

Memorandum of Understanding
between the European Bank for Reconstruction and Development
and the Federal Antimonopoly Service of the Russian Federation
to promote the development of the public procurement sector
in the Russian Federation

Objective

1. The purpose of this Memorandum of Understanding is to outline co-operation between the European Bank for Reconstruction and Development (the EBRD) and the Federal Antimonopoly Service of the Russian Federation (the FAS Russia) concerning improvement of public procurement in the Russian Federation.

Background

2. The Federal Antimonopoly Service as state authority being in charge of the control over the public procurement in the Russian Federation is committed to analyse the best international practices in the field of public procurement. The EBRD is committed to this process under the Agreement Establishing the European Bank for Reconstruction and Development of May, 29, 1990, and as a regional investor the EBRD is mandated to promote this process, in particular encouraging a good balance between competition and transparency of public procurements, as well as efficiency, and economic aspects in the development of public procurement regulations.

3. Development of the public procurement sector depends on improving national practice and regulatory requirements for public procurement. International standards in the field of public procurement have been developed to promote transparency of public procurement and enhance competition. Taking into account the evolution of the Russian public procurement system and recent developments of the international public procurement legal instruments, of a major interest is developing a stable public procurement legal framework that enables both efficiency and fairness of public expenses.

The Importance of Regulatory Reform

4. Major infrastructure projects are commissioned as public procurement contracts or public-private partnership (PPP) arrangements and for this reason good public procurement regulations are crucial. The efficiency of public procurement is strictly related to the legislation in force and effective activities of the regulators of public procurement.

5. In order to benefit from increased efficiency and transparency of public expenses, the national public procurement system should be developed further to enable improved competition, economy and transparency.

Agreements

6. For the purpose of the consistency of their strategies for the reform in the public procurement sector, the EBRD and the FAS Russia commit to the principles of promoting the establishment of stable and competitive public procurement regulatory frameworks.

This means in particular that the EBRD and the FAS Russia will:

1) develop and strengthen further cooperation in the field of public procurement and monitoring of public procurement, as well as legal regulation of public procurement;

2) exchange information on a regular basis as required, concerning technical assistance and public investment projects in this field;

3) render consultations with regard to the matters of mutual interest, wherever deemed necessary;

4) adopt forms of interaction in the field of regulation of public procurement, including (a) rendering methodological assistance, exchange of expert surveys and consultants' reports, (b) exchange of experience in the field of conducting inspections, concerning the infringements of competition legislation, and (c) providing each other with opportunities for training the public procurement experts in the EBRD and in the Russian Federation with the purpose to exchange experience.

7. Where any of the regulatory requirements remain to be achieved, the EBRD and the FAS Russia will make their best efforts to provide and technical assistance to the FAS Russia where it is both feasible and does not contradict with the legislation of the Russian Federation.

8. Wherever it is feasible and justified, the EBRD and the FAS Russia will mention necessity of conformance with international public procurement standards and the best procurement practices as a desirable objective when implementing projects in the public sector.

Final provisions

9. The present Memorandum shall not be considered as an international treaty and does not establish any rights or obligations, which are regulated by international law.

The present Memorandum will be applied from the date of its signing and will be effective before expiration of six months from the date of receipt by one of the Parties of the written notice of the other Party on its intention to terminate the Memorandum.

Signed in Moscow on the 16th of November, 2010, in two originals, each in the English and Russian languages, all texts being equally authentic.

Signed on behalf of the European
Bank for Reconstruction and
Development

Signed on behalf of the Federal
Antimonopoly Service of the Russian
Federation
