of material and technical support of public needs in developed countries is solved as a result of logistics processes in the system of public procurement through the acquisition and supply of goods, works, and services, tangible and intangible resources.

The article submits a review of foreign experience in building a public procurement system with special features characteristic of this region of the world, presented as an object of research. Country aspects in the object under study and allowed the authors to formulate the relevant main results and conclusions concerning various parties in the public procurement system, which determined the further strategy to improve the procurement system of the government and international integration union.

Key words: public procurement (PP), regulation of the public procurement system, government orders, entrepreneurship, international regional institutions, regulation of the public procurement system, procurement, USA, European Union (EU), Poland, Germany, World Bank.

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Мемлекеттік сатып алу жүйесін реттеудің шетелдік тәжірибесі

Ғылыми зерттеу жұмысы тақырыбының өзектілігі мемлекеттік сатып алуды ғылыми-әдістемелік деңгейімен бірге терең зерттеуді және жан-жақты талдауды қажет етеді. Мемлекеттік сатып алулардағы арнайы құқықтық құжаттардың қолданылуы және осы құжаттардың нақты орындалу тәртібі бүкіл процесті экономикалық бағалауды қамтитын аталған бағытты толық түсінудің факторы болып табылмайды. Ұсынылып отырған зерттеу әдіснамасы ретінде ғылыми мақала авторлары пайдаланған жүйелі талдауда қолданылатын экономика-статистикалық тәсілдің қажеттілігі айқындалды.

Талданатын елдердің экономикаларындағы тауар алмасудың үдемелі процесінің негізгі бөліктерінің бірі мемлекеттік сатып алу жүйесі болып табылады. Қазіргі уақытта дамыған елдердегі мемлекеттік қажеттіліктерді материалдық-техникалық қамтамасыз ету проблемасы тауарларды, жұмыстар мен көрсетілетін қызметтерді, материалдық және материалдық емес ресурстарды сатып алу және жеткізу жолымен мемлекеттік сатып алу жүйесіндегі логистикалық процестер нәтижесінде шешіледі.

Мақалада зерттеу объектісі ретінде әлемнің дамыған мемлекеттеріне тән ерекше белгілері бар мемлекеттік сатып алу жүйесін құрудың шетелдік тәжірибелеріне талдау жүргізілген. Зерттелетін объектідегі елдік аспектілер және авторларға мемлекеттік тапсырыс жүйесіндегі әр түрлі тараптарға қатысты тиісті негізгі нәтижелер мен қорытындыларды тұжырымдауға мүмкіндік берді, бұл өз кезегінде мемлекет пен халықаралық интеграциялық одақтың сатып алу қызметі жүйесін одан әрі дамыту стратегиясын айқындады.

Түйін сөздер: мемлекеттік сатып алу (МС), мемлекеттік сатып алу жүйесі, мемлекеттік тапсырыс, кәсіпкерлік, халықаралық аймақтық институттар, мемлекеттік сатып алу жүйесін реттеу, сатып алу, АҚШ, Еуропалық Одақ (ЕО), Польша, Германия, Дүниежүзілік банк.

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Зарубежный опыт регулирования системы государственных закупок

Актуальность данной темы исследовательской работы заключается в том, что государственные закупки требуют глубокого рассмотрения и всестороннего анализа, включая научно-методологический уровень анализа. Применение специальных правовых документов в государственных закупках и конкретный порядок исполнения этих документов не являются фактором полного понимания данного направления, включающего экономическую оценку всего процесса. Необходим экономико-статистический подход с использованием системного анализа, что и было использовано авторами научной статьи в качестве предлагаемой методологии исследования.

Одной из главных частей поступательного процесса товарообмена в экономиках анализируемых стран является система государственных закупок. В настоящее время проблема материально-технического обеспечения государственных нужд в развитых странах решается посредством логистических процессов в системе государственных закупок путем приобретения и поставки товаров, работ и услуг, материальных и нематериальных ресурсов.

В статье представлен анализ зарубежного опыта построения системы государственных закупок с особенными чертами, характерными регионам мира и международным интеграционным союзам, представленными как объект исследования. Региональные аспекты в изучаемом объекте и позволили авторам сформулировать соответствующие основные результаты и выводы, касательно различных сторон в системе госзаказа, что определили дальнейшую стратегию развития системы закупочной деятельности государства и международных интеграционных объединений.

Ключевые слова: государственные закупки (ГЗ), регулирование системы государственных закупок, государственный заказ, предпринимательство, международные региональные институты, регулирование системы государственных закупок, закупочная деятельность, США, Европейский союз (ЕС), Польша, Германия, Всемирный банк.

Introduction

The article comprehensively examines the problems of formation and development of public procurement on the main experience of foreign countries and international regional institutions, examines the specific aspects of the formation and placement of public procurement, characteristic of this region of the world.

So, taking into account the example of the PP mechanism of the United States of America (USA), it is noted that this country has the greatest experience in regulating public procurement for the following reasons: of all the developed countries in modern globalization, the US government is the customer of goods and services in order to meet its own needs; the main argument for this is the budget expenditures of a third of the state's government, etc.

The German public procurement system has the most interesting experience in the field of public procurement among European countries. Its peculiarity is that the basis of the EU legislation on public procurement is German legislation.

Sources of public procurement coverage in Germany, as in other developed countries, produce

various types of funds. These include funds received from the income of special funds of state budgets and extra-budgetary funds, state or regional budgets, from the own activities of state structures, as well as tax and other types of income.

As for this system in Poland, this region of the world is a symbiosis of multilateral cooperation between representatives of various spheres of public and public life. Joint efforts in the Polish public procurement system are aimed at solving common socio-economic problems, and thus are open to all participants in the public procurement system. This situation determines the presence of a partnership that does not have opposing interests and strategies.

As this system in EU states is strictly defined and is aimed at further improving the regulatory framework. This system will solve current issues: delete from the action of the common law, the traditional natural monopoly in PP in certain sectors of the economy; to implement procurement practices more effective treatments; to establish a framework agreement; to introduce new forms of organization of accounting of e-procurement.

The above-mentioned and analyzed by the authors of the article key aspects of the PP system are

consistent with international practices, as well as international integration union, are accompanied by conclusions that take into account the strategy of their further development.

Literature review

At the present stage of the development of world science, there are a number of studies related to the regulation of this system. Among such studies, one can distinguish foreign and domestic scientific works in the form of published scientific articles, monographs, textbooks, state programs and legal reports.

Such foreign scientists devoted their research to problematic issues of public procurement, as Aoyagi M., Zielińska A., Prudzienica M., Lysons K., Gillingham M., Lanzillotti R.F., McAfee R., McMillan J., Porter R.H., Zona J.D., Panshin B.N., Pokrovskaya V.V., Uskova E.A., Andreeva A., Khramkin A., Antonov V.I., Kiselev O.V. [Aoyagi M., 2000; Zielińska A., Prudzienica M., Mukhtar E., Mukhtarova K., 2016; Lysons K., Gillingham M., 2005; Lanzillotti R.F., 2000; McAfee R., McMillan J., 1992; Porter R.H., Zona J.D., 1999; Khramkin A., 2020; Panshin B. N., 2016; Andreeva A., 2006; Antonov V.I., Kiseleva O.V., 2013; Pokrovskaya V.V., Uskova E.A., 2008] and others.

Among the kazakh authors, the most significant are scientific articles and fundamental research by Mukash S., Mukhtar E.S., Baymukhametova D. Zh., Ospanova D.A., Smagulova A.B., Amirova M.A. [Mukash S., 2013; Mukhtar E.S., 2017; Baymukhametova D.Zh., 2009; Ospanova D.A., 2016; Smagulova A.B., Amirova M.A., 2016] and others, whose works are associated with problematic issues of state orders in the international, country aspect and specific sectors of the economy.

Materials and methods

The scientific article is based on the scientific theories of domestic and foreign authors on public procurement issues, conclusions were drawn on the current situation in the public procurement system on the example of some governments of the world.

The methodology of the study is based on the use of a systematic approach and system analysis, scientific and theoretical, informational material of an economic and legal nature, including the works of foreign and kazakh scientists-experts, key provisions from economic and legal documents.

In the presented research the authors used the policy documents of national importance, the materials of official statistics, monographic works and

reports of international experts, findings of methodological studies [Public procurement system: towards a new quality, 2016; The Great silk road 2015; The public procurement system as a living organism, 2016; quarterly report of Eurasian Bank of development and reconstruction, 2017; the UNCITRAL Model Law on international commercial arbitration, 2016; the agreement on the Eurasian Economic Union, 2017; Budget of the USA Government report, 2016; USA Federal Contract System 2016; Act on procurement of federal property and services, 2016; Federal Acquisition Regulation, 2016; Polish Economy, 2016], etc.

As an information base in the article, the materials of the web portal of public procurement of foreign countries, industry-specific foreign scientific and methodological materials, information, search engines posted on the global Internet were used.

During the research, such methods as tools of marketing research, logical, economic-statistical, comparative, system analysis were used [Vukolov E.A., 2008; Web gantry of public procurement of the Republic of Kazakhstan, 2017; Debreu G., 2008] and etc.

Discussion and results

This research paper presents foreign experience in regulating the public procurement system on the example of EU countries, Poland, Germany, USA, and other regions of the world. In that way, in the United States, the Federal Contract System (FCS), which includes more than 160 thousand commercial organizations, there is a system in place to meet government needs delivery of goods, works, and services for state needs. Practically 12.5% of the total working-age population of the United States (about 17 million people) are employed in the field of public procurement.

The initial law United States to regulate the FCS was adopted in 1792, reportedly which the main powers and work in the field of public procurement in order to meet public needs vested ministries like the Ministry of Defense and the Ministry of Economy. The crisis of the Great Depression, which occurred in the 1930s, revived the named system, as thanks to this, the main point of development of FCS. During these years, the government of Franklin Delano Roosevelt was looking to get out of the crisis of the 30s of the 20th century, which shook the provisions of the order capitalist system. The mechanism of indirect state regulation of the economy was built into the free market economy, and the state sector of the economy was created. The State assumed

the function of producing public goods, taking care of pensions, sickness benefits, and unemployment. The ideas of the English economist John Keynes made creative use of the experience of state regulation accumulated by Western countries during the First World War, and the experience of Soviet Russia in building an economy based on command socialism was implemented by President Roosevelt in the course of the new treaty policy. Subsequently, this model was implemented in Europe [US Federal Contract System, 2016].

Thus, with the adoption of the 1949 Law on Federal procurement of goods and for the provision of services legislative framework FCS began to form in the mid-twentieth century [the Law on Federal procurement of goods and services, 2016]. In 1994, the US Federal Customs Service legislation underwent a major revision, since it did not sufficiently reflect the rapidly increasing importance of purchasing products for state needs at that time. The appearance of the Law on the Improvement of Federal Procurement, which was the result of its verification, was transformed into the modernization of the entire FCS, which mainly focused on information policy, another point is the formation and use of the information base above-mentioned system. Organizational issues related to public procurement procedures were also analyzed (by 1994, there were 889 general regulations). Now the federal bodies authorized to deal with public procurement have been given greater independence in the choice of methods and forms of supply for public needs.

The legislation has significantly simplified the procedure for concluding contracts for small purchases, but at the same time supporting e-commerce. By the way, the term «e-commerce» refers to electronic technologies for business support, including e-mail, electronic bulletin boards, payment cards, the Internet, money transfers, remote data exchange, and the like [US Federal Contract System, 2016].

The most interesting is the real practical application of the state order planning procedure of the United States. Documents on government orders are prepared by every government customer in the United States. Preliminary procurement forecast and preparation of an individual public procurement plan basically, these two stages make up the US FCS planning system (see figure 1).

The placement of government orders assumes a forecast of purchases and currently determines the schedule of the channel. This schedule includes the schedules of some federal executive authorities, as well as government customers for some regions. The

creation and disclosure of integrated information is the key task of the forecast of public procurement in the authorities on the planned volumes of public procurement.

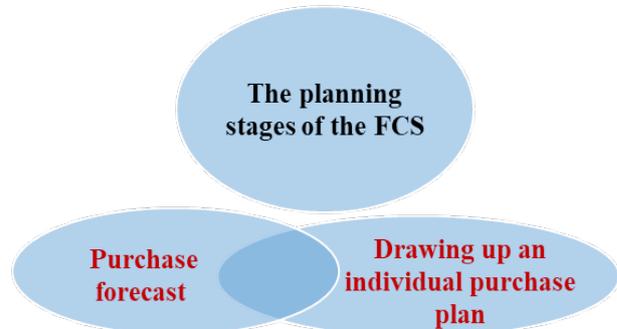


Figure 1 – FCS Planning Systems of US*

* Note: compiled by the authors

The schedule or plan of state orders by state customers at the level of some regions, the procurement forecast currently contains information about some federal executive authorities. Each method of planning future purchases individually American practice is modeling the item in each period from the moment of emergence of needs for goods, works (services) prior to the preparation of the contract, the supply of these goods (works, services) until the moment of acceptance [Antonov V.I., Kiseleva O. V., 2013].

Thus, the USA has the greatest experience in regulating the public procurement system. Thus, the largest consumer of special goods and services to meet the needs of this state is the US government among the developed countries. The Federal Budget for Public Procurement is a body that accounts for a third of its total expenditures; the Government of the country is by far the world's largest buyer. The annual volume of supply contracts for fiscal 2016 exceeded 500 billion USD and accounted for more than 16.5 % of total government spending.

The expenditure portion of government contracts is shown in the following figure [US Government Budget Report, 2016] (see figure 2).

All the listed documents must comply with the unified rules for federal special needs. FAR (Defense Federal Acquisition Regulations Supplement – DFARS) is regulated and regulated by the terms of procurement for state defense needs through a special application. Norms and rules, requirements close to 4300 thousand, regulate in detail the single cycle of planning, placement, and execution of the state order by these rules [Federal Acquisition Regulation, 2016].

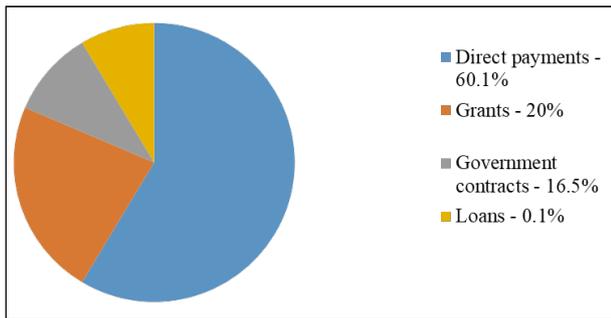


Figure 2 – The points cost of the US Federal Government 2016*
 *Note: compiled by the authors
 [USA Government Budget Report, 2016]

General principles that form laws general principles and requirements that form laws federal law does not regulate the procurement of states, counties, and municipalities, but only establishes local procurement laws. However, the process of unifying local procurement laws has not been successful: only a few states have fully brought their legislation into line with federal laws.

However, the US federal procurement information system provides information on 400-500 thousand contracts with a unit value of more than 25 thousand US dollars. Federal agencies annually conclude 17 million contracts with a small unit value and a total value of about 200 billion US dollars. In other words, the source of information about the PP is the central federal procurement information system (Federal Regulations on Procurement, 2006). Thus, each US federal agency requires the preparation and maintenance of a computer database that contains non-secret information about all contracts for 5 to five financial years. The total cost of information exceeds more than 25 thousand US dollars. All departments are included in the information structure of the central federal public procurement authority. As for the federal agencies, they use unified data formats and standard forms of documents in their main activities in order to provide contract information. In addition to the mandatory list of documents requires agencies to have electronic data that can identify subcontractors under contracts, which is generally measured at a total of 5 million US dollars or more [Antonov V.I., Kiseleva O.V., 2013].

It is used in the mechanism for providing public procurement in the United States in order to collect information about the planning of multi-level spreadsheets that are available to external observers. Conditions that allow tracking public procurement plans can be implemented prior to bidding in this in-

formation system. The following data is available in the informed system according to the system used in the US practice: the person responsible for each contract, the government authorities, each purchase in terms of the price range, the form of the contract, and its implementation. American practice models the stages of individual planning from the moment when the need for goods, works, or services arises to the introduction of each future purchase into the contract and the acceptance of the delivered products, works, and services [Mukhtar E.S., 2017].

At least three vendors are sending requests for purchase offer requests. The criteria for evaluating the received proposals, the subject matter, and the procedure for their application in the evaluation are determined by the customer independently. The criteria and requirements established by the supplier of the goods are established based on the management and technical characteristics of the suppliers of the goods. Among the most effective are recommendations that solve a particular problem. Among them, we also find the following: include the prices the costs of operation, repair, and maintenance services make up the composition. Acceptable cases include a list of events in which, in the event of a request for proposals, there are opportunities and conditions for negotiating or reviewing and reviewing the customer's proposals.

These negotiations are distinguished by the fact that they are conducted confidentially. However, the parties may, at their discretion, participate in all candidates who have submitted their proposals, as well as in rejected proposals. After everything is completed, the parties will decide on the provision of services to suppliers with options for the final product on a certain date specified in the contract. In the process of selecting products, the best quality is selected from them (see figure 3).

In the USA public procurement system, as in the European Union, there are *open and closed one-and two-stage tenders*, requests for quotations, and purchases from a single source, which are well known to us from the domestic practice of public procurement [Mukhtar E.S., 2017].

So, when placing a US government order to comply with FAR, such processes as open bidding, two-stage bidding, negotiation, and simplified procurement methods are also applied.

Simplified acquisition methods this type of contract is not found in other countries, the amount in the contract is small (should not exceed 100 thousand US dollars), also the annual cost is 5 million US dollars. At the same time, a ban on the artificial splitting of the purchase volume is imposed.

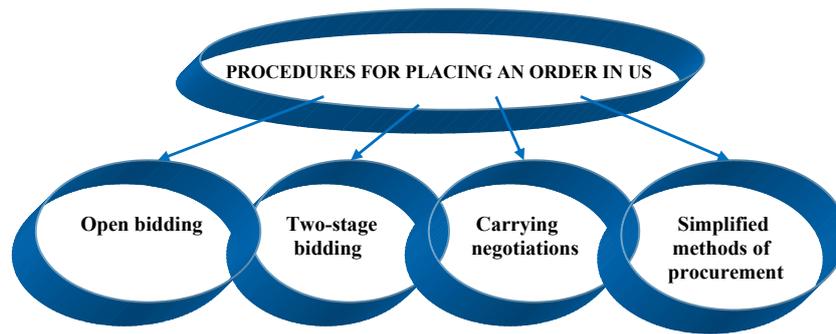


Figure 3 – Current order placement procedures in the USA*

* Note: compiled by the authors according to the information 2019-2020.

Simplified methods include:

- a) request for price quotes (Price Quotations);
- b) use of corporate purchasing plastic cards for particularly small purchases – up to 2500 US dollars (Governmental wide Commercial Purchasing Card);
- c) placing purchase orders (Purchase Orders);
- d) the use of framework treaties (Blanket Purchase Agreement) in order to regular purchases of a wide range of products (a typical example is a stationery and other consumables for office work, as well as the supply of spare parts for customers' car farms) and others [Khramkin A., 2020].

The formation and placement of US government orders are carried out two main guidelines: the name of a specific state body in order to meet the current needs (logistics) of activities and purchases in accordance with the profile of the work (primarily research and development work and organization of design work – research work and development work, accordingly, as well as capital investments).

Special government regulations are used to account for national defense and security procurement in the United States. This type of state order is placed on the basis of a special document – an addendum to the set of rules for public procurement for the necessities of domestic defense (Defense Federal Acquisition Regulation – Supplement, DFARS). Present guidance is applied by the US the Committee of Defense and other agencies when purchasing products exclusively for military purposes.

Issues of current support for the needs of US federal authorities are solved centrally, through a special organization – the General Services Administration (GSA). Regardless of the profile of the divisions, it is possible to purchase a wide range of goods, works, and services by so-called “single standard” customers. Side as the administration, state customers are offered a choice of more than 4 million types of products for the centralized purchase of general services.

In these circumstances, reducing the cost of GSA procurement procedures is one of the essential effective tasks. Thus, GSA expenditures on procurement in 2002 amounted to 2.07% of the total expenditures on procurement, between 2004 and 2005 decreased to 1.75% [Khramkin A., 2020].

Unification of procurement rules and procedures into a single system of standards is of great importance. Currently, European countries are gradually adjusting their legislation and legal acts based on the content of the EU directives. European countries with rich reasoning in the field of control over the placing orders for state needs are in the hands of Germany. At the same time, EU public procurement is obtained on the basis of German legislation in the field of public procurement. [Mukhtar E.S., 2017].

Germany is obliged to comply with the European legislation on public procurement as a member of the European Union. In the field of creating a competitive environment and the absence of any discrimination, German legislation on public procurement meets the requirements of the EU. From the legislation of the Federal Republic of Germany, it follows that the section of the law on the prevention of restrictions on competition (antitrust law) is borrowed from the European Constitution regulating public procurement. According to the authors, in order to fulfill all the necessary urgent needs of the state, it must consider as a principle of functioning of the market economy [Antonov V. I., Kiseleva O. V., 2013].

Respond the demands of the EU, the structure of monitor of public procurement techniques in Germany has its own particular characteristics, comprise of two levels:

- in the format of a separate independent structure-the court of appeal;
- in the form of a judicial body – a judicial instance.

As good news in Germany, the possibility of challenging the results of placing an order in court is considered. Decisions in the form of verdicts and procedures approved by the two instances are published they serve to further develop the openness of public procurement. The law establishes an accelerated procedure for reviewing complaints about the actions of the customer. In this case, the cancellation of the decision to adopt and maintain a state order under legislative acts does not entail a delay in spending budget funds and purchasing products in order to compensate for the needs of the government within its framework.

The contract is mainly concluded with participants who are cost-effective and efficient only as a result of trading. The decline in prices as a result of the auction explains the economic success of Germany in the purchase of the cheapest goods, works, and services. Buying quality products at an affordable price explains the economic benefit. However, in accordance with the principle of open competition, all suppliers are identified when submitting an application. [Antonov V.I., Kiseleva O.V., 2013].

The activities of a public special institution of experts and scientists called the “Public Procurement Forum” in Germany are one of the ways to ensure providing control over the distribution of public orders. One of the main functions of such a forum is the exchange of views and building a new course on the process of public procurement both at home and abroad.

Resolutions of the Forum and reviewer viewpoints are socialized to the state. The Forum by year rewards the Public Procurement Award for effective research work in the area of public procurement. At this stage, Germany is controlled by the order of PP regulated by the requirements of the EU, however, it has special features (see figure 4):

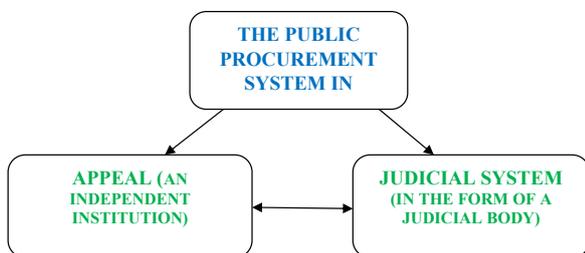


Figure 4 – German model of public procurement system*
*Note: compiled by the authors

The capability to refute the placement of a government order in a court of law in Germany turns out to be a productive innovative approach. The decision to cancel the placement of the state order is that

an accelerated procedure for considering complaints against the actions of the Customer specified in the specified legal act is established, which does not exclude delays in spending budget funds and purchasing goods government agency the needs of the government.

Results in the form of verdicts and procedures approved by the authorities are published in the social domain. These new requirements contribute to the further development of the purchasing system. As in most developed European countries, in Germany, the costs of public procurement are covered by the state or these include extra-budgetary funds, as well as other sources of income, regional budgets formed at the expense of income related to activities of state structures (see figure 5):

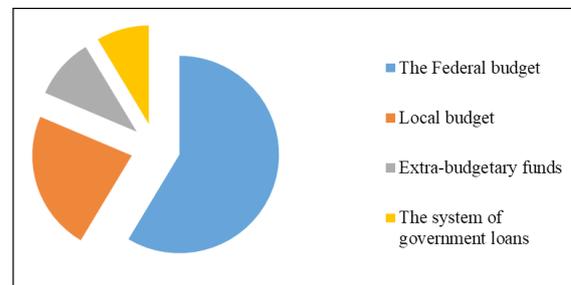


Figure 5 – Sources of PP formation in Germany*
* Note: compiled by the authors

Of particular importance is public procurement in the country played by the rule of free-market competition in the employment of citizens, provide an important impact on the regional strategic policy of the distribution of public procurement on the territorial aspects of specific states. This fact is to seek out an expression in the fact that national companies have the pre-emptive right to conclude state contracts [Mukhtar E.S., 2017].

As noted by a doctor of Economics, Professor Higher School of Economics (Moscow) Pokrovskaya V.V. and consultant of the Ministry of the economy of the Moscow region Uskova E.A., the above principle on the market of the state order of Germany, like other European countries is due to the existing discriminatory preferences, i.e. the way unequal access to mastering procurement from funding their public authority in respect of non-resident companies.

The customer’s preference for national enterprises is based on such factors as the German mental principle, the absence of a language barrier, and developed Germany, among the European developed countries. Also meets the European rules and requirements in the field of employee remuneration,

trade in goods, indexation of utility tariffs, the safety of use of products and goods, public health, and environmental protection. There are certain restrictions that are associated with the need to comply with national and state security, regulation and supervision of the national economy within the state can also become an obstacle to participation in PP that supply foreign goods. Among the discriminatory measures can also be attributed requests and conditions of state order arising from technical specifications and focused only on national standards, which in turn are an insurmountable barrier for foreign manufacturers [Pokrovskaya V.V., Uskova E.A., 2008].

Meanwhile, some interest is attracted by the logistics of public procurement in Poland, which is due to such factors as an interesting geographical location and huge potential.

Thus, a country like Poland is washed by the Baltic Sea in the north; borders with:

- Czech Republic in the south-west part – 790 (615) km,
- Slovakia in the south part -539 (420) km,
- Ukraine in the south-east part – 529 (428) km,
- Germany in the western part – 467 (456) km,
- Belarus in the east part – 416 (605) km,
- Russia (Kaliningrad region) in the north-east part – 206 (210) km,
- Lithuania in the north-east part – 103 (91) km,

The country borders the regions of Denmark and Sweden through an economic zone in the Baltic Sea. The overall distance of the verges is 3582 km, incorporate 3054 (2888) km of land and 528 (491) km of sea borders [Economy of Poland, 2016].

That is, Poland, being in the center of Europe, acts as a transport corridor between Belarus and Germany and is used by many transport companies for the active transportation of various goods from the EU to the countries of the Eurasian Economic Union.

The public procurement mechanism in Poland is characterized by multilateral cooperation between representatives of various spheres of public and public life. In 2002, an Information Center of the Civil Service was established in Poland, the task of which is to expand the admittance of conventional residents and government servants themselves to reference the kinds of community services, regions of activeness of independent government bodies and departments, and others. [Osipanova D.A., 2016].

These partnerships can be initiated both for business entities operating on a non-profit basis in non-governmental organizations, and in public institutions that operate at the local, regional, national, or even international level.

The very idea of partnership convinces and activates as many diverse objects as possible, which increases the chance of developing strong ties and realizing many social goals, in particular, in the fulfillment of which the rule of partnership is of paramount importance. Due to this, the public procurement mechanism is characterized by joint efforts (actions), government people in the economic sector are equal parties. They combine their efforts to solve common socio-economic problems, thereby being open to all participants in the public procurement system and thus, this partnership does not have opposing interests and development strategies [Zielińska A., Prudzienica M., Mukhtar E., Mukhtarova K., 2016].

If we regard a number of rules and methods of conducting public procurement for World Bank projects, then the experience of purchasing goods and services according to various criteria is very important. The main justification for determining the winner when purchasing goods and works for the project within the framework of the World Bank is the price criterion that meets all technical requirements. The fundamental fact criterion for the purchase of services is quality, not price, which is the main difference from the purchase of goods and works.

The significance of the share of government purchases and a large number of member countries defined by different levels of development and capacity of the public sector demanded a specific legislative attitude to the regulation of state procurement in the European Union. State orders are regulated by law at three levels-as laws on state orders, depending on the conditions, the volume of public procurement, and other requirements for their placement within the framework of international legislation of the European Union and within the framework of national legislation [Mukhtar E. S., 2017].

An agreement on public procurement was concluded within the scope of the World Trade Organization (WTO) was concluded in connection with the international procurement settlement of the European Union. For a number of state needs that provide for uniform conditions, legal acts are provided at the level of regulation to the extent of the European Union. In this case, the transition period is taken as 2004-2006. During this year, it identified 2 types of documents: “old” and “new” directives with an improved form.

The priority direction of fundamental changes in regulation 100 of the public procurement process of the member states of the European Union is the further improvement of the regulatory framework:

- the need to exclude from the scope of use of the general legislation the course of public procurement of traditionally existing natural monopolies in certain sectors of the economy (including in the field of energy, water supply, transport and postal services);

- in the framework of national procurement, signing of the most effective framework agreements and procedures that include competitive negotiations;

- registration of innovative business models, including concessions and certain forms of partnership between the private and public sectors, in the effective organization of business);

- introduction of the electronic format in the procurement system [Khramkin A., 2020].

Along with the tool for implementing social policy, the EU provides for the satisfaction of the current activities of public procurement authorities. For example, the official report entitled "Legislation of the European Congregation in the field of public procurement and the use of public procurement for community policy states that it is necessary to take into account social aspects when signing contracts for the supply of goods for national needs. It should be noted here that legal practice and the designation of the scope coverage implementation from the point of view of the implementation of social programs are possible.

Within the framework of public procurement, there are basic approaches to the issue of conducting social activities, which are as follows:

- the establishment of conditions, including technical ones, when meeting the requirements related to labor standards;

- effective approach to choosing a supplier;

- the application of sanctions for the dismissal of those service providers who do not adhere to the proper requirements of the legislation in the social direction;

- preparation and implementation of auxiliary social characteristics when selecting suppliers.

This document examines the application of environmental policy in the allocation of national orders, namely:

- development and formulation of various required technological procedures and technical features;

- analysis and selection of suppliers, as well as the necessary types of raw materials and materials that meet special requirements of the tender documentation;

- analysis and evaluation of the proposals received as a result of the discussion, and the choice of an effective and economically important proposal that takes into account environmental requirements.

In accordance with national legislation, purchases of EU member states are made by public administration bodies.

Though in this situation, we are not talking about government procurement requirements of the state, the legislation and recommendations of the European Community established in the directives mentioned earlier, as a case that should be taken into account [Khramkin5 A., 2020].

Conclusion

In the article, the authors attempt to consider the practice of managing the public procurement system in foreign countries, such as the USA, Germany, and Poland, within the European Union, which have many years of experience in regulating the public procurement system, while highlighting the efficiency of the most important and specific aspect of the arrangement of public procurement.

Referring to the experience of countries with a developed public procurement management system, the following conclusions can be drawn, since the public procurement system has become the main party to the progressive exchange of goods in the economies of international institutions and the analyzed countries. As a rule, the issue of logistics for public needs in developed countries is solved by purchasing the necessary material and non-material resources, goods, works, and services through various logistics processes in the public procurement system.

1. As mentioned earlier, US law has a number of features, such as the definition of equal rights between the customer and the contractor in the performance of a government contract, but the pre-emptive right of the customer to unilaterally refuse the order. However, the authors of this study are particularly interested in the American methods of individual planning of public procurement and ways of conducting the procurement system will be considered, as well as a request for proposals on ways to improve the regulation of processes in this area.

2. At the same time, take part in the judicial framework in the field of public procurement is of no less important attention, and, therefore, the condition for expedited consideration of claims against the actions of the shopper. An example is the practice of Germany, where the cancellation of a decision to place a state order does not lead to a delay in spending budget funds and acquisition goods for government necessities. At the same time, decisions in the form of the decisions adopted by both instances are published in the public domain. This, in turn, will al-

low us to further develop and improve the device of state procurement.

3. On the example of Poland, the implementation of transport and transit transport projects will allow further development of the mechanism of public procurement related to in the end can ensure the country's competitiveness in the world market, which further stimulates the growth of cargo transportation volumes. All this can be achieved by improving the level of transport infrastructure and developing the competitiveness of carriers in the foreign market, as well as through the effective use of transit potential.

4. If we regard a number of rules and methods of conducting public procurement for World Bank projects, then the experience of purchasing goods and services according to various criteria is very important. The main justification for determining the winner when purchasing goods and works for the project within the framework of the World Bank is

the price criterion that meets all technical requirements. The bottom line is that the main criterion for the purchase of services is quality, not price, which is the main difference from the purchase of goods and works.

5. State orders are regulated by law at three levels-as laws on state orders, depending on the conditions, the volume of public procurement, and other requirements for their placement within the framework of international legislation of the European Union and within the framework of national legislation [Mukhtar E. S., 2017].

An agreement on public procurement was concluded to the extent of the World Trade Organization (WTO) was concluded in connection with the international procurement settlement of the European Union. For a number of state needs that provide for uniform conditions, legal acts are provided at the level of regulation at the level of the European Union.

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