Public procurement in Croatia

March, 2021



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Introduction

Basic information

Total value of the procurement for 2019. was 54.105.927.158,00 HRK (VAT excluded), out of which 10.685.681.315,00 HRK is from EU funds. Public procurement makes 16,46% of the Croatian GDP.



Legislation similar to EU countries



Goods and services > 200k HRK; works > 500k HRK



Contracting authorities – public sector institutions, organisatios, state-owned enterprises



Official language -Croatian



National budget, EU funds

What is procured?

Each public entity or enterprise prepares procurement plan on yearly basis where we can get information about the procurements they are planning. This also includes all EU investments (projects) which are the key investments in Croatia.

Goods	33,11 %
Works	45,07 %
Services	21,82 %

Examples of procurements:



CA: Croatian Health Insurance Fund: e-system for the Fund Value: 80.292.000,00 HRK





CA: Croatian Meteorological and Hydrological Service - Weather sensors (instruments) for meteorological station Value: 45.994.312,00 HRK





CA: Ministry of Agriculture - Software for analisys and commnication in the fisheries sector Value: 1.000.000,00 HRK





CA: Croatian Railways - 21 electromotor train Value: 978.032.529,00 HRK





CA: County Sv. Martin na Muri – Equipment for eco touristic trail Value: 362.000, 00 HRK





CA: Nature park Medvednica - Interior design and museological setting services Value: 3.000.000,00 HRK



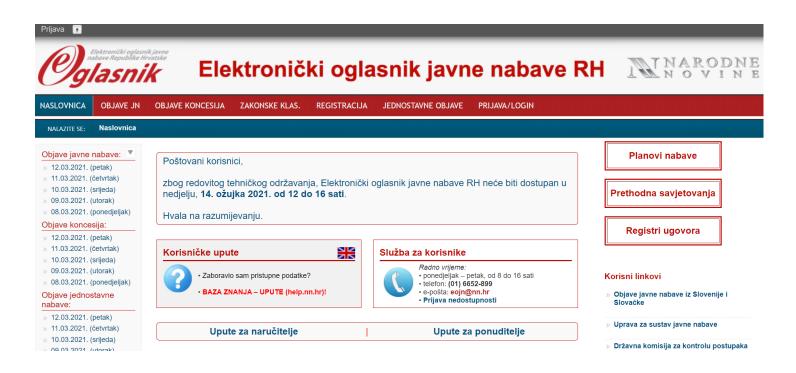
CA – Contracting Authority



Electronical public procurement

Electronic Public Procurement Classifieds (EOJN)

- Portal where contracting authorities publish notices and serves for complete procedure implementation (including communication) from notice publication to contracting
- https://eojn.nn.hr/Oglasnik/
- To download documentation you have to register (registration guide: https://eojn.nn.hr/Oglasnik/slike/EOJNRegistration_English.pdf)





Participation

Who can take part in public procurement procedure?

Public procurement in Croatia is based on the principle of freedom of movement of goods, principle of freedom of establishment and the principle of freedom to provide services.

Individual entity *

- Can be established anywhere in the world
- Must have a) paid taxes and contributions b) clear criminal record together with all legal representatives

Public sector contracting authority/ Client

Individual entity or consortium with subcontractors

 Indication of % of the contract that will be subcontracted

Individual entity or consortium with allocated resources from the 3rd entity

 3rd entity has to provide a letter of allocation of resources

Consortium of entities

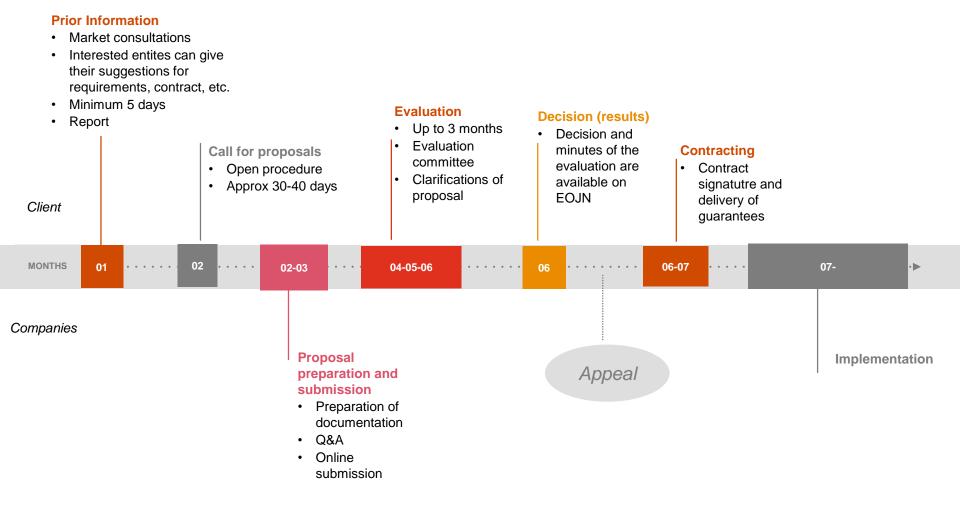
 Shared responibility for contract implementation

^{*} The same applies for all other forms of participation



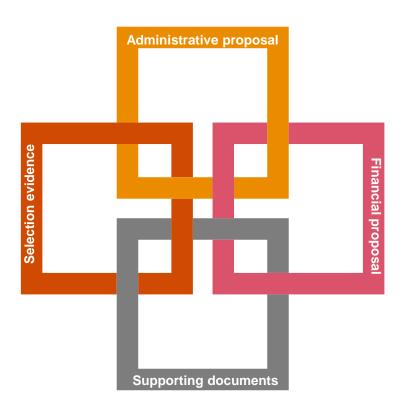
From preparation of proposal to contract implementation

Steps and timeline



Forms and contents of the proposal

The client provides list of required documents and templates according to which entities prepare proposals and submit them electronically via EOJN.



Financial proposal

Financial proposal is submited in HRK

Administrative proposal

There is a standardised form for all EU countries (ESPD) which is submitted as a preliminary evidence for non-conviction, paid taxes and contirbutions, economic, professional and technical capacity

Selection evidence

Evidence that the entity proposes the best quality and according and is subject to evaluation

Supporting documents

Requested only from the entity which submitted the best proposal (price and quality)

Includes evidences of provisional information given as part of the administrative proposal (ESPD form)

Guarantees, appeal and contracting

Guarantees

- Guarantees are asked for the offer, implementation of the contract, for rectifying defects within the warranty period
- Bank guarantee, financial deposit

Contracting

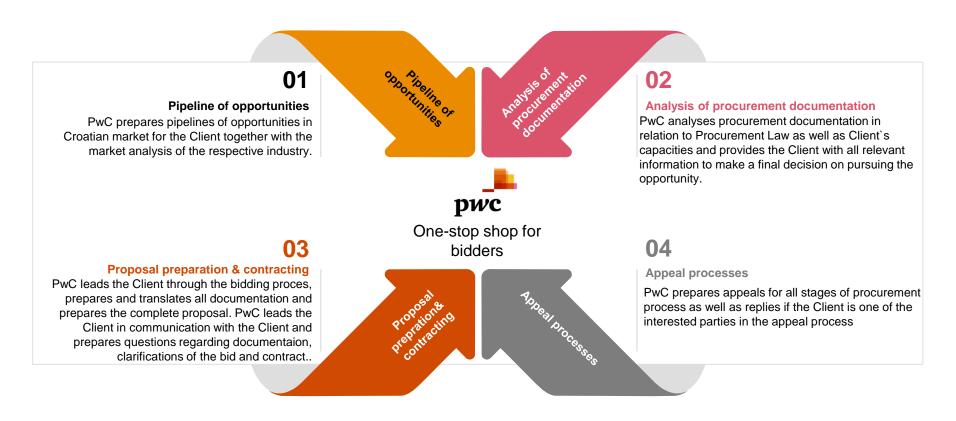
- · Contracts are in Croatian
- · Unlimited liability of the contractor
- Amendments are made either once the call for proposal is published (if contract is part of the procurement documentation) or before the signature
- Contracts can be annexed with additional up to 30% of the price; in practice most common is up to 10%

Appeal process

- Very common in Croatian public procurement
- Most common appeals are submitted in relation to procurement documentation and decision about the winning bid

How can PwC help

One-stop shop for procurement services



PwC has a team of certified procurement experts, experienced in advising public sector clients in preparation and implementation of procurement procedures, but also in preparation of proposals and bidding processes.



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PwC se odnosi na hrvatsko društvo člana mreže, a može se ponekad odnositi na mrežu PwC-a. Svako društvo član mreže zasebna je pravna osoba.

Cilj PwC-a u Hrvatskoj je izgraditi povjerenje u društvu i riješiti važne probleme. Činimo mrežu tvrtki u 158 zemalja s više od 250.000 ljudi koji se zalažu za pružanje kvalitetnih usluga na područjima revizije i računovodstvenog savjetovanja, poslovnog savjetovanja i poreznih usluga. Posjetite www.pwc.hr da biste doznali više i rekli nam što vam je važno.