

# About ProZorro

The ProZorro team has created a genuinely unique model of cooperation and trust-based relationship building between civil activists, businesses and the government. It was no easy task, since initially the stakeholders were reluctant to cooperate as they hadn't shared much in common. This reform has been successfully carried out solely by virtue of a fruitful collaboration based on new, commonly developed Principles jointly voiced by the business community, NGOs, reform-minded government officials - all with the advisory support by reputable anti-corruption focused international organizations.

The newly established network of partners ensures transparent and predictable rules for all parties to follow so that notwithstanding the differences they can and do successfully work together for a common mission. The success of ProZorro is due not only due to rules that ensure the common good, but because the benefits extend to all parties as well. This is why ProZorro is a showcase proving that the quality and the speed of reforms depends on bringing together the people who are willing and able to bring about those changes.

## Contents

Vision.....	4
Mission.....	4
Values .....	4
<b>1. Transparency</b> .....	<b>6</b>
<b>1.1. Laws</b> .....	<b>6</b>
<b>1.2. Monitoring &amp; Risk</b> .....	<b>6</b>
<b>1.2. Improvement</b> .....	<b>6</b>
<b>2. Competition</b> .....	<b>7</b>
<b>2.1. Barriers</b> .....	<b>7</b>
<b>2.2. Engagement</b> .....	<b>7</b>
<b>2.3. Arbitration</b> .....	<b>7</b>
<b>3. Globalism</b> .....	<b>8</b>
<b>3.1. Harmonization</b> .....	<b>8</b>
<b>3.2. Procurement Agreements</b> .....	<b>8</b>
<b>3.3. Philosophy</b> .....	<b>8</b>
<b>4. Professionalism</b> .....	<b>9</b>
<b>4.1. Collaboration</b> .....	<b>9</b>
<b>4.2. Tenders</b> .....	<b>9</b>
<b>4.3. Procurement</b> .....	<b>9</b>
<b>5. Performance</b> .....	<b>10</b>
<b>5.1. Inspiration</b> .....	<b>10</b>
<b>5.2. Flexibility, Trust &amp; Learning</b> .....	<b>10</b>
<b>5.3. Feedback</b> .....	<b>10</b>
Administrative Information.....	10

DEMONSTRATION ONLY



## ProZorro (PZ)

### Stakeholder(s):

#### Prozorro Team :

*At the very core of the public procurement reform since its inception is the Prozorro team that consists from two structures that ensure its day-to-day operation:*

#### Public Procurement Department :

*The Public Procurement Department (PPD) of the Ministry of Economic Development and Trade of Ukraine has initiated the successful public procurement reform that now bears the name "ProZorro". PPD is the Ministry's legislative arm in the field of public procurement in Ukraine.*

#### SOE ProZorro :

*The State-Owned Enterprise "ProZorro" is the administrator and owner of the central database, the auction module and the web portal, prozorro.gov.ua.*

#### ProZorro Network :

*ProZorro and the Network of ProZorro Stakeholders — ProZorro public purchasing web portal, prozorro.gov.ua, the central electronic tenders database, and the auctions module are all administered by the state-owned enterprise ProZorro. However, the open and transparent electronic tendering system is possible due to a number of partners and stakeholders in the larger electronic governance reform effort.*

#### ProZorro Stakeholders :

*ProZorro Partners and Stakeholders — The ProZorro public procurement system has become a reality thanks to the collaboration between a multitude of individual contributors and organizational partners. A number of government agencies, international financial institutions, educational organizations, businesses, civic organizations have been partners in the public procurement reform. The continued success of ProZorro is possible thanks to a large number of participants who can be described as the following groups of partners and stakeholders:*

#### Electronic Marketplaces :

*Authorized electronic marketplaces, suppliers and other private businesses — Authorized electronic marketplaces are independent commercial partners that are key partners ensuring the transparency within public purchasing. Marketplaces register and maintain electronic accounts of both the contracting authorities that announce tenders and of the private sector businesses seeking to bid for public tenders.*

#### Suppliers

#### Private Businesses

#### Contracting Authorities :

*Contracting Authorities and the Central Procurement Body — Contracting Authorities of the relevant government and government-owned organizations can publish tenders on ProZorro independently or for certain needs can access to the Centralized Procurement Body (CPB), which is a part of ProZorro infrastructure offering aggregated purchase management of frequently bought goods and services, with the goal of a more professional and thus, more efficient purchasing process.*

#### Centralized Procurement Body

#### Ukrainian Government Institutions :

*The Ministry of Economic Development and Trade of Ukraine is the single point of contact responsible for the development of ProZorro and for coordination of all initiatives with new partners and organizations.*

#### Ministry of Economic Development and Trade

#### Civil Society :

*The development and the success of the electronic system of public purchasing in Ukraine has been supported by individuals and institutions such as the World Bank, the European Bank for the Reconstruction and Development (EBRD) under keen oversight by Transparency International Ukraine.*

#### World Bank

#### European Bank for the Reconstruction and Development (EBRD)

#### Transparency International Ukraine

#### World Trade Organization :

*ProZorro in Global Context — Public purchasing in Ukraine is subject to the Global Procurement Agreement that country-members of the World Trade Organization sign. ProZorro is also one of the most innovative open source electronic public purchasing systems and is recommended by the World Bank.*

#### Educational Institutions :

*ProZorro has partnered with a number of educational institutions aiming to increase the level of professionalism within the area of public purchasing.*

#### ProZorro Partners :

*The Community of ProZorro Partners*

#### Axon Partners

— continued next page

*Stakeholders (continued)***Baker Tilly****BMZ****CLDP****Collaborator****Crown Agents****EBS****Eurasia Foundation****European Bank****European Commission****International Renaissance Foundation****Juscutum****KMBS****Omidar Network****Open Contracting Partnership****Qlik****RBC Group****SoftServe****Transparency International****UKAid****USAID****U.S. Embassy in Ukraine****Western NIS Enterprise Fund****To Do Club****Quinta Group****Vision**

Healthy collaboration between business, government and civil society

**Mission**

To develop an e-procurement solution, but also to overhaul the entire public procurement system in Ukraine.

**Values****Transparency****Competition****Globalization****Professionalism****Performance**

**Philosophy:** Given that from the very beginning the ProZorro team has been composed of volunteers representing diverse interests and backgrounds who united endeavouring to achieve rapid and lasting change for the better, the team had established the following unifying philosophy:

**Volunteerism****Diversity**

**Open Source:** 1. A hybrid public-private electronic open source based system -- The “hybrid” part means that while all transactions take place in the central public database, any number of certified private marketplaces can work with the end users and to upload tender documentation and to support the tendering procedure. Transparent certification requirements and the open source approach allows the privately owned commercial marketplaces to compete with each other, motivating them to provide ever better service for both the government contracting entities and the potential suppliers.

**Openness:** 2. “Everyone can see everything” as the official motto of ProZorro -- All tender announcements are available online without any restrictions immediately after being published. Following the completion of a tender procedure absolutely all data is disclosed and available online, including the list of all participants, their bids, the

information about the auction process, decisions of the tender committee and all qualification documents. All of this information is also publicly accessible through the ProZorro online business analytics (BI) module in aggregated and individual formats on [www.bi.prozorro.org](http://www.bi.prozorro.org) monitoring web resource without the need to register or log in.

**Partnership:** 3. The Golden Partnership Triangle -- The ProZorro network is founded on a unique form of collaboration between the businesses, the state and the civil society, with each actor performing a unique set of functions. This ensures independence and creates a system of mutual checks and balances. This partnership aims to promoting positive change while maintaining a high level of trust among the principal stakeholders on a sustainable, long-term basis.

**Principles:** A public procurement system is healthy if the following principles are fulfilled:

**Effectiveness:** The system functions as intended. Exactly what is needed, when it is needed is purchased at optimal price/quality ratio.

**Stability:** Infrastructure is stable, user friendly and barrier-free for all users. It is as much as possibly automated and electronic, crowdsourced and continuously improved.

**User Friendliness:** Infrastructure is intuitive. It should be easy for procuring entities to publish their tenders, easy for potential suppliers to participate, and easy for anyone to see and compare information regarding all tenders.

**Public Interest:** Public interest is prioritized. The system is built upon respect towards existing laws and government institutions, but new approaches can be integrated based on critical thinking about the intent, not the letter of the law.

**Honesty:** Growth in transparency, justice and professionalism is maintained. "Everyone can see everything, can work honestly and understand the steps" so that the overall trust towards the system increases.

#### **Justice**

#### **Trust**

**Sharing:** Everything that we do we are ready to share with the entire world. The ProZorro philosophy, software code, our reform experience and our innovative approaches belong to everyone and we are open to sharing them with the world.

## 1. Transparency

### *Maintain Transparency*

#### 1.1. Laws

*Enact laws that supports system development*

#### 1.2. Monitoring & Risk

*Engage in continuous monitoring and risk management*

#### 1.2. Improvement

*Pursue ongoing system and network improvements*

DEMONSTRATION ONLY

## 2. Competition

### *Increase Competition*

#### 2.1. Barriers

*Remove barriers to public procurement*

#### 2.2. Engagement

*Engage proactively with businesses*

**Stakeholder(s):**  
**Businesses**

#### 2.3. Arbitration

*Create an effective arbitration system*

DEMONSTRATION ONLY

### 3. Globalism

*Be and Go Global*

#### 3.1. Harmonization

*Harmonize procurement with the EU*

**Stakeholder(s):**

**EU**

#### 3.2. Procurement Agreements

*Demonstrate global procurement agreement leadership*

#### 3.3. Philosophy

*Export the ProZorro philosophy worldwide*

DEMONSTRATION ONLY

## 4. Professionalism

*Nurture Professionalism*

### 4.1. Collaboration

*Support knowledge system collaboration*

### 4.2. Tenders

*Enable tender documentation automation*

### 4.3. Procurement

*Achieve procurement economies of scale*

DEMONSTRATION ONLY

## 5. Performance

*Achieve High Organizational Performance*

### 5.1. Inspiration

*Inspire leaders and managers*

**Stakeholder(s):**

**Leaders**

**Managers**

### 5.2. Flexibility, Trust & Learning

*Foster flexibility, trust and lifelong learning*

### 5.3. Feedback

*Facilitate performance-based feedback*

## Administrative Information

**Start Date:**

**End Date:**

**Publication Date:** 2020-03-18

**Source:** <https://prozorro.gov.ua/en/about>

**Submitter:**

**Given Name:** Owen

**Surname:** Ambur

**Email:** [Owen.Ambur@verizon.net](mailto:Owen.Ambur@verizon.net)

**Phone:**