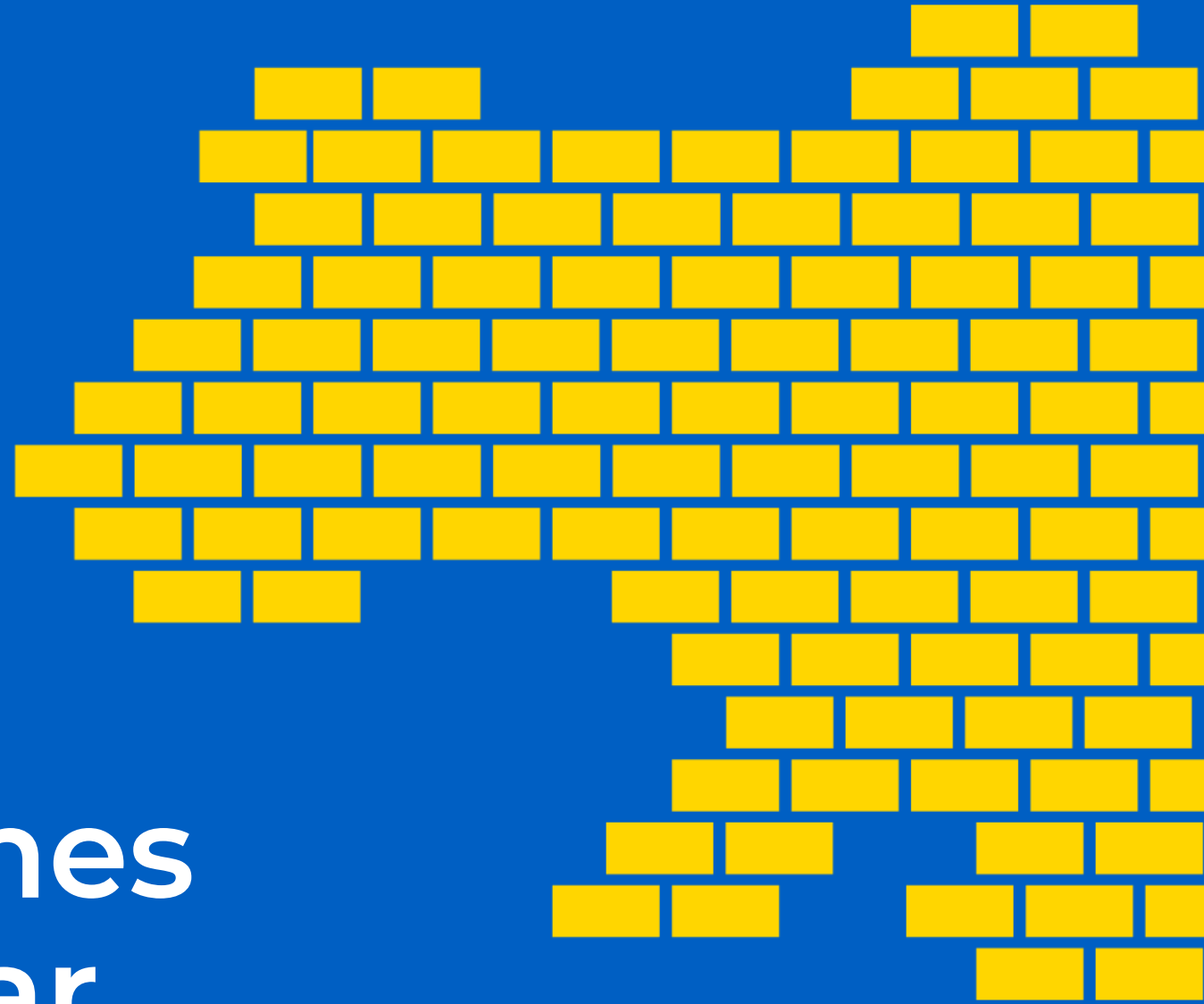


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Prozorro in times
of full-scale war

KEY FACTS ABOUT PROZORRO





Prozorro is a Ukrainian word for “transparency”, and a main principle of our system is **“everyone sees everything”**



The system consists **300 TB** of procurement data



2M tenders, 
140K participants and 
\$6B saved since 2016

WHAT MAKES PROZORRO A UNIQUE E-PROCUREMENT SYSTEM



Open source code
of the system



Open API, which makes it possible to create new services based on Prozorro data



Electronic submission
of tender proposals

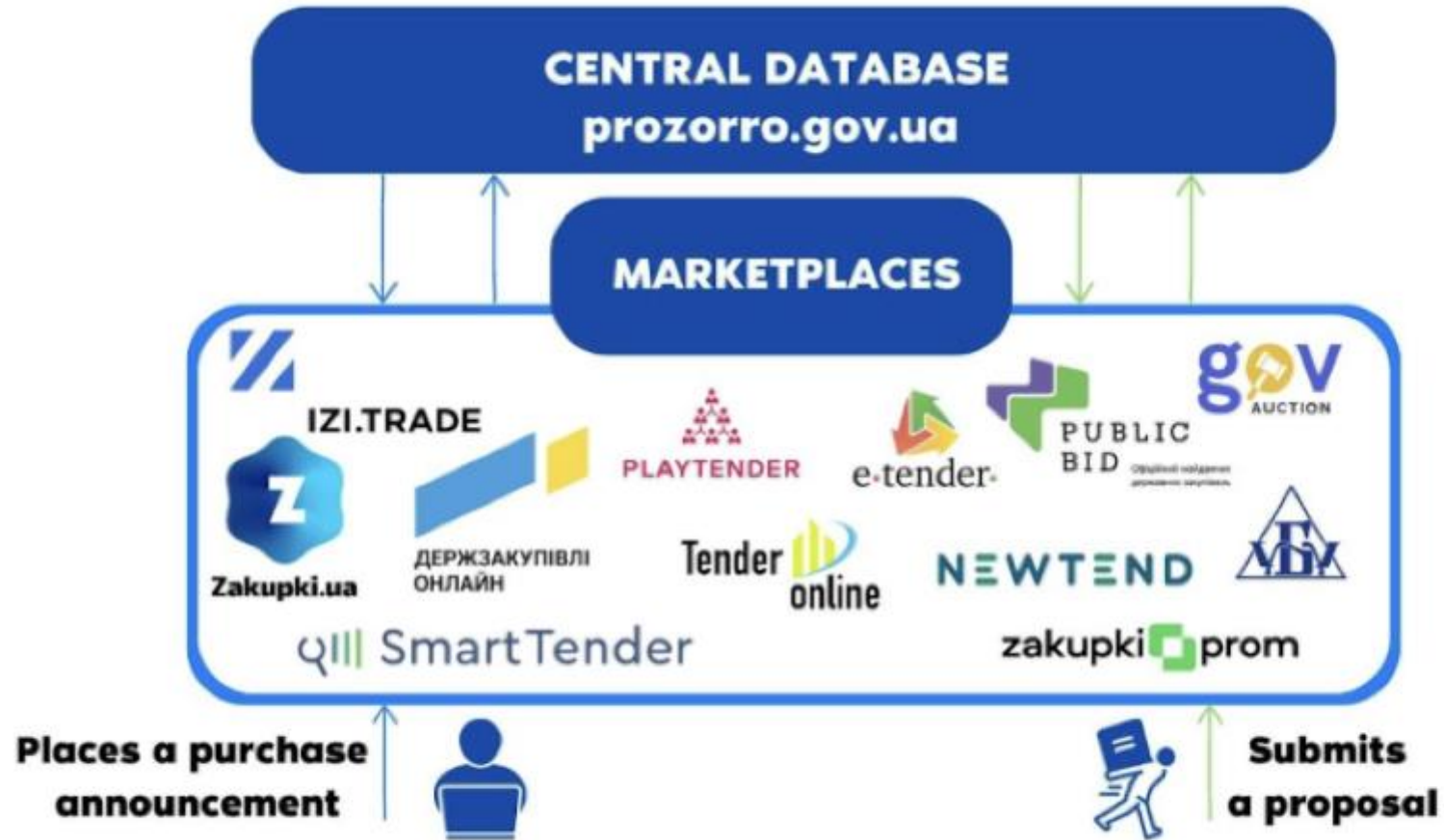


Public BI module for analyzing procurement from different angles



Two-level hybrid system consisting of central database and 12 commercial marketplaces

ARCHITECTURE OF PROZORRO



BENEFITS OF TWO-LEVEL SYSTEM

- **The state focuses on the development of the system itself**, while private marketplaces the user interface and customer support
- Both procurement entities and economic operators **can choose any marketplace or use several of them**
- Variety of marketplaces **makes it impossible for system administrator to manipulate the data**
- **The system doesn't get budget funding.** State-owned enterprise and marketplaces receive income from the commission paid by participants of tenders
- So the marketplaces are interested in involving business to tenders, **which increases the competition and allows state to save more money**

PROZORRO IN TIMES OF FULL-SCALE WAR



Every emergency situation **questions the benefits of using competitive procurement**



And full-scale invasion of Ukraine was not an exception



Contracting authorities had to fulfil their needs **as quickly as possible**



And the main value of Prozorro — **total transparency** — was often perceived as a **threat**



So soon after the start of invasion, **the usage of Prozorro stopped to be mandatory**



RESILIENCE OF UKRAINIAN PUBLIC PROCUREMENT SYSTEM



In October 2023, almost

80%

of money being spent on public procurement was spent via competitive procurement in the Prozorro system

And it's a result of joint efforts of government, business sector and civil society

HOW DID UKRAINE ACHIEVE IT?

One year ago, the government developed new rules of public procurement under martial law



Shortened terms of procedures



Easier access to public procurement for business (ability to correct mistakes in all the documents etc.)



Simplified rules for contracting authorities



Ability to use e-catalogue Prozorro Market for fast and easy procurement of goods without limits

RESULTS

Average duration of open tenders decreased from

46 to 25 days

The % of unsuccessful procedures reduced from

40 to 30%

\$ 1 bn

saved on competitive procedures

Amount of procurement conducted via e-catalogue Prozorro Market increased in

20 times

RETURN OF NON-ARMED DEFENSE PROCUREMENT IN PROZORRO

- With the great help of civil society, non-armed defense procurement returned to the Prozorro
 - New rules made it possible to avoid publishing private and sensitive information in terms of national security, but still conduct competitive procurement
- Ministry of Defense saved about \$150 million on non-defense procurement due to the usage of Prozorro
 - Launch of new defense procurement agency for more efficient and transparent purchases of non-weaponry goods



**TRANSPARENT AND
EFFICIENT PROCUREMENT
FOR RECONSTRUCTION
OF UKRAINE**

DONOR PROCEDURE



In order to ensure transparent and efficient reconstruction, based on the build-back better principle, we developed **new procedure by the rules of international donors**



It combines tested over the years **procurement rules of international organizations** with the most progressive standards of **transparent e-procurement from Ukraine**

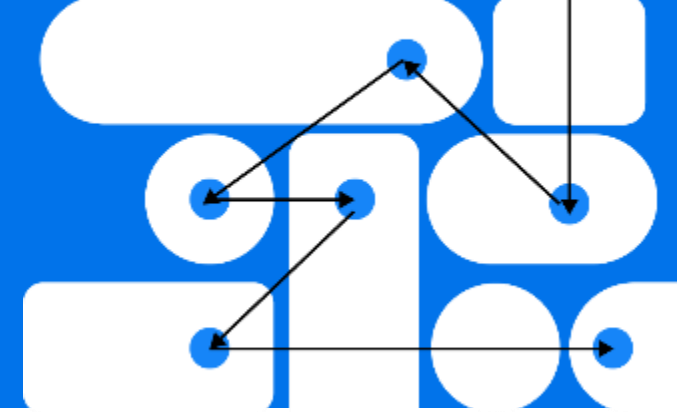


In October, we got an official assessment of the World Bank that confirms that **Prozorro e-procurement system is compliant with the procurement rules of WB**



Meanwhile, **USAID project TAPAS** started to pilot our donor procedure for their procurement

FLEXIBLE PROCUREMENT FOR INTERNATIONAL DONORS



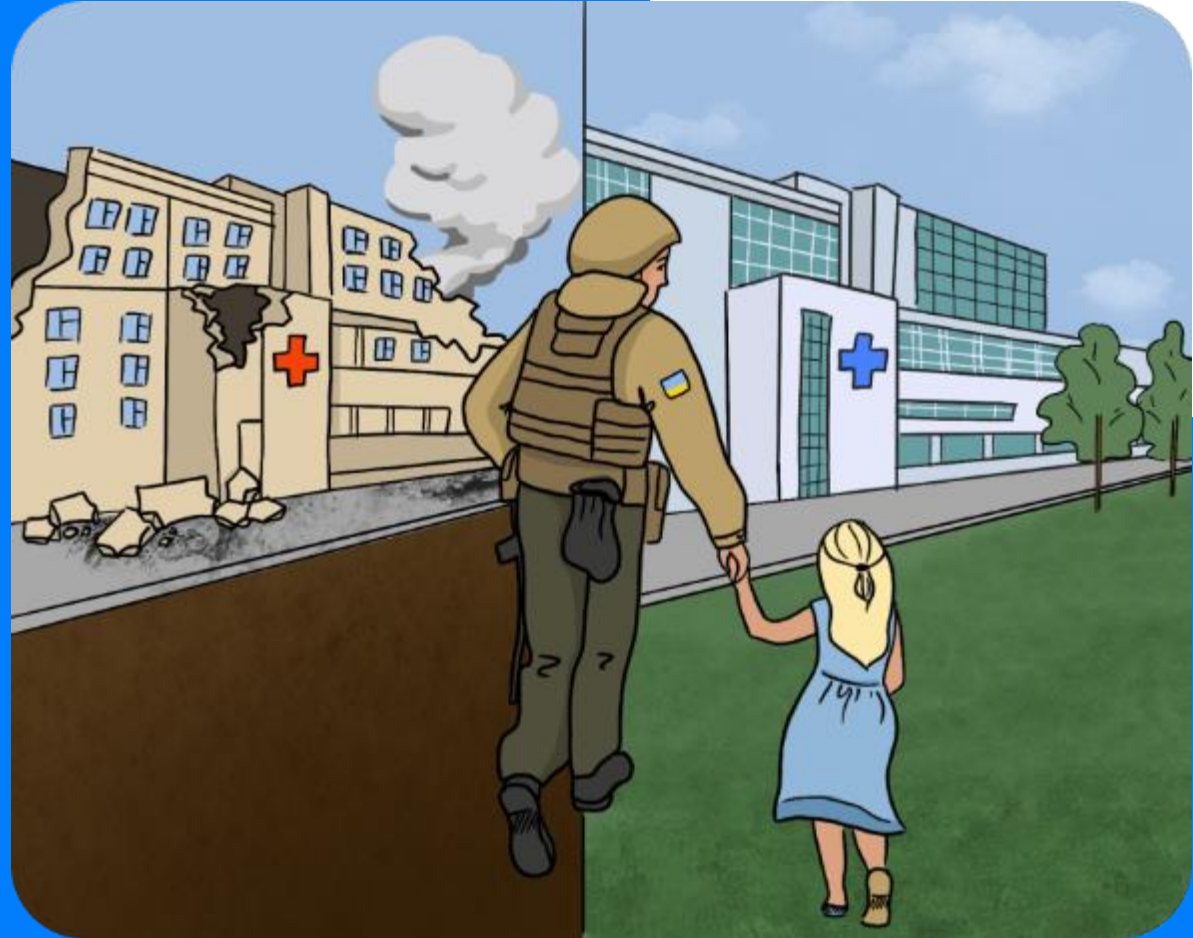
Moreover, we developed our procedure in such a flexible way that makes it **applicable for other international financial institutions and banks of development to use.**

Each contracting authority can “construct” its own tender procedure that will fit the requirements of a specific international donor

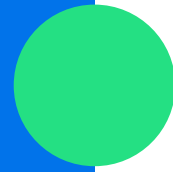
All you need to do is to **choose correct configurations of tender** while announcing the procedure

In the nearest future we will add the possibility to **connect the bank's external approval** on each stage of the procedure

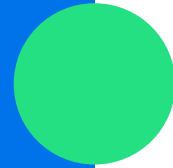
The impact of war on Ukraine will lead to a shift towards green procurement practices



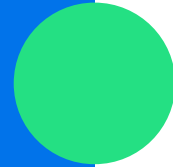
GREEN AND SUSTAINABLE PROCUREMENT ON PROZORRO



Eco requirements



Eco criterias



Life-cycle cost



ESCO procurements

STAYING RESILIENT

**STAYING TRANSPARENT
NO MATTER WHAT**

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