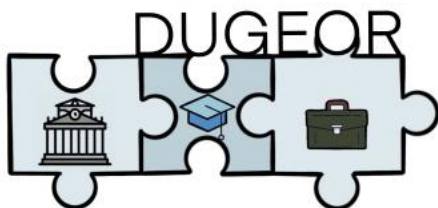


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## D5.1 Report on purchased and installed equipment

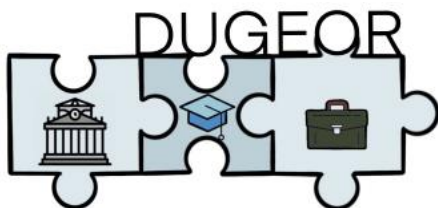


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Project acronym:	DUGEOR
Project full title:	Strengthening capacities for the implementation of dual education in Georgia higher education
Project No:	101081771
Funding scheme:	ERASMUS+
Project start date:	January 1, 2023
Project duration:	48 months

Abstract	This document reports on the process of purchasing and installing the equipment that was followed by the Georgian partner institutions in the frame of the project "Strengthening capacities for the implementation of dual education in Georgia higher education" (DUGEOR).
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Title of document:	D5.1 Report on purchased and installed equipment
Work package:	WP5
Activity:	5.4 Purchase of equipment
Last version date:	13 August 2024
File name:	D5.1 Report on purchased and installed equipment
Number of pages:	25
Dissemination level:	Sensitive



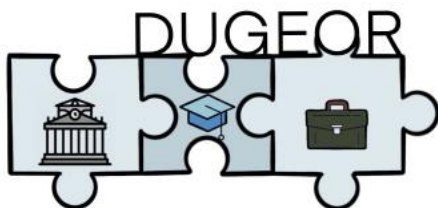
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#### VERSIONING AND CONTRIBUTION HISTORY

Version	Date	Revision description	Partner responsible
V5	August 2024	5 <sup>th</sup> version	TeSaU, Georgian partners
V4	April 2024	4 <sup>th</sup> version	TeSaU, Georgian partners
V3	November 2023	3 <sup>rd</sup> version	TeSaU, Georgian partners
V2	October 2023	2 <sup>nd</sup> version	TeSaU, Georgian partners
V1	September 2023	1 <sup>st</sup> version	TeSaU, Georgian partners

#### DISCLAIMER

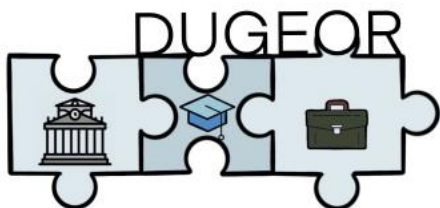
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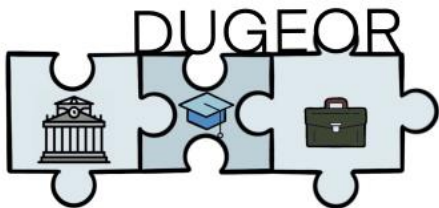
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## Introduction

This document is a report on equipment purchased within the framework of the DUGEOR project, the purpose of which is to collect the documents of the purchases made by the Georgian higher education institutions of the project (Institute of Public Affairs of Georgia, Georgian Technical University, Iakob Gogebashvili Telavi State University, Batumi Navigation Teaching University, Batumi State Maritime Academy), to reveal and evaluate the relevance of the purchased equipment based on the goals of the project.

During the writing of the project proposal, the partners agreed to purchase equipment based on the needs of the programs they were going to pilot for the dual education model. In changing market conditions, the need for programs has changed, and price changes of equipment have become evident. Therefore, after the approval of the project by the EU commission revision of the lists of the equipment became essential by the Georgian partner higher education institutions. The revised lists of equipment with the relevant price got the approval from the project coordinator and the project officer. Only after this long series of steps, all partners were given a reasonable time to purchase the equipment according to the project planned timeline (IX month of the project implementation) and procurement procedures established by the law in Georgia.

Since the amount intended to equipment for each institution was more than 10,000 GEL, (The "simplified procurement criteria and simplified procurement procedure" approved by the order of the chairman of the State Procurement Agency on August 27, 2015; updated on 04/21/2023) the state universities had to follow the electronic tendering procedure. The universities



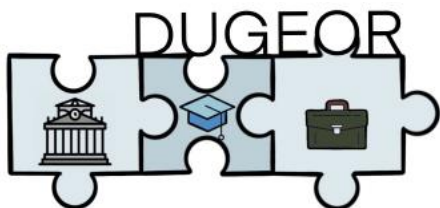
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involved in the DUGEOR project: TeSaU, GTU, BSMA and one private university - GIPA announced electronic tender, while Batumi Navigation University BNTU (as private institution) purchased the equipment through simplified procurement.

### **Legislative bases of procurements for HEIs in Georgia**

Law of Georgia on State Procurement determines the general legal, organizational and economic principles for conducting public procurement, and the procedures determined by this Law apply to all types of public procurement. One of the purposes of this Law is to ensure rational spending of monetary funds designated for public procurement; Ensure publicity of public procurement and create a Unified Electronic System of Public Procurement and build public confidence in the System. A contracting authority, in this particular case State or the private Higher Education institutions shall be authorized to select a supplier and award him/her/it a public procurement contract in compliance with the procedures established by this Law and relevant normative acts; they also are authorized to monitor and supervise the fulfillment of contract terms by a supplier; Together with the responsibilities Georgian Higher education institutions have the obligations to perform procurement rationally and in Georgia's state interests within the limits of the allocations received, in compliance with the procedures established by this Law and relevant normative acts; Universities perform procurements under a pre-determined annual procurement plan whose format and the procedure for its development shall be defined in a subordinate normative act. It shall be inadmissible to artificially divide procurement to avoid the monetary thresholds of procurement methods that are set by the Law.

An electronic tender shall be conducted by a tender committee composed of at least 3 members, and set up by the head of a contracting authority. The head of a contracting authority or a person appointed by him/her shall chair a tender committee. In the case of a



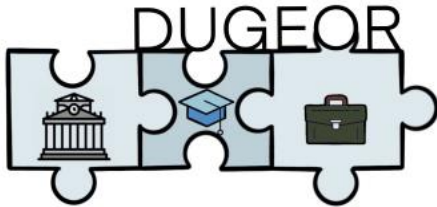
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simplified electronic tender or an electronic tender, a tender committee shall adopt decisions by a majority of the current nominal list of the committee members. Minutes of the meeting of a tender committee shall be drawn up and signed by the committee members present at the meeting.

In the cases of an electronic tender and a simplified electronic tender, a tender notice and tender documentation shall be posted in the Unified Electronic System of Public Procurement, after which a unique number shall be assigned to the tender notice, and the tender notice and tender documentation shall be deemed to be officially published. A contracting authority / HEI shall pay a publication fee for publishing a tender notice and tender documentation through the Unified Electronic System of Public Procurement. If necessary, a contracting authority may use other additional methods for disseminating a tender notice and tender documentation. A tender notice format, data to be indicated in the notice, and the procedure for publishing and posting a notice in the Unified Electronic System of Public Procurement shall be determined by a subordinate normative act.

Tender documentation shall be approved by the tender committee. A contracting authority shall award a public procurement contract to a successful tenderer based on the conditions defined in the tender bid of the successful tenderer. The contract on state procurement is concluded in written form.

All Georgian partner higher education institutions of the DUGEOR project followed the above-mentioned legal procedures while purchasing the equipment.



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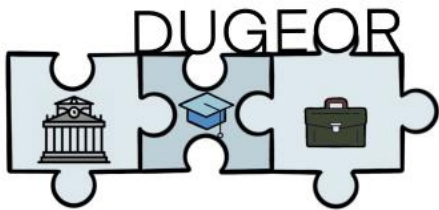
## **Partner 5- GIPA - Institute of Public Affairs of Georgia**

Institute of Public Affairs of Georgia is a private educational institution. Due to its status, it was eligible to make purchases through simplified procurement, but was not restricted to open electronic tenders for the purchase of equipment like a state institution. The Institute of Public Affairs of Georgia is represented in the DUGEOR project with the educational program of business administration. At the stage of writing the project proposal, all the equipment that were necessary for promoting the development of the Business Administration program were selected. GIPA has applied for e-tendering for procurement. The first tender was successful. Due to the regulations and the specificity of the tender (the tender bid of the low-budget and high-quality supplier wins the tender) a certain amount was saved. Since it would take some time to announce another tender, the institution used the right to purchase additional technical equipment with the remaining funds through simplified procurement. In total, the amount spent by GIPA does not exceed the amount proposed for the equipment to this institution by the project.

The following documents are presented to prove the correspondence to the procurement procedures, delivery and installment of the equipment:

1. Procurement contract/ Agreement
2. Overhead
3. Acceptance-handover document
4. Payment orders.
5. Initial Equipment list (Excel document)
6. Updated Equipment list (Excel document)

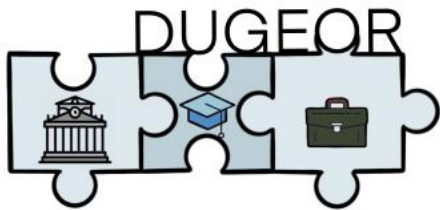




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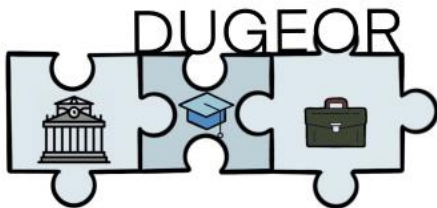
The equipment purchased by GIPA is fully compliant with the requirements of the project. Its use contributes to the development of skills necessary for dual education in the business administration program.





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## **Partner 6 BNTU- Batumi Navigation Teaching University**

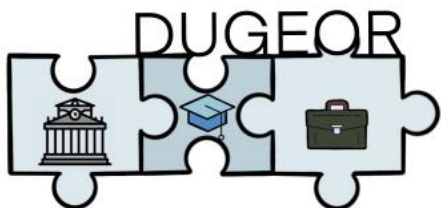
Batumi Navigation Teaching University is a private higher education institution authorized to purchase equipment through direct purchase bypassing the tender procedure. That's why the university had the opportunity to conduct a market research and choose from three possible offers the appropriate option in terms of both value and technical characteristics. The Navigation Teaching University is planning to implement a dual model on the logistics program within the project, and the purchased technical equipment was also foreseen to support the development of the mentioned program.

Batumi Navigation Teaching University completed the purchase of the equipment and submitted the relevant documentation on time.

The following documents are presented to prove the correspondence to the procurement procedures, delivery and installment of the equipment:

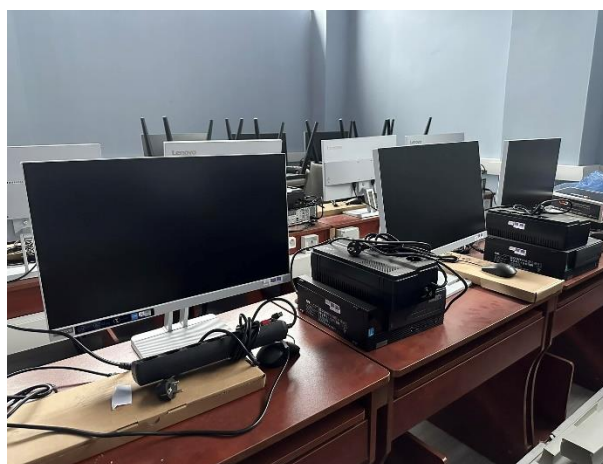
1. Procurement contract/ Agreement
2. Overhead
3. Acceptance-handover document
4. Payment orders.
5. Initial Equipment list (Excel document)
6. Updated Equipment list (Excel document)

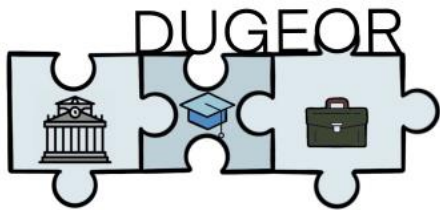
The equipment purchased by the Batumi Navigation Teaching University fully complies with the requirements of the project. It will contribute to the development of skills necessary for dual education in the logistics program.



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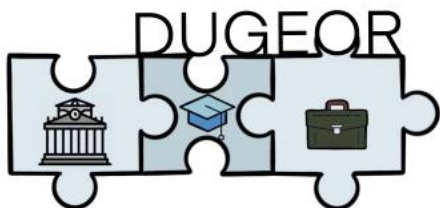
**Photos of the equipment:**





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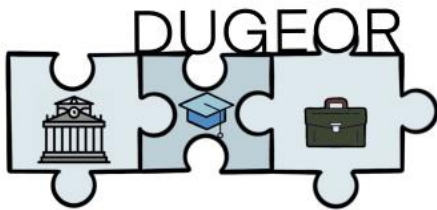
### **Partner 7 TeSaU- Iakob Gogebashvili Telavi State University**

Master program in viticulture-winemaking is considered to be piloted as a dual educational program by Iakob Gogebashvili Telavi State University, therefore, while writing the project proposal a large part of the equipment was planned to be the equipment for the study mini-wine factory, and the other part was computer equipment to facilitate the theoretical part of the teaching process. As the procurement process was planned to be completed by September 2023, the process started in the month of July 2023. The tender announcement took its own internal procedure and time. The first tender was not successful because none of the companies could meet the requirements of the university. The University Procurement Office had to re-announce the tender. It took additional time, and caused a little delay of purchase process.

The second tender was successful. A contract was signed with the company in accordance with the law and a reasonable period was given for the delivery of equipment. The terms and conditions were written down into the contract, which has not been breached. As a result, at the end of September 2023, Telavi University had already installed first part of the equipment. The second part was delivered at the end of October. The payment of the cost of equipment was finalized after all the equipment was delivered at TeSaU.

The following documents are presented to prove the correspondence to the procurement procedures, delivery and installment of the equipment:

1. Procurement contract/ Agreement
2. Overhead
3. Acceptance-handover document
4. Payment orders.

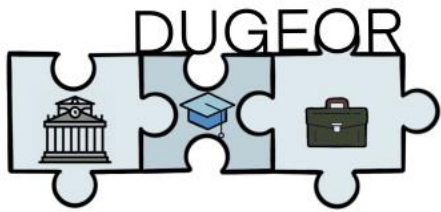


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5. Initial Equipment list (Excel document)
6. Updated Equipment list (Excel document )

The equipment purchased by Telavi State University fully complies with the requirements of the project. It will contribute to the development of both theoretical and practical skills necessary for dual education at the Master's program of Viticulture and Winemaking.

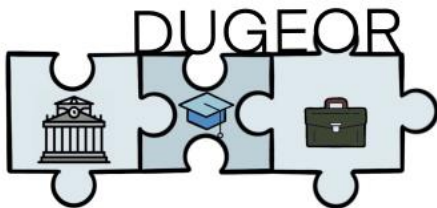
**Photos of the equipment:**



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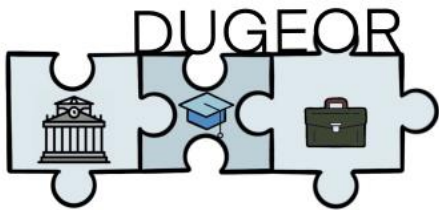
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## **Partner 8 BSMA- Batumi State Maritime Academy**

Batumi State Maritime Academy selected the equipment for facilitating the educational process from the beginning. They had selected the Logistics and Forwarding Master program, where the dual educational model should be introduced within the project. Like all public institutions, Batumi Maritime Academy also announced a tender. The tender was announced in July 2023. The organization that won the tender signed a purchase agreement in August. The organization was given a reasonable period of time to deliver the equipment to the Academy. It appeared that the contractor did not follow the terms and conditions of Agreement. The company delayed the delivery of the equipment to the academy. This became reason that and the Maritime Academy had to fine a company. In accordance with subsection 9.1 of Article 9 of the Agreement No. 145 signed on August 31, 2023, "Universal" LLC was subject to fine sanctions of 0.02% of the contract value for each overdue day (number of days: 51 days), which amounted to 758.88 (seven hundred and forty-eight GEL and 88 Tetris) GEL). The fine was paid by the company to Maritime academy account.

The following documents are presented to prove the correspondence to the procurement procedures, delivery and installment of the equipment:

1. Procurement contract/ Agreement
2. Overhead
3. Acceptance-handover document
4. Payment orders.
5. Initial Equipment list (Excel document)
6. Updated Equipment list (Excel document)
7. Letter of the Academy to contractor regarding the breach
8. Fine Payment document

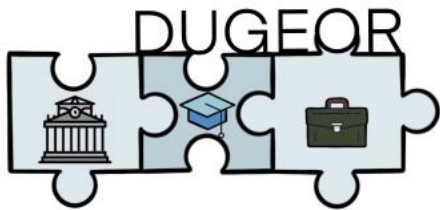


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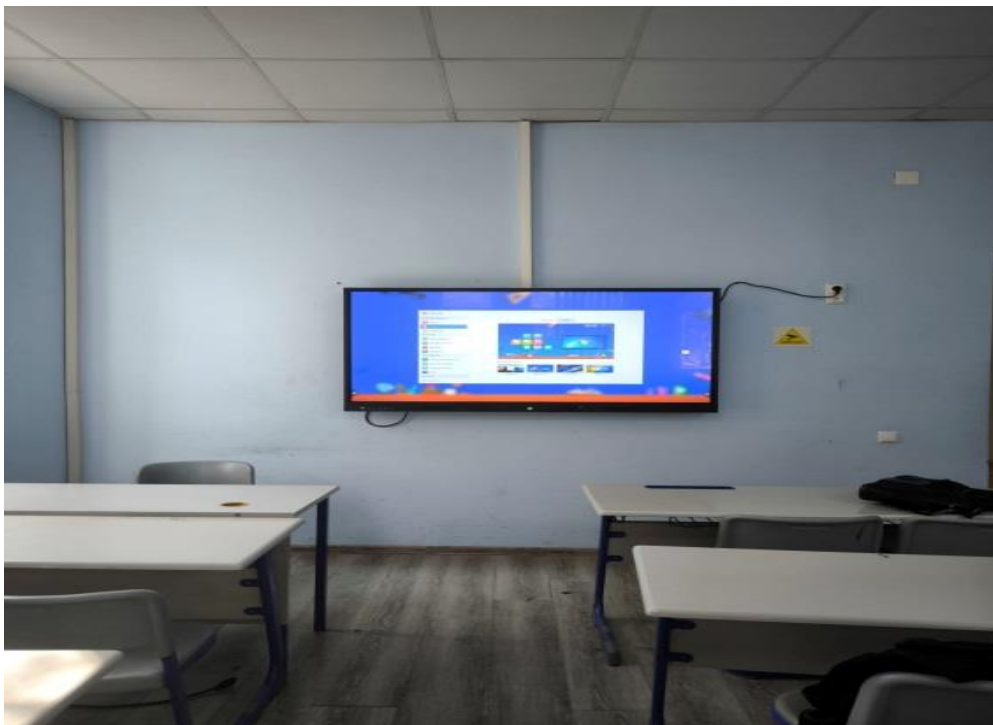
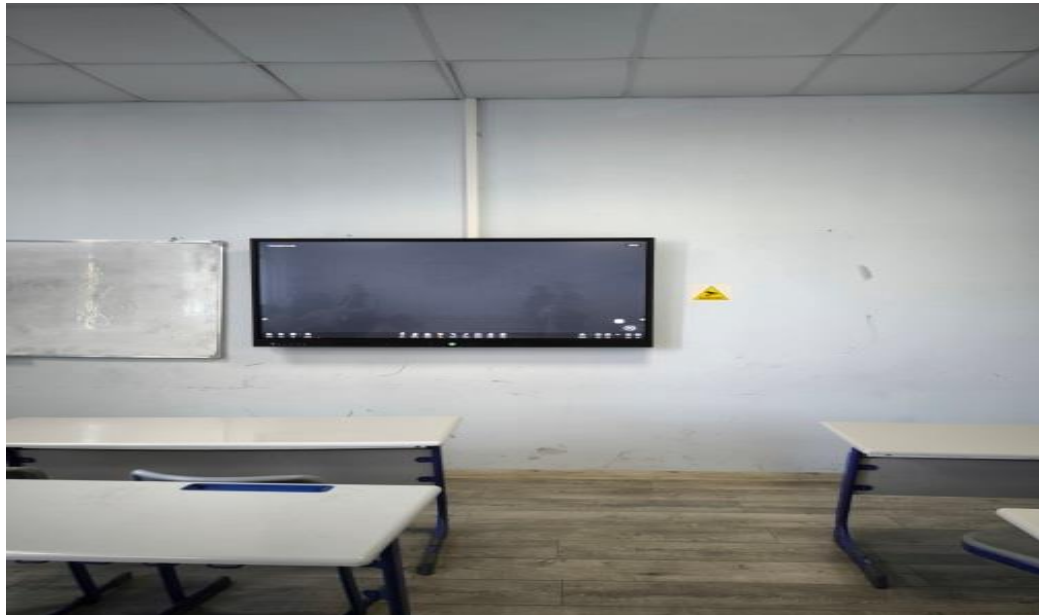
The equipment purchased by the Batumi Maritime Academy fully complies with the requirements of the project. It will contribute to the development of skills necessary for dual education in the Master's program in Logistics and Forwarding.

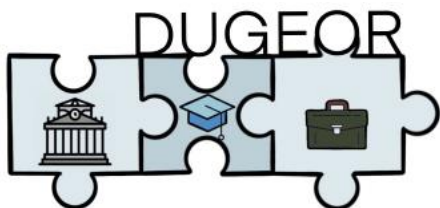
**Photos of the equipment:**





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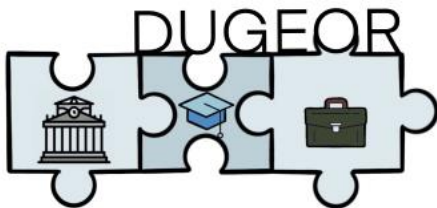
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## **Partner 9 GTU- Georgian Technical University**

Georgian Technical University was not able to purchase the equipment within the time frame agreed by the project. Telavi State University, which is responsible for equipment purchase of the consortium, requested an explanatory letter from Georgian Technical University. Project local coordinator prepared the explanatory letter explaining the reason of the delay in purchasing process. The letter is signed by the Deputy Dean of the Faculty of Agrarian Sciences and explains that due to the specifications of the equipment (special equipment for forestry program ) that should be purchased for GTU, the market price research took much more time than it was expected. In addition, there was a change of administration at the university (on July 24, 2023) and this caused a delay in communication between the project participants and the new administration of the faculty. Due to all the above, the equipment procurement procedure was delayed.

The tendering procedures were successful by the end of 2023 and the procured equipment is delivered at GTU in the middle of April 2024. According to the procedures and regulations of electronic tender (the tender bid of the low-budget and high-quality supplier wins the tender) a certain amount was saved. After the consultation with the project coordinator and project officer additional equipment was purchased again with the electronic tender. The overall procedure of purchasing the equipment by GTU finalized till the 12<sup>th</sup> August 2024. All the equipment is delivered on spot and will be used for the dual educational model in the direction of forestry.

Although procurement of equipment by the partner was finalized with delayed, still equipment is delivered by the start of piloting.



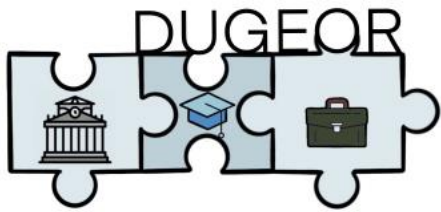
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Quote from the proposal: *Equipment necessary for pilot testing should be purchased and installed. The equipment to be purchased is needed for pilot implementation of dual higher education by each HEI partner from Georgia. This equipment will allow HEIs to provide students with appropriate lab conditions for practical work and project-based learning, similar to the equipment used by companies where students realize their internships.*

The following documents are presented to prove the correspondence to the procurement procedures, delivery and installment of the equipment:

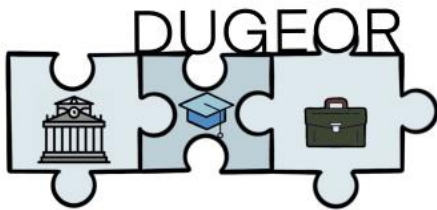
1. Procurement contracts/ Agreements
2. Overheads
3. Acceptance-handover documents
4. Payment orders.
5. Initial Equipment list (Excel document)
6. Updated Equipment list (Excel document)
7. Explanatory letter

Photos of the equipment:



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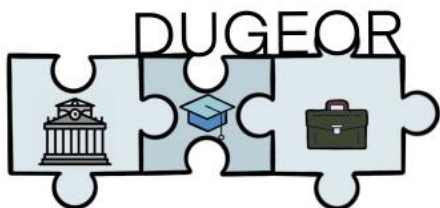
## Conclusion

2 institutions from DUGEOR's partner higher education institution (GIPA and BNTU) purchased and installed all the equipment within the project deliverable 5.4 (time IX month).

2 institutions ( TeSaU and BSMA), despite starting the tender procedure quite early, still did not manage to complete the procurement procedure at the end of the ninth month but delayed with 1.5 months.

1 institution GTU started the tender procedure with 7 months delay. The process finalized on 12<sup>th</sup> of August 2024.

All equipment is agreed, approved and is relevant to the project objectives. The deliverable 5.4. is completed with 100%.

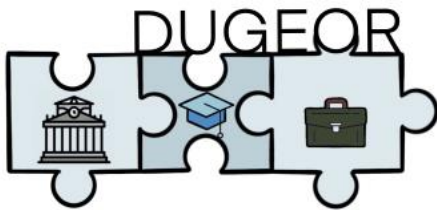


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The overall picture is as follows:

	Tender/Simplified Procurement	Agreement	Overhead	Acceptance document	Payment Order	Other	Purchase completion date
GIPA	Tender/Simplified Procurement	X	X	X	X		14.09.2023
TeSAU	Tender	X	X	X	X		20.10.2023
GTU	Tender	X	X	X	X		12.08.2024
BSNU	Simplified Procurement	X	X	X	X		14.09.2023
BSMA	Tender	X	X	X	X	Fine request/ Fine paid	22.11.2023





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## References:

1. Law of Georgia on State Procurement  
<https://matsne.gov.ge/ka/document/view/31252?publication=83>
2. "simplified procurement criteria and simplified procurement procedure" approved by the order of the chairman of the State Procurement Agency on August 27, 2015;  
updated on 04/21/2023
3. Project DUGEOR proposal
4. All the financial documents provided by the local coordinators of GE HEIs ( GIPA, GTU, MSMA, BNTU and TeSaU)