Public Procurement and Sales in Ukraine

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End of Paper Era
PP was seen as synonym of corruption in Ukraine

UAH 30bn (ca $1.2bn) – conservative estimation of “corruption tax”

UAH 30bn (ca $1.2bn) – losses caused by limited competition

At least $2.4bn per annum – losses from corruption and limited competition
"Golden triangle of partnership" in the core

**Government:**
"the rules", professionalization and data storage

**Civil Society:**
monitoring and control of procurement

**Commercial platforms:**
CAs & suppliers acquisition and service
Open Contracting Data Standard

An open data schema describing how to release documents & data at each stage of a contracting process as machine readable, flexible, extensible, user friendly data.
New system

Central Database (CD)  
prozorro.gov.ua

Marketplaces

The announcement of the tender is made

Bidding proposal is made

Procuring entity

Supplier (business)
VISION

Civic network run by Transparency International Ukraine watching national and regional public procurement

MISSION

To unite the civil society in watchdog activities to ensure access and fair play among public procurement stakeholders
Developing civic tech for open data to analyse and to monitor public spending

Providing unique feedback loop on public procurement via dozorro.org

Raising awareness though educational materials and events

Giving voice to local stories

Training and capacity building for watchdog activists

A strong civil society community in the regions all over the Ukraine
DOZORRO-community

Organizations that share our vision and values:

24 civil society organizations

45 representatives of procuring entities and business community
TI Ukraine has developed and regularly upgrades BI modules:

- public,
- professional,
- medical
**KPIs**

**Number of Procedures**: 4,41mln

**Savings**: 3,66bn

**No. of Procuring Entities**: 39,10k

**Expected Value**: 111,63bn

**No. of Bidders**: 271,31k

**No. of Bids per Auction**: 2,35

**Statuses of procedures**

- Unsuccessful: 85.4%

**Dynamics**

**Number of procedures**

**Expected value**

**Updated**: 04.03.2020 06:00:01

Excluding Kyiv
DOZORRO developed innovative data-driven red flags methodology for investigation of risky tenders in 2017.

Risk indicator analysis is running on machine learning (2018).

6 unique indicators based on the review status: no response to complaint, negative rank on the provided response, risks mentioned in the feedback, etc.

40 risks indicators overall.
Machine Learning
After 3 months of beta testing we compared results, shown by DOZORRO activists before and after the implementation of new engine:
Our achievements

<table>
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<th>1,5 million unique DOZORRO users</th>
<th>152 000 users of Open BI</th>
<th>300 certified professional BI users</th>
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<td>near 30 000 violations identified</td>
<td>near 35 000 appeals to control bodies</td>
<td>3600 wins and 48 opened criminal proceedings</td>
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We use open-source open-data OCDS tools and that makes our civic tech highly transferable – **DOZORRO-tools are used by NGOs in Moldova and Poland**
Our achievements

We are listed in top 12 projects worldwide for citizen watchdogs
DOZORRO was featured by FORBES magazine

We successfully advocated introduction of mandatory risk-based monitoring in Ukrainian government – State Audit Service started a pilot of online public procurement monitoring in 2018 and changes to Law on PP in 2019.

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main partners

Luminate
Building stronger societies

OMIDYAR NETWORK

giz
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

USAID
From the American people

UKaid
From the British people

Eurasia Foundation

European Bank for Reconstruction and Development

INTERNATIONAL RENAISSANCE FOUNDATION

OPEN CONTRACTING PARTNERSHIP

Western NIS Enterprise Fund

TRANSITION
TRANSPARENT AND EASILY ACCESSIBLE E-AUCTION PLATFORM
A state-owned central database (CDB) is connected to private e-platforms through a secure API. e-platforms interact with cities, state agencies & companies as well as businesses to provide them with all the necessary services.

All information in CDB is open and accessible to everyone. Any provider can develop its own services based on our open data.
Some numbers and facts

- **USD 934m** in revenue
- **>16k** participants
- **>250k** lots created
- **>50** marketplaces connected and authorized
- Successfully launched Small Privatization reform
- State Entity PROZORRO.SALE established independent Supervisory Board
Small Scale Privatization

Before Prozorro.Sale

USD 5.5m p.a.

After Prozorro.Sale

USD 60m in first year

3,000 unique participants

Up to 100 participants per auction

63% average starting price increase

>40% of lots sold

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Thank you!

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