# The Effectiveness of Public Procurement Processes and Their Role in Improving Public Demand and Rationalizing Public Expenditures: A Case Study of a Public Administrative Institution (2024)

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#### **Abstract:**

This study aims to analyze the various methods and techniques employed in public procurement processes, with a particular emphasis on the role of external oversight in enhancing the financial efficiency of public expenditures, in line with the provisions of Presidential Decree No. 15-247, dated September 16, 2015. It also focuses on the new provisions introduced by Law No. 23-12, enacted on August 5, 2023, which establishes the general rules governing public procurement.

Economic operators provide their services with the dual objectives of generating profits and meeting the needs of public purchasers. Conversely, the contracting authority, as a public purchaser, seeks to achieve predefined objectives, including the successful execution of development projects, while adhering to the principle of optimal utilization of public funds and ensuring the efficiency of public procurement, which constitutes the core purpose of public contracts. Within this framework, an investigative study was conducted at a Public Administrative Establishment (Local administration directorate of the Oran province, 2024).

The findings of the investigation highlight several observations, such as the need to strengthen efforts, particularly in the legal and regulatory domains, and to provide appropriate legislative frameworks for the various stages of the public procurement process. Furthermore, it is imperative to revise the current methods and techniques utilized in public procurement, as they are relatively slow and fail to align with the objectives envisioned by the contracting authority.

# **Keywords:**

Public procurement, Development programs, Financial allocations, Public purchaser, Rationalization of public expenditures, External oversight.

Jel Classification Codes: M15; K23.

# 1. Introduction

The legal system of public procurement and public service delegations according to Presidential Decree 247/15 of September 16, 2015 is a decisive step towards improving the management of public funds. Public procurement

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constitutes the main channel through which public funds are spent, and is a basic means of implementing state policies and development programs (Amar Boudiaf, 2011). The importance of these procurements is evident in the vital role they play in achieving field development and implementing public projects and investments (Noui Kherchi, 2011).

The new legal reforms aim to provide transparent and effective procedures, while adhering to the conditions of the economy and achieving efficiency in the use of public funds in accordance with international standards (BOULIFA Brahim, 2013). This new system is considered a barrier to financial deviations and a reinforcement of the transparency of procedures and equality between contractors. This is in order to ensure the effectiveness of public requests and the optimal use of public funds (SABRI, AOUDIA and LALLEM, 2000).

This research paper aims to shed light on the main measures and developments brought about by the legal system of public procurement and public service delegations. We will address these key points in a transparent manner, reflecting efforts to improve the management of public financial resources and ensure their effective use.

# 1.1 The problem

Through this research paper, we will try to address the problem of concluding public contracts and in particular the effectiveness of external control over public contracts, as stipulated in Presidential Decree No. 15-247 issued on September 16, 2015 (<sup>2</sup>) and in Law No. 23-12 dated 05/08/2023 (<sup>3</sup>). In particular, we will focus on whether this control is sufficient to achieve the rationalization of public expenditures and its ability to protect public money.

The public procurement law system in Algeria is one of the best laws in the world, and the most flexible, as it is increasingly based on the legal and regulatory nature, and its keenness to respect the basic principles of concluding public contracts, which are represented in the freedom of access to public requests, equal treatment of candidates and transparency of procedures. Public and respect it and the implementation of the tasks assigned to it in an accurate and effective manner. With the huge increase in the documents used by this service. It has become necessary to control modern patterns in order to avoid some difficulties in managing these documents in a traditional environment. Documents have been constantly increasing due to poor management and insufficient time for employees, which has created real suffering for employees who manage the public procurement department in public institutions due to their frequent use of documents and their dealings with many external interests, which has negatively affected the decision-making process on which their daily tasks and work depend.

It is worth noting that the public authorities have made tremendous efforts to provide an appropriate work environment that is compatible with the requirements of the modern era in light of modern technology.

Therefore, the subject of this study is about the effectiveness of concluding public contracts and their role in improving public demand and rationalizing public expenditures - a case study of a national institution of an administrative nature, through which we will try to shed light on the most important steps that allow concluding public contracts with all effectiveness. Based on the above, the research problem revolves around the question of :

**❖** What is the reality of the procedures for concluding public contracts in Algerian public institutions of an administrative nature within the framework of improving public demand and the optimal use of public money.

# 1.2 Questions

In order to be able to try to answer the problem raised and determine the direction of our study of the subject, we formulated a set of sub-questions that would clarify the aspects of the study, which are as follows:

- What is the reality of the procedures for concluding public contracts in public institutions of an administrative nature ?

<sup>(2)</sup> Presidential Decree 247/15 of September 16, 2015 regulating public contracts and public service concessions, issued in Official Gazette No. 50 of September 20, 2015.

<sup>(3)</sup> Law No. 23-12 of August 5, 2023, setting out the general rules relating to public contracts.

- What are the most important stages of concluding public contracts in public institutions of an administrative nature ?
- What are the most important reforms carried out by the Algerian government regarding the organization of public contracts ?
- What is the role played by the Public Contracts Committee within the framework of external oversight of public contracts in rationalizing public expenditures ?

# 1.3 Hypotheses

The hypothesis in general is a smart guess and a possible interpretation by which a dependent variable is linked to independent variables as a temporary explanation for a specific problem or phenomenon. To answer the questions raised, we decided to put forward the following hypotheses: - **Hypothesis 1:** The procedures for concluding public contracts in Algeria, like other public sectors, are still slow due to the organizational pattern adopted.

- **Hypothesis 2**: The Public Contracts Committee plays a pivotal role in the framework of external oversight of public contracts in order to establish the principle of free access to public requests, equal treatment of candidates and transparency of procedures.
- **Hypothesis 3**: Public contract employees in public institutions of an administrative nature face organizational obstacles during the process of concluding public contracts, which is considered a routine obstacle in any institution.

# 1.4 Importance of the research

This research paper derives its importance from the need to highlight the most important features of public contracts, which are considered a field that has relationships and interactions with many fields, such as public accounting, public finance, the general budget of the state, the budget of the state and municipalities, finance law, economic development, tax law and public investment, etc.

The management of public contracts at the level of the state of Oran has great importance and an effective role in the management of public money. Which results in transparency and simplification of procedures and transactions. The effectiveness of public contracting procedures is a fundamental pillar for the freedom of access to public requests, equal treatment of candidates and transparency of procedures. Thus ensuring more and more the effectiveness of public requests and the optimal use of public money.

# 1.5 Research objectives

This research paper seeks to achieve a set of objectives in the field of public contracts, including:

- Reviewing the latest updates in the Public Contracts Law, and in particular, mentioning the most important changes that have occurred in the procedures and methods of conclusion.
- Listing the concept of external control with a presentation of the most important tasks of the Public Contracts Committee that it exercises.
- The role of external control carried out by the Public Contracts Committee in rationalizing public expenditures.
- Shedding light mainly on public administrative bodies as the public buyer (contracting interest), which bears the responsibility for implementing the relevant legal and regulatory provisions. In addition to knowing the problems that have confronted those in charge of them. Addressing the most important aspects related to public contracts.

#### 1.6 Limits of the research

This study was conducted at the level of the Public Procurement Service of the local administration of the state of Oran (2024).

# 1.7 Research methodology

#### First: Research methodology

In order to address this problem, a variety of scientific research methodologies were relied upon. Initially, the descriptive analytical method was used in order to present the concepts and information related to the study terms through a set of readings and studies of previous studies and field research that we conducted (recording, analyzing and interpreting the phenomenon after collecting the necessary data). As well as presenting a set of legal and regulatory texts. The inductive method was also used to deduce the most important developments in the legal and regulatory field, and to derive new provisions and deal with the ambiguities and shortcomings that resulted from them.

# Second: Study community and sample

The study sample consisted of 04 employees supervising the management of public contracts in the state of Oran, and they are as follows

The number	Job	Academic qualification
01	Head of Public Procurement Department	Bachelor's level
02	Head of Public Procurement Office	Bachelor's level
03	Head of Program Office (Commitments & Payments)	Bachelor's level
04	Head of Technical Cell Office	State Engineer

**Table 01:** Employees who were interviewed.

**Source:** researchby researchers Based on field study

#### Third: Data collection tools

We relied on observation and interviews to collect the data for this study.

- **Observation**: We relied on this type of data collection methods in order to identify the most important stages of concluding public contracts.
- **Interview**: We conducted an interview with workers who have a direct relationship with the management of public contracts.

#### 1.8 Research division

To answer the problem, and based on the study methodology, this research was divided as follows: *1. The conceptual framework for the effectiveness of concluding public contracts in improving public demand and rationalizing public expenditures* 

- 2. The most important stages of concluding a public contract and the mechanisms for exercising external control over it from a practical perspective
- 2. Conceptual framework for the effectiveness of concluding public contracts in improving public demand and rationalizing public expenditures :

# 2.1 The development of public contracts since independence to the present day

After Algeria's independence, it inherited a legal system of French origin. The ruling authorities at that time, especially in the administrative field, had to work quickly to adapt these texts to the new situation of the country. In brief, our interest here deals with the public contracts sector, as it constitutes an important part of public spending, through which the public authority can implement various development programs, whether local, regional or national. When referring to the political approach followed by Algeria at the beginning of its independence, which is the socialist approach, we quickly realize the extent of the influence of the latter on the legal system adopted at that time to manage public affairs, which includes public finance, the budget, financial laws, and others (SABRI, AOUDIA and LALLEM, 2000).

Table 02: Development of the legal system for public procurement

Stages	Reforms	Legal text
Stage 01	/	.Law No. 62-157 issued on: 12/31/1962 /* The decision dated: 11/21/1964, including /*"CCAG" eneral Administrative Provisions .Book", which is still in effect to this day
	Reform 01	.Order No. 67-90 dated: 06/17/1967 /*
Stage 02	Reform 02	.Order No. 74-09 dated: 01/30/1974 /*
	Reform 03	Decree No. 82-145 dated: 04/13/1982, which is the first text to regulate public contracts, in / which the public sector had the lion's share (state institutions), but with the passage of timeand what The general political approach of the country has undergone changes that have created a need for new texts that serve the Algerian economy and give the private sector the .status it needs to contribute to national development
Stage 03	Reform 04	Presidential Decree No. 91-434 dated: 11/13/1991 regulating public contracts, amended / .and supplemented several times
	Reform 05	Presidential Decree No. 02-250 dated: 07/24/2002, relating to public contracts, as amended / and supplemented, is the text that completely repealed its predecessor and introduced new procedures that did not exist before, for example, it created what is known as the specifications book and subjected it to the supervision of public contracts committees for approval before undertaking any procedure to conclude contracts
	Reform 06	Presidential Decree No. 10-236 dated: 10/07/2010 including the Public Procurement Law, / .amended and supplemented several times
Stage 04	Reform 07	Presidential Decree No. 15-247 dated: 09/16/2015 regulating transactions /* General And mandates Attached The general one is currently in effect and will be the subject of study and analysis through this research, with simplification that does not compromise the essence and .focus on practical examples at each stage
	Reform 08	the law number dated 05/08/2023, which 12-23 He specifies Rules General With Relate deals General.

**Source:** Prepared by researchers based on field research

# 2.2 Definition of the transaction

The transaction can be interpreted in a simple and understandable way for the public and private as a written contract containing a number of articles and conditions that the two parties to the agreement are bound by (a contracting interest or the public buyer and the economic partner or contracting operator). The Algerian legislator refers precisely to these two parties in the Public Procurement Law referred to above, and stipulates two precise terms for them: "the contracting interest" and "the contracting operator". This name differs from previous texts that used to name the two parties to the contract "the project owner" and "the enterprise."

The legislator has determined, according to Presidential Decree No. 15-247 dated 09/16/2015, the levels at which public contracts must be concluded as follows (<sup>4</sup>):

- For every public contract or request exceeding 12,000,000 DZD for works and supplies services.
- For every public contract or request exceeding 6,000,000 DZD for studies and services.

Public contracts must also follow basic principles such as:

<sup>(6)</sup> Presidential Decree No. 15-247 dated 09/16/2015 regulating public contracts and public service delegations and Law No. 23-12 dated 08/05/2023, which sets out the general rules relating to public contracts.

- Free access to public requests,
- Equal treatment of candidates,
- Transparency of procedures.

This is in order to improve the effectiveness of public requests and the optimal use of public money.

It is clear from the previous definition that a contract (transaction/agreement) is not complete unless there are two parties, the first of which is necessarily the "contracting interest", and the second is the "partner operator".

# 2.3 Scope of application of the public procurement

Law According to Article 06 of Decree No. 15-247 of 09/16/2015, the scope of application of this decree is explicitly defined, as its provisions include contracts that are considered a source of expenditure in the following places (5):

- Public administrations, Independent national bodies,
- States.
- · Municipalities,
- Public institutions of an administrative nature.

On the other hand, the decree applies to expenditures in the following fields:

- Research and development centers,
- Public private institutions of a scientific and technological nature,
- Public private institutions of a scientific, cultural and professional nature,
- Public private institutions of a scientific and technical nature,
- Public private institutions of an industrial and commercial nature.

Before the contracting authority (the public administration) initiates the contract procedures, the latter must be fully aware of its needs and must determine them accurately based on a rational administrative assessment. This indicates the urgent need to determine the right type of contract, whether it is a contract for works to be completed, a contract for orders and supplies for acquisition, a contract for studies and technical assistance for technical support, or a contract for services for various services such as accommodation, transportation, insurance, internet, water, electricity, etc.

It is clear from the above that determining the type of contract requires following specific legal procedures stipulated in Decree No. 15-247 dated 09/16/2015, and is an essential step to achieve the success of any process related to public contracts.

# 2.4 Methods of concluding public contracts and mechanisms for exercising external control over them

The contracting authority seeks to determine the conditions most appropriate to achieving the objectives set within the framework of its mission, and therefore, choosing how to conclude public contracts is vital. Public contracts are concluded according to the following methods  $\binom{6}{1}$ :

- Conducting a tender in all its forms, as this method is considered the general rule.
- Conducting a mutual agreement, which constitutes an exception to the general rule.

<sup>(5)</sup> Presidential Decree No. 15-247 dated: 09/16/2015 regulating public contracts and public service delegations.

<sup>(6)</sup> Presidential Decree No. 15-247 dated 09/16/2015 regulating public contracts and public service delegations and Law No. 23-12 dated 08/05/2023, which sets out the general rules relating to public contracts.

# **2.4.1 Tender**

Tender is a procedure aimed at obtaining offers from several contractors in a competitive framework, where press advertising is mandatory to allocate the deal to the contractor who submits the best offer.

# **Tender forms:**

Tender can be national and/or international, and vary according to one of the following four forms  $\binom{7}{2}$ :

- Open tender: through which any qualified candidate can submit a pledge.
- Open tender with minimum capacity requirements: in which all candidates who meet some minimum requirements are allowed to submit a pledge.
- Limited tender: qualified candidates are those who are specifically invited to submit a pledge after an initial selection (selective consultation procedures).
- Competition: A competition is held between artists to complete a work that includes special technical, economic, aesthetic or artistic aspects.

Question: What does "best offer" mean? And what does "lowest offer" mean?

- **Lowest price :** The contractor is selected from among contractors who have submitted financial offers only.  $\varpi$  In this case, the evaluation of the offers is based on the price criterion only.
- ❖ Lowest Offer: This is the offer that has the lowest financial value among the submitted offers, and the bidder who submits the lowest financial offer is selected after verifying its technical qualification.
- **Best Offer :** Refers to the offer that obtains the highest total point, divided between the technical offer and the financial offer, and the bidder who obtains the highest point is selected.

#### 2.4.2 Consensus

Consensus is a procedure whereby a contract is allocated to a single contracting operator, with the exception of the formal invitation to compete, and it means using appropriate written means without resorting to press advertising. The consensual procedure is characterized by two basic and exceptional forms:

- Consensus after consultation: where the consultation is carried out using appropriate written means, according to a precise organization according to the five (05) cases that fall within the framework of Article 51 of the Presidential Decree. These cases include:
- The futility of the second call for tenders.
- Contracts for studies, supplies and services that do not require a call for tenders.
- Contracts for works directly affiliated with sovereign public institutions in the state.
- Contracts awarded that were subject to cancellation and renewal.
- Operations carried out within the framework of the government cooperation strategy or bilateral agreements related to concessional financing.
- Simple consensual: This procedure is considered exceptional, and is carried out under the conditions specified in Article 49 of the Presidential Decree. Simple consent is only applicable if six (06) conditions are met, namely (8):
- The inability to perform services except through one operator.
- An emergency situation that threatens investment, public property or public security.
- Urgent supplies to ensure the provision of the population's basic needs.

<sup>(7)</sup> Presidential Decree No. 15-247 dated 09/16/2015 regulating public contracts and public service delegations and Law No. 23-12 dated 08/05/2023, which sets out the general rules relating to public contracts.

<sup>(8)</sup> Presidential Decree No. 15-247 dated: 09/16/2015 regulating public contracts and public service delegations.

- A priority project of national importance.
- Upgrading production and/or the national production tool.
- Exclusive right for a public industrial and commercial institution or completion of its activity with public bodies and administrations.

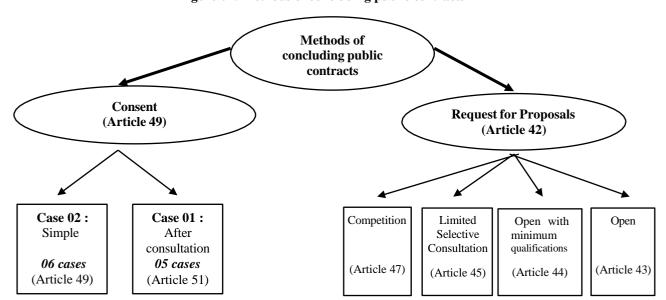


Figure 01: Methods of concluding public contracts

**Source :** Prepared by researchers based on previous studies

Tendering is the general rule for concluding public contracts regardless of their nature, while consent, whether simple or after consultation, is an exception that is followed only in the event of justification factors. In the next stage, we will see the most important external control bodies for public contracts, as they perform their tasks within the framework of external control and are known as the Public Contracts Committee.

# 2.5 Mechanisms for exercising external control over public contracts (Public Contracts Committee):

**Public Contracts Committees:** They were established in accordance with the Public Contracts Law, and include national, sectoral, state, and municipal committees, and for public institutions of an administrative, scientific, cultural, or technological nature, in addition to institutions of an economic nature when their projects are partially or fully financed from the state budget. Since it is not possible to provide all the details in this area, interested parties are requested to refer to Articles 169 to 202 to understand the legal composition of these committees, in addition to their powers and the conduct of their sessions. The following are the most important matters studied by these committees (<sup>9</sup>):

- Evaluation of the draft specifications within the committee's jurisdiction.
- Contract projects whose amounts exceed the jurisdiction of the Public Procurement Committee.
- Appeals submitted by contractors when they object to the selection made by the contracting authority.
- Annexes or attachments to any contract in accordance with Articles 135 to 139 of Presidential Decree No. 15-247 issued on 09/16/2015.

The Public Procurement Committees may also study any subject that would enrich and contribute to providing support to the contracting authority in the field of public contracts. The work of these committees is

<sup>(9)</sup> Presidential Decree No. 15-247 dated 09/16/2015 regulating public contracts and public service delegations.

crowned after deliberation among their members and in accordance with their internal law, which they have previously approved, with one of the following decisions:

- Approval, whether unanimously or by an absolute majority after lifting reservations.
- Postponing the file to complete the necessary information or to remedy a defect in it, provided that this does not affect the principle of competition and is consistent with the content of the specifications and does not result in harm to any party.
- Finally, the committee may reject any file after study and analysis if it finds a clear violation of the Public Procurement Law, but it must justify this, and the committee's decisions are not subject to appeal.

The same organization of the committee with regard to studying draft specifications if its administrative estimates exceed the legally stipulated threshold, contracts if their amounts exceed the legally stipulated threshold, appendices if they exceed the legally stipulated percentage or appeals within the framework of the formal procedure only.

Awarding a public contract or the futility of the process Receive and qualify one or Not receiving any offer more offers - Any offer not matching the content of the terms of reference (Article 40) Evaluation of the financial offer or offers The bid amount exceeds the available credits: The operation is not feasible due to the lack of sufficient funding (Article 40) The offer amount is less than the available credits: Temporary Declaration of futility of the award to the best offer in terms of economic advantages operation (Article 40) (lowest or best price) (Article 72)

Figure 02: Procedures for awarding a public contract or the futility of the process

**Source :** Prepared by researchers based on field research

# 3. The most important stages of concluding a public transaction and the mechanisms for exercising external control over it in practice

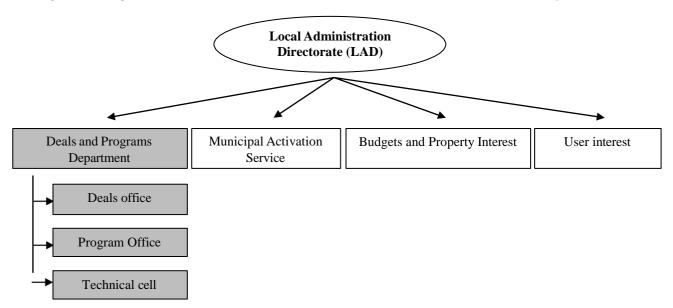
# 3.1 About the Directorate of Local Administration of the Wilaya of Oran

The Directorate of Local Administration of the Wilaya of Oran was established in accordance with Executive Decree No. 94/215 issued on July 23, 1994, which defines the structures and bodies of the public administration in the Wilaya. This directorate is considered one of the most important administrative facilities at the Wilaya level, as it plays a vital role in organizing and facilitating administrative and financial affairs at the local level. Its main tasks include:

- Preparing the operating budget and the equipment budget for the Wilaya, with a commitment to implementing them in accordance with the legally defined standards.
- Studying and proposing methods for managing employees appointed to the common interests in the Wilaya.
- Studying and developing processes for improving the level and training of employees.
- Collecting the necessary documents for the regular operation of municipal interests, analyzing and distributing them
- Studying and analyzing the necessary documents that would enable the Wilaya and municipalities to support and improve their financial resources.
- Continuously managing documents related to the management of the Wilaya's properties.
- Study and approve budgets and administrative accounts in public institutions.

The Directorate of Local Administration of the Wilaya of Oran consists of four (04) departments, each department consisting of three (03) offices at most. The vital role played by this directorate in organizing administrative and financial affairs at the local level is evident, contributing to enhancing the effectiveness of public administration in the Wilaya. The Directorate of Local Administration of the Wilaya of Oran consists of (04) departments as previously mentioned, each department consisting of (03) offices at most.

Figure 03: Organizational structure of the Directorate of Local Administration of the Wilaya of Oran

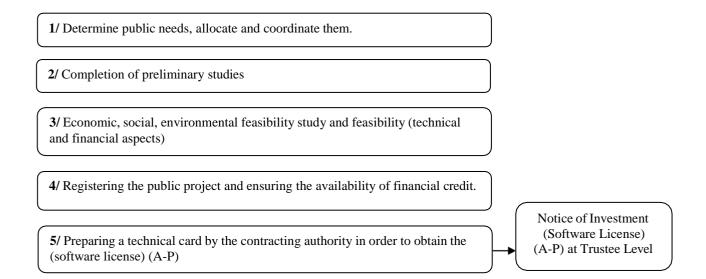


**Source:** Prepared by researchers based on field research

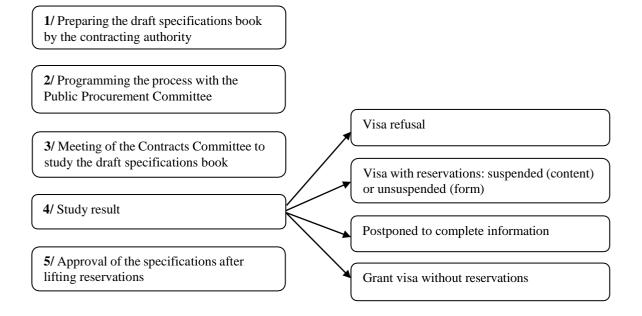
# 3.2 Stages of concluding a public contract according to the formal procedures and external control thereof at the level of the Directorate of Local Administration of the Wilaya of Oran

The public contract goes through several stages, which we summarize as follows:

**The first stage:** The stage of determining needs, project maturity and requesting a program license from the contracting authority: The needs must be determined with all accuracy and objectivity and must be logical, as well as conducting adequate project maturity studies.



**The second stage:** The stage of preparing the specifications: After obtaining the program license, the contracting authority begins preparing the specifications and submitting it to the Public Procurement Committee as part of the study schedule.



**The third stage:** The stage of depositing the specifications and grants: After obtaining the visa for the specifications from the Public Procurement Committee, the stage of announcing a national tender begins within the framework of transparency, equality and fair competition, for those wishing to submit their offers, and this is done according to the following:

1/ Announcement of a national tender -National newspaper in Arabic - National newspaper in French BOMOP-

2/ Submitting bids at the contracting authority level.

3/ Envelope opening stage: It is crowned by the envelope opening minutes.

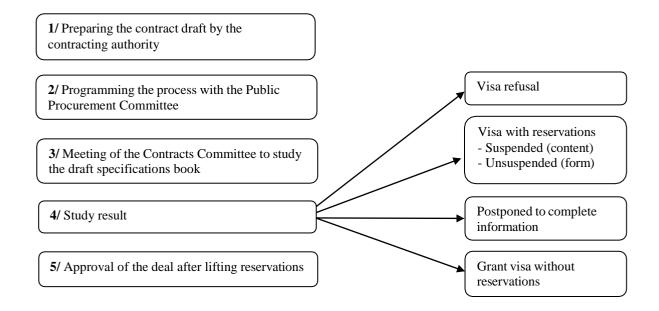
4/ Bid evaluation stage: culminating in a bid evaluation report.

5/ Announcement of temporary grant or announcement of futility Uniqueness: The Ineffectiveness of the **Temporary** Request to registration Accepted offer process due to: award of the register the decision or - Failure to match any after the best offer in process at the appeal period program offer terms of guardianship has expired - Lack of technical license economic level (10 days) qualification of any granted by advantages Guardianship offer (lowest or best the - Failure to receive any price) guardianship offer - Lack of sufficient funding (Article 40)

**The fourth stage:** The stage of preparing the transaction: After obtaining the official registration of the process from the guardianship, the fourth stage of preparing the transaction begins.

# The project file of the transaction submitted to the Public Procurement Committee for study:

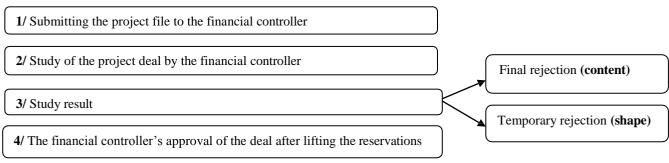
- The project of the transaction signed by the contracting operator includes all the mandatory data (Article 95).
- Copies of the minutes of opening and evaluation of the bids.
- A certified copy of the specifications book.
- An analytical card.
- A presentation report.
- A copy of the file of the contractor who won the transaction.
- A copy of the decision to register the operation or the software license.
- A copy of the decision to approve the specifications book.
- Copies of the announcements of the request for proposals and the provisional award of the transaction in Arabic and French.



**Fifth stage:** External monitoring: After the transaction visa is granted by the Transactions Committee, the file is submitted to the financial controller for monitoring and granting the visa, within the framework of the accounting and financial commitment to the transaction.

# The project file of the transaction deposited with the financial controller for the accounting and financial compliance of the transaction :

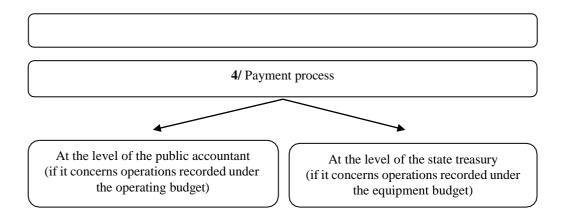
- The project of the transaction signed by the contracting operator and approved by the Public Procurement Committee.
- An analytical card.
- A presentation report.
- Documents related to the financial aspects
- A copy of the decision to register the operation or the software license.
- The decision to approve the transaction.
- A preliminary invoice. A commitment card.



**Stage Six:** The transaction enters into force: After the transaction visa is granted by the financial controller, the contracting authority can now implement the services and then the payment process.

1/ Signing the transaction by the disbursing officer

2/ Notifying the contracting customer with a copy of the deal + an order to start the service



The same procedure applies to the study of the draft specifications if their administrative estimates exceed the minimum stipulated by law. It also applies to contracts if the legally specified financial amount is exceeded. In addition, this regulation includes appendices if the legally specified percentage is exceeded, or in the event of appeals being submitted according to formal procedures only.

Figure 04: Appeal Procedures Within 10 days of the announcement Within 10 days of the announcement Announcement of provisional award, ineffectiveness or cancellation No appeal There is an appeal regarding Formal procedure Adapted procedure Study Notification Notify the Study of the appeal by of the appeal by the of the deal holder the Public envelope opening agreement Procurement committee and evaluation holder Committee of the offers Appeal Appeal Appeal Appeal accepted rejected accepted rejected First temporary grant cancellation Announcement of the cancellation of the first temporary grant Continuation of the evaluation of the bids for the second time by the envelope opening and bid evaluation committee

**Source :** Prepared by researchers based on field research

#### 4. Conclusion:

After discussing the topic of public contracts and their role in improving public demand and rationalizing public expenditures, and presenting the various aspects and concepts related to the management of public contracts from the legal and regulatory side, starting with the concept of public contracts, generalities about public contracts, methods of concluding public contracts and mechanisms for exercising external control over them and the most important stages of concluding a public contract and mechanisms for exercising external control over them from a practical point of view and shedding light on their characteristics.

It became clear to us that the concept of public contracts is one of the concepts that has been accepted and popular in all fields, whether law, economics, economic development, etc. The concept of public contracts also has a close relationship with several fields as it changes, develops and adapts to all developments in the external environment. Achieving the desired goals of the contracting interest depends on the effectiveness of concluding public contracts.

# The study also revealed the following results:

- Public contracts constitute an important part of the state's public spending, as a large percentage of the Finance Law is allocated to them annually.
- Public contracts are considered an essential element in achieving development at the local, regional and national levels.
- Procedural integrity contributes to achieving goals in short implementation periods and at a lower cost.
- The concept of contracts has gone through many historical stages in Algeria and this did not come about in vain, but was the result of a series of scientific and field research conducted by all actors in the legislative system.
- The study showed that there is an interactive relationship between public contracts and the effectiveness of external oversight over them, which allows them to ensure transparency and the effectiveness of their conclusion.

# Through this research paper, some recommendations and proposals can be presented:

- Public contract procedures must be embodied in respecting the basic principles of public spending, which are freedom of access to public demand, equality of candidates, and transparency of procedures (whether internal or external).
- Simplifying the specifications and making them clear leads to choosing the contracting operator without ambiguity and reduces the possibility of appeals.
- Including sufficient financial and technical guarantees that protect the contracting interest from any non-compliant trading.
- Staying away as much as possible from concluding annexes except for justified necessity because they often violate the principle of competition.
- Respecting contractual implementation deadlines to avoid inflating the cost of projects.
- It is necessary for public institutions to conduct training courses for their employees in the field of public procurement management in order to develop their performance and keep pace with the most important developments;
- The necessity of enacting laws and legislation specializing in the application of digitization and activating digital and electronic security.
- It is necessary to move from the concept of public procurement management to the concept of public procurement management and to pay attention to its strategic dimension.

# **Study prospects:**

- Digitization and its impact on public procurement management;
- The reality of public procurement management in public institutions of an administrative nature;

- Activating the use of digitization at the level of the public procurement system.

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