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Bill Proposed to Make a Blacklist of State Buyers

By The Moscow Times

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The Economic Development Ministry has produced a new version of the bill on the federal purchasing system that includes creating a register of unscrupulous purchasers.

The main points of the bill are unchanged, ministry department director Olga Anchishkina said. A register of unscrupulous suppliers already exists.

The Federal Anti-Monopoly Service keeps a list of companies that have broken existing contracts, which serves to block them from any further participation in state tenders.

The idea of a register for purchasers came up at a public hearing, a ministry official said. The ministry wants to put purchasers on the list if they are found to have infractions in 5 percent to 10 percent of their purchases, whether calculated by sum or number of transactions.

Future infractions will also count, as the federal purchasing system will examine purchase plans for the entire year.

Two new possible infractions were added in the draft: placing unjustified orders and ineffective purchasing, which is when the good or service ordered is not used.

The register should help combat the purchase of luxury items at the state's expense, a ministry employee said. According to the bill, the government should determine the features of goods or services purchased by officials.

"If a good or service with excessive features is included in a purchase plan, it is an infraction and ground for inclusion in the register," the official said.

As can be seen from the government purchasing web site, civil servants have preferred to buy luxury cars and expensive furniture with treasury money. The FSB has ordered a well-appointed pleasure boat and very expensive televisions.

Blacklisted purchasers would be forced to obtain the approval of a state body for their annual purchasing plans, according to the bill. They would be unable to make changes in or cancel existing contracts without permission.

The government organization that would exercise that authority is not specified in the bill. The anti-monopoly service is now in charge of tracking government purchasing. It is possible that it will retain the function, a government source said. Another possibility, which has been endorsed by Audit Chamber head Sergei Stepashin, is that the Federal Service for Financial and Budgetary Inspection will be assigned the role.

There are those in the government who think that even harsher measures should be taken against unscrupulous purchasers — forcing them to use electronic auctions for their purchases or reducing their budgets by the amount of the infraction.

A spokesman for First Deputy Prime Minister Igor Shuvalov said the Economic Development Ministry's proposal is not being discussed. An anti-monopoly service spokesman said the service does not support the bill.

The bill does not protect the rights of suppliers, said Yekaterina Lezina, head of a partnership of state purchasing professionals, adding, "Purchasers will think of a way around it."

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