

Government procurement (GP), also called public tendering or public procurement, government purchasing is the procurement of goods and services on behalf of a public authority, such as a government agency. It means that government agencies every year prepare the plan of necessary goods and services they are planning to buy for society needs. Then they allocate tenders among any suppliers accordingly current legislative in this sphere.

Government procurement is an important aspect of international trade, having a significant part of GDP. Government Procurement of goods and services typically accounts for 10-15% of GDP for developed countries, and up to as much as 20% of GDP for developing countries [1].

The Law of most countries regulating government procurement is intended to prevent corruption, waste money, fraud and defense local production. So as the Law of most countries regulating government procurement more or less closely.

Every government follows several principles in their GP Law.

The main principles of public procurement's Law, according WTO and other international organizations are: value for money, open and effective competition, transparency (non-corruption, implementing ICT), non-discrimination (for foreigners), support small business.

Value for money means that governments should create their GP laws on target to save budget money as much as possible.

Open and effective competition means that any potential supplier could take part in public tenders. It's usually required to publish announcement about public tenders in special sites in Internet or special journals. Important how deep ICT is implemented in GP. A great deal of governments use electronic procurement for increasing competition.

Open, transparent and non-discrimination procurement is generally considered to be the best tool to achieve "value for money" because it optimizes competition among suppliers.

GP in Belarus takes significant part in GDP. It is mean that this sphere demands strictly consideration and attention to optimize it. However it should be mentioned that exactly in this sphere corruption is most high. This is confirmed by Government Control Committee data.

What is concerning non-discrimination principle we have to stress that Belorussian public procurement's Law doesn't follow it, because acting legislative limits the access for foreign vendors to participate into our tenders, excluding some Russians.

In spite of Government Procurement in Belarus doesn't place direct restrictions on conditions of origin or nationality of supplier, it uses preferential treatment which is granted to domestic suppliers. It means that if in a tender take a part simultaneously local and foreigner suppliers, prices of local ones is decreasing on 15% in comparative with prices on foreign goods or services.

Thus Government Procurement in Belarus hasn't been carried out on the principle of non-discrimination between Belarus and foreign suppliers.

At the matter of fact it's leading to decreasing of market competition and reducing competitiveness of national Enterprises. Moreover our Law doesn't based on principle of supporting small enterprises – we have not such a conditions, at the same time almost all developed countries has it. As the result we do not reach most important principle – value for money or effectiveness.

At the conclusion we have to deduce that Belarusian government procurement sector should be liberalized, more opened to a foreigner vendors and follow to a non-discrimination principle.

More over we suppose that such a problem need more carefully contemplation and estimation. My recommendation for developing public procurement in Belarus are next:

- 1 developing the Law;
- 2 create special Agency of Public Procurement;
- 3 implementing ICT to public tendering.

### References

1. Government Procurement Summary. [Electronic source]. Global Trade Negotiation Home page. Center for International Development at Harvard University/-Access: <http://www.cid.harvard.edu/cidtrade/issues/govpro.html>