

YOUkraine. Because ProZorro



In 2015 Ukraine ranked
#130 by Transparency
International for
corruption perception

(in a group with Cameroon, Iran, Nepal,
Nicaragua, Paraguay, Nigeria, Guinea,
Kenya, Laos, Papua New Guinea, Uganda)



Everything started here



prozorro



Volunteers started working on PP reform

- Just after the Revolution of Dignity, a group of volunteers decided to start a reform in public procurement
- eProcurement system ProZorro seen as the key element of the reform
- At times a team of up to 300 people worked on ProZorro

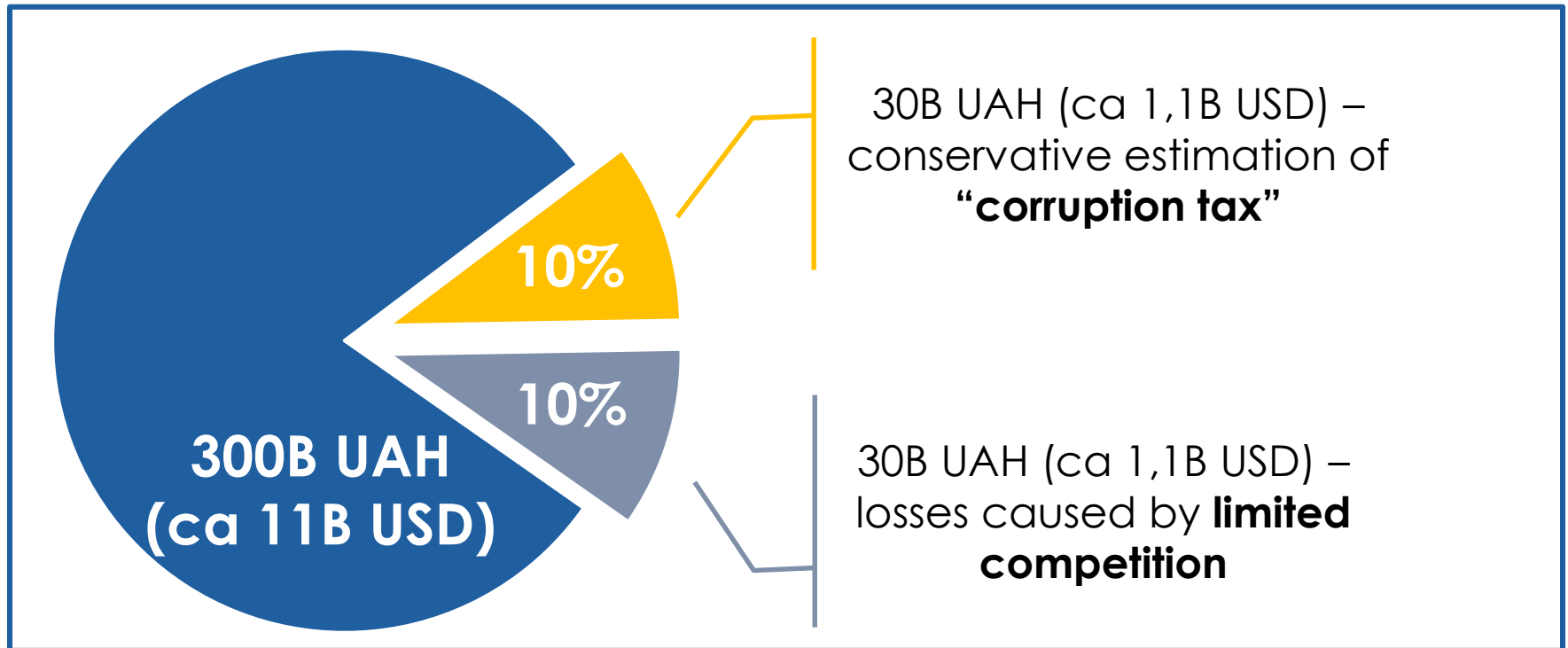


- Population – 44M people
- GDP – 177B USD
- Annual public procurement budget 11B USD
 - The threshold – 8K USD
 - Above the threshold – 6,0B
 - Below the threshold – 5,0B
- Quantity of procedures per annum
 - Above the threshold – 100K tenders
 - Below the threshold – 1,5M tenders



The target was defined precisely

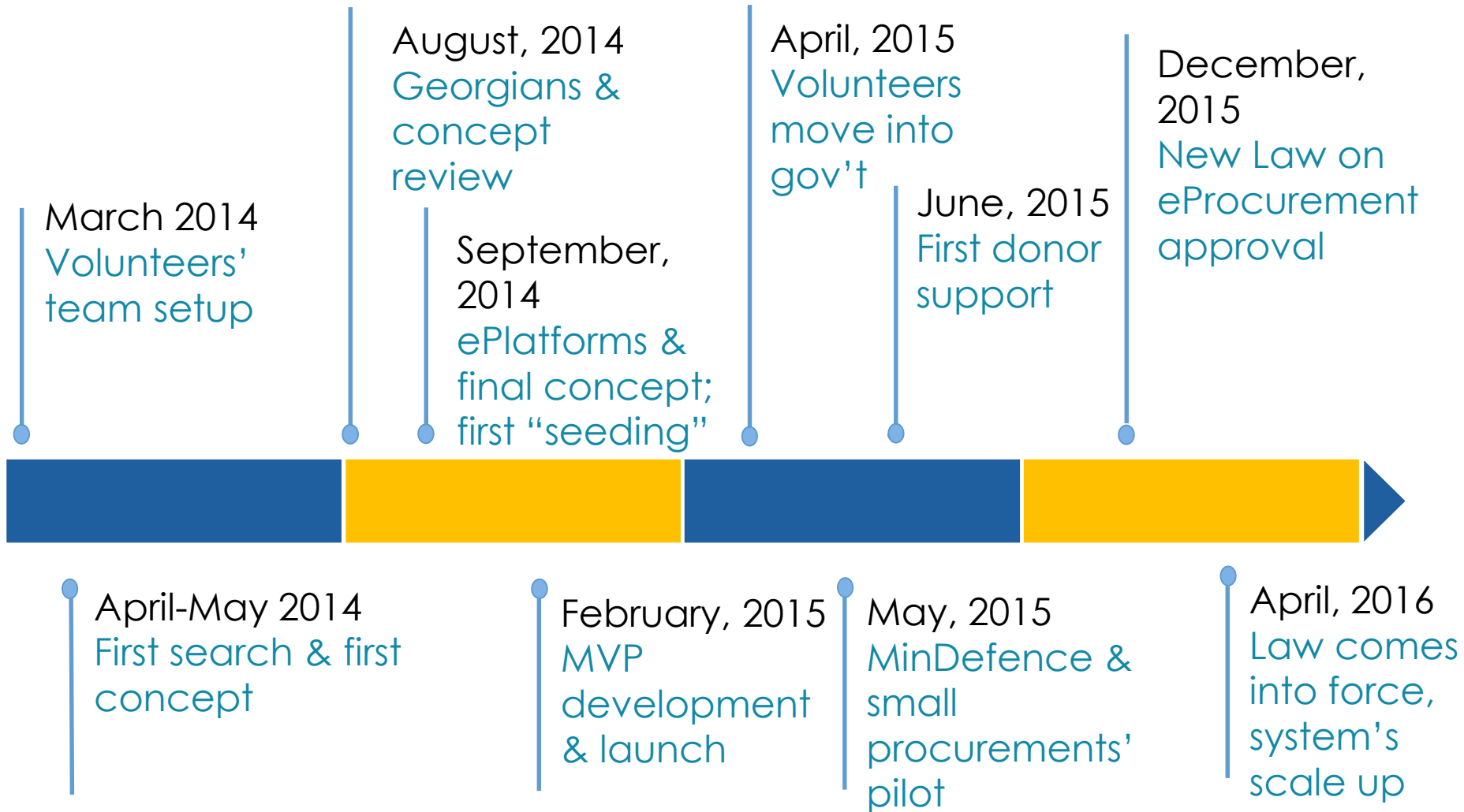
Estimation of losses in public procurement (PP)



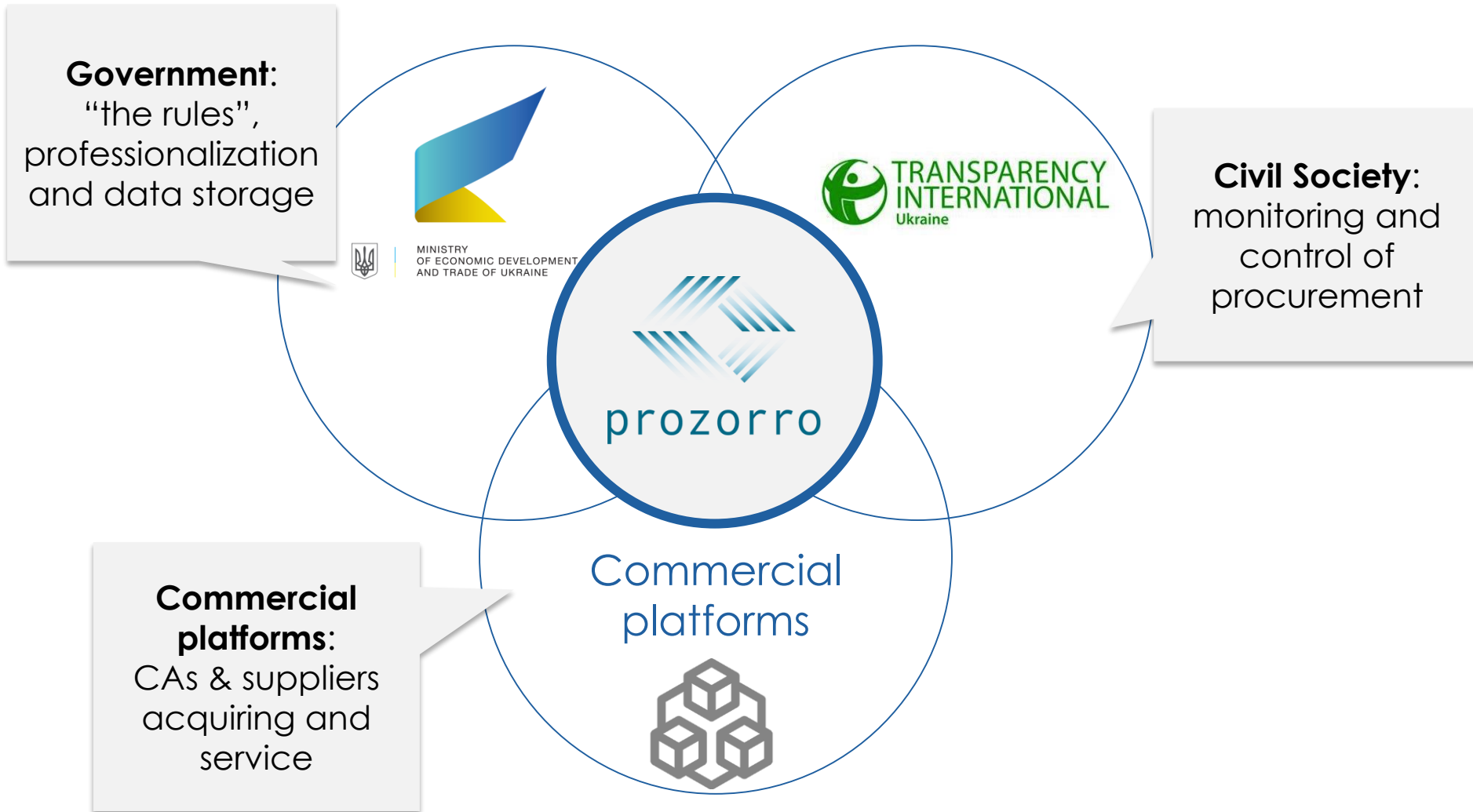
At least 60B UAH (ca 2,2B USD) per annum – losses from corruption and limited competition



eProcurement system ProZorro was developed in a year

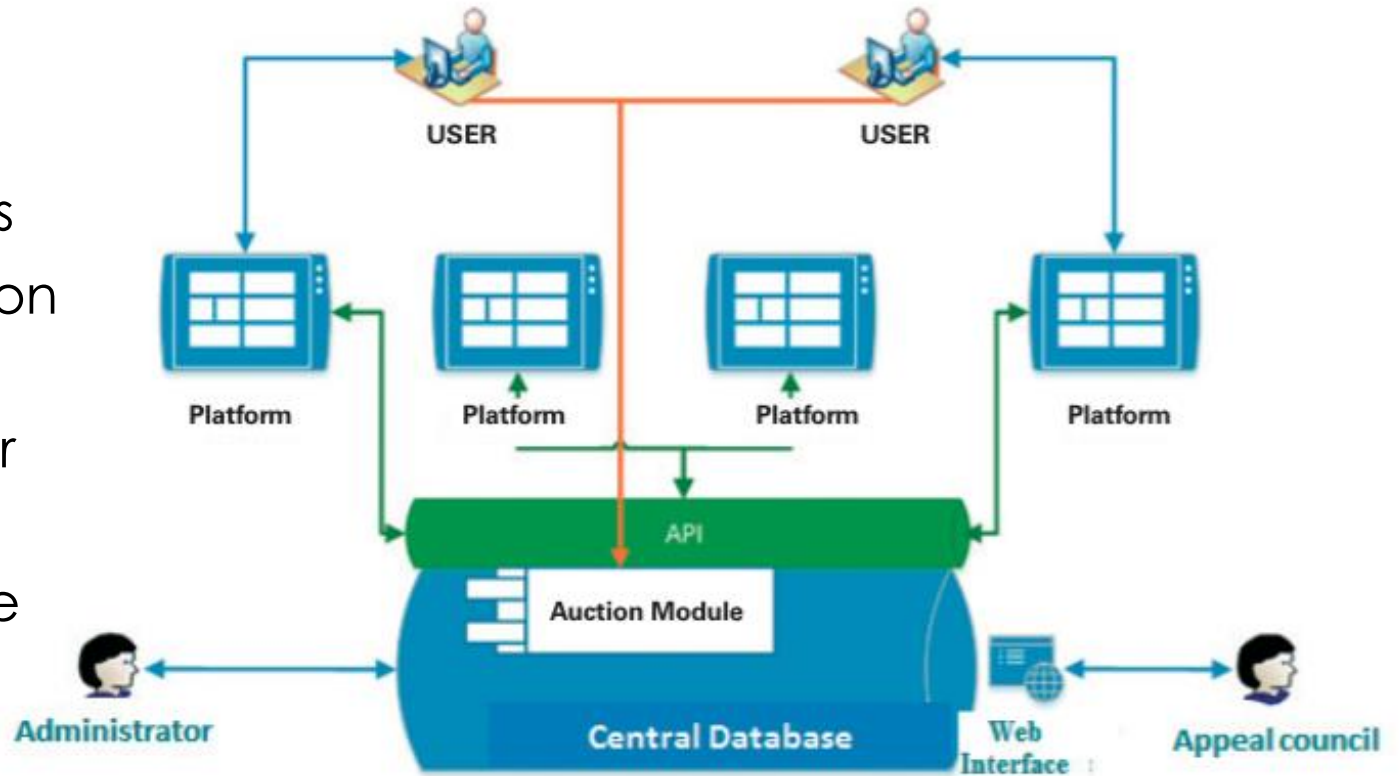


“Golden triangle of partnership” in the core



How ProZorro works

- Cross-access
- One reduction module
- Small fee per bid
- Open-source



Private electronic platform









SmartTender website interface. The header includes navigation links like 'Home', 'About us', 'Log in', and 'Registration'. A main banner features the text 'Actual purchases 1,000.000' and 'Save up to 25% on purchases'. Below the banner, there is a search bar and a table of procurement items with columns for 'Name', 'Status', 'Contract type', and 'Contracted to date'. The Prozorro logo is visible in the bottom left corner.
















OPENTENDERS.ONLINE website interface. The header includes navigation links like 'PURCHASERS', 'SELLERS', 'STATISTICS', and 'ADMINISTRATORS'. A main banner features the text 'OPENTENDERS.ONLINE - is the official website of the procurement system in Ukraine'. Below the banner, there are two main sections: 'WANT TO BUY?' and 'WANT TO SELL?'. The 'WANT TO BUY?' section includes a 'REGISTER AS A BUYER' button, and the 'WANT TO SELL?' section includes a 'PARTICIPATE' button. At the bottom, there is a section titled 'RATING OF STATE PROCUREMENT PARTICIPANTS'.

ZAKUPKI.PROZORRO.ua website interface. The header includes navigation links like 'Home', 'About us', and 'Log in'. A main banner features the text 'КОМЕРЦІЙНІ ТА ДЕРЖАВНІ ЗАКУПІВЛІ' and two main sections: 'Закупівельникам' (Buyers) and 'Постачальникам' (Suppliers). Below the banner, there is a search bar and a table of procurement items with columns for 'Name', 'Status', 'Contract type', and 'Contracted to date'. The Prozorro logo is visible in the bottom left corner.

TO BILIC BUD website interface. The header includes navigation links like 'Home', 'About us', and 'Log in'. A main banner features the text 'Офіційний сайт публічних закупівель України' and a diagram titled 'ЯК ЦЕ ПРАЦЮЄ' (How it works). The diagram shows a flow from 'Замовник створює закупівлю' (Buyer creates procurement) to 'Розпочинає процес закупівлі' (Starts procurement process) to 'Система призначає аукціон, під час якого учасники подають заявки на виготовлення' (System appoints auction, during which participants submit bids for production) to 'Система обирає найкращу пропозицію' (System chooses the best offer) to 'Переможець виконує поставку товару/послуги' (Winner fulfills goods/services supply). Below the diagram, there are two buttons: 'Регістри на сайті Prozorro' and 'Ваші закупівлі'. At the bottom, there are two charts: a pie chart showing 'Відомі закупівлі' (Known procurements) and a bar chart showing 'Відомі закупівлі' (Known procurements).

ProZorro covers key procedures and functionalities

| Procurement Procedures | |
|-------------------------------|--|
| Open Procedure (price & MEAT) |  |
| Competitive Dialogue |  |
| Negotiation Procedure |  |
| Framework Agreements |  |
| Dynamic purchasing system |  |
| Electronic Catalogues |  |

| eProcurement Functionalities | |
|------------------------------|---|
| Web portal |  |
| ePlanning |  |
| eRegistration |  |
| eAuthentication |  |
| eNotification |  |
| eNotices |  |
| eAccess |  |
| eSubmission/eTendering |  |
| eEvaluation |  |
| eAuction |  |
| eAwarding |  |
| ePurchasing/eOrdering |  |
| eInvoicing |  |
| eContract Management |  |
| ePayments |  |



available

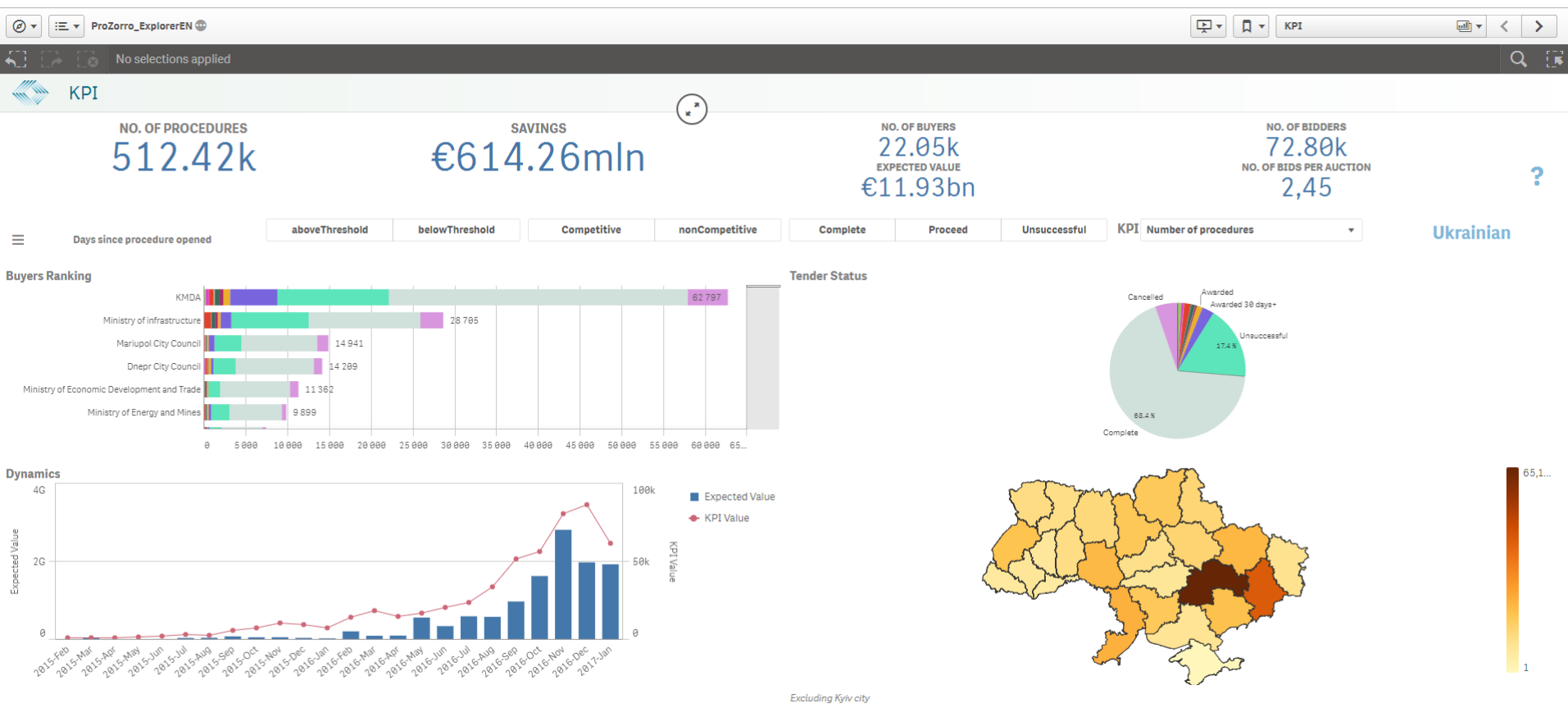


being developed now



to be developed later

All information is available for everyone



www.bi.prozorro.org

BI modules on Qlik are owned by Transparency International Ukraine

Special monitoring tool for PP professionals

1.5 | Advices | Selections | KPIs | Analysis | Completed | Opened | Failed | Tenders | Organizers | Tenderers | Contracts | Constructor | Arbitrary | Problems | RMS | Prototypes | песочница

2015 | 2016 | Q1 | Q2 | Jan | Feb | Mar | Apr | May | Jun | Year-Month | Q3 | Q4 | Jul | Aug | Sep | Oct | Nov | Dec | Week

Sum of tenders: 0 <= <10 000 | 10 000 <= <50 000 | 50 000 <= <100 000 | 100 000 <= <250 000 | 250 000 <= <1 000 000 | 1 000 000 +

Number of tenderers: 0 <= <2 | 2 <= <4 | 4 <= <6 | 6+ | =1 | >1

UA-2016-03-14-000374-c

Tenders status for RMS | All KPIs | Tenders | Organizers

All KPIs

| Status | Identifier | Organizer | Head agency | LQA (67,37%) | LCA (65,98%) | TOP (20,55%) | Number of tenderers | Amount | Number of disqualif. tenderers |
|--------|------------------------|----------------------------|--------------------------|--------------|--------------|--------------|---------------------|---------|--------------------------------|
| CLOSED | UA-2016-03-15-000479-c | Комунальне некомерці... | Комунальне некомерц... | ● | ● | ● | 1 | 30 000 | 0 |
| CLOSED | UA-2016-03-15-000025-b | Комунальний заклад "... | Комунальний заклад "... | ● | ● | ● | 1 | 60 000 | 0 |
| CLOSED | UA-2016-03-14-000447-c | Київська міська клінічн... | КМДА | ● | ● | ● | 2 | 23 000 | 1 |
| CLOSED | UA-2016-03-14-000374-c | КП "Нікопольтеплоенер... | Нікопольська міська р... | ● | ● | ● | 1 | 3 600 | 0 |
| CLOSED | UA-2016-03-14-000180-c | КИЇВСЬКА МІСЬКА КЛІ... | КМДА | ● | ● | ● | 4 | 9 800 | 0 |
| CLOSED | UA-2016-03-14-000177-c | КИЇВСЬКА МІСЬКА КЛІ... | КМДА | ● | ● | ● | 4 | 5 400 | 0 |
| CLOSED | UA-2016-03-14-000124-b | Київська міська клінічн... | КМДА | ● | ● | ● | 1 | 150 092 | 0 |
| CLOSED | UA-2016-03-14-000102-c | Київський міський поло... | КМДА | ● | ● | ● | 2 | 24 670 | 0 |
| CLOSED | UA-2016-03-14-000088-c | Київський міський поло... | КМДА | ● | ● | ● | 6 | 22 595 | 0 |
| CLOSED | UA-2016-03-14-000078-b | Комунальний заклад "... | Комунальний заклад "... | ● | ● | ● | 1 | 8 000 | 0 |
| CLOSED | UA-2016-03-14-000061-b | Київський міський буди... | КМДА | ● | ● | ● | 1 | 40 250 | 0 |
| CLOSED | UA-2016-03-14-000060-c | КП "Група впроваджен... | КМДА | ● | ● | ● | 3 | 6 000 | 0 |
| CLOSED | UA-2016-03-14-000052-a | Новояричівська районн... | Новояричівська район... | ● | ● | ● | 2 | 10 000 | 1 |
| CLOSED | UA-2016-03-14-000041-c | Департамент фінансів ... | Дніпродзержинська мі... | ● | ● | ● | 1 | 12 000 | 0 |
| CLOSED | UA-2016-03-14-000020-c | ДП "Природний заповід... | Національна академія... | ● | ● | ● | 1 | 700 | 0 |
| CLOSED | UA-2016-03-12-000200-c | Комунальний заклад "Д... | Комунальний заклад "... | ● | ● | ● | 1 | 3 000 | 0 |
| CLOSED | UA-2016-03-12-000081-b | Національний комплек... | Національний компле... | ● | ● | ● | 2 | 44 010 | 0 |
| CLOSED | UA-2016-03-11-000487-c | Управління охорони зд... | Управління охорони з... | ● | ● | ● | 1 | 77 000 | 0 |
| CLOSED | UA-2016-03-11-000437-c | Черешський психоневр... | Черешський психоневр... | ● | ● | ● | 1 | 850 | 0 |
| CLOSED | UA-2016-03-11-000424-c | Черешський психоневр... | Черешський психоневр... | ● | ● | ● | 1 | 5 800 | 0 |
| CLOSED | UA-2016-03-11-000388-c | КОМУНАЛЬНЕ ПІДПРИ... | КОМУНАЛЬНЕ ПІДПР... | ● | ● | ● | 3 | 15 000 | 2 |
| CLOSED | UA-2016-03-11-000319-c | КИЇВСЬКА МІСЬКА КЛІ... | КМДА | ● | ● | ● | 1 | 20 000 | 0 |
| CLOSED | UA-2016-03-11-000303-c | Вінницька обласна нау... | Вінницька обласна на... | ● | ● | ● | 8 | 6 300 | 3 |
| CLOSED | UA-2016-03-11-000277-c | КП "ЖЕК-13" | КП "ЖЕК-13" | ● | ● | ● | 3 | 2 700 | 0 |
| CLOSED | UA-2016-03-11-000253-c | КУ "ДЦПМСП №10" | КУ "ДЦПМСП №10" | ● | ● | ● | 4 | 13 540 | 0 |
| CLOSED | UA-2016-03-11-000246-c | Київська міська клінічн... | КМДА | ● | ● | ● | 6 | 20 000 | 0 |
| CLOSED | UA-2016-03-11-000244-c | Антонівська загальноо... | Антонівська загальноо... | ● | ● | ● | 1 | 984 | 0 |

Organizers: Organizer, OrganizerID, Organizer country, Organizer region, Organizer locality

Tenderers: Tenderer, TendererID, Tenderer country, Tenderer region, Tenderer locality

Goods: CPV classification, ДКПП classification, Goods

Tenders: Identifier, Tender status, Site of tender

Contracts: Contract, Contract status

Automatic screening of a number of factors allows to identify corruption-prone tenders

What are advantages of ProZorro

For the government

- Low initial cost
- Low implementation and maintenance cost
- Higher suppliers competition due to involvement of existing pools of suppliers registered on commercial platforms
- Higher resistance to corruption due to distribution of risk among various actors
- Alignment with international legislation standards

For NGOs and business

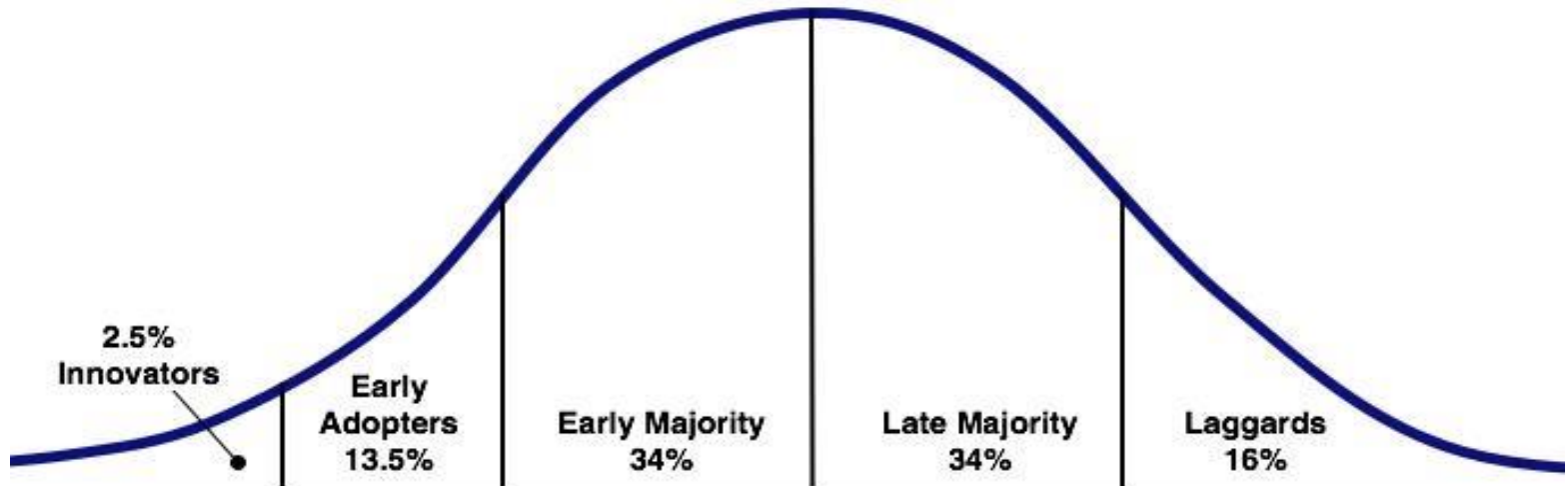
- Better services, incl. training & legal support, due to competition among platform providers
- Additional statistical & risk-management tools
- Application of Open Contracting Data Standard
- Propensity to innovation
- Lobbying in the government

- Ukraine won the **World Procurement Award** in the Public Sector nomination and **Open Government Partnership Award** in 2016
- ProZorro is a showcase & learning project of the **Open Contracting Partnership**
- ProZorro considered by **EBRD** as a recommended model for eProcurement reform
- **National Council of Reforms** recognized PP reform as the most successful one



...but not from the beginning

The law of diffusion of innovation



| | Concept & MVP | Pilot | Scale Up & Implementation |
|----------|---------------|--------|---------------------------|
| Gov't | Low | Medium | High |
| NGO | High | High | Low |
| Business | Medium | High | High |

Reform is following startup phases

STARTUP DEVELOPMENT PHASES

Mission > Vision > Strategy

- Co-founder team formation
- What, to whom? & Why and how?

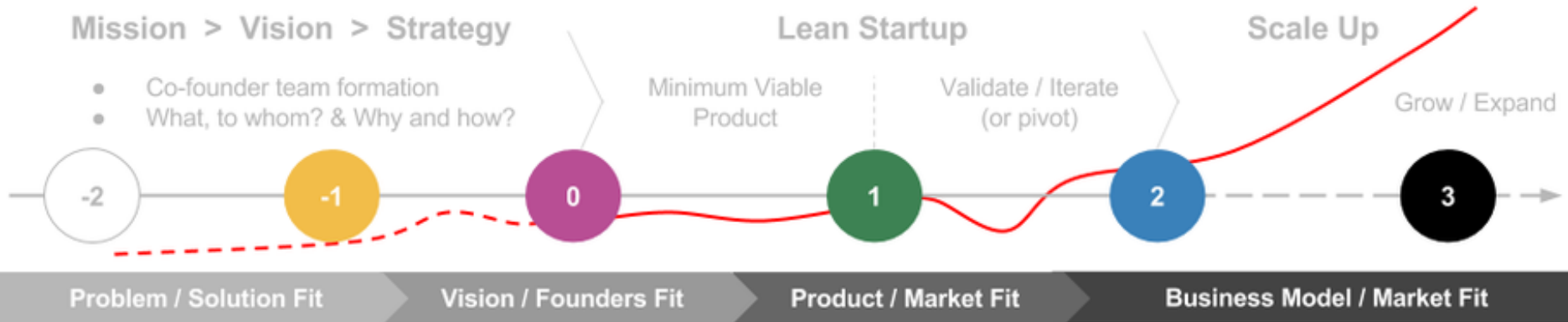
Lean Startup

Minimum Viable Product

Validate / Iterate (or pivot)

Scale Up

Grow / Expand



We want to share our philosophy worldwide

- Open-source IT-system with cross-access
- “Everybody sees everything”
- Golden triangle of partnership

Source: ProZorro principles Wikipedia <https://uk.wikipedia.org/wiki/Prozorro>

One day a worldwide public procurement system can be developed bases on ProZorro principles

Hope to see you in Ukraine!



Thank you!

Web-portal

Prozorro.gov.ua

Analytics Module

Bi.prozorro.org

CA Support

Infobox.prozorro.org

Olexandr Starodubtsev

+38 067 2096250

olexandr.Starodubtsev@gmail.com

