DOZORRO STORY

DOZORRO

**FROM AN IDEA OF A PLATFORM
TO THE BIGGEST MONITORING COMMUNITY IN UKRAINE**

VIKTOR
NESTULIA
project lead

ARTEM BABAK
investigative-
journalist,
monitoring
tools
promotion
specialist

ILLIA
BIBOV
monitoring tools
implementation
specialist

ANASTASIYA
MAZUROK
monitoring and
evaluation
specialist

ANASTASIYA
FERENTS
regional
community
development
specialist

ANDRII
KUCHERENKO
DOZORRO
product
manager

IVAN LAKHTIONOV
DOZORRO coordinator

VOLODYMYR FLONTS
DOZORRO architect

SERGII PAVLIUK
monitoring tools development coordinator

KATERYNA KOLOTII
communications coordinator

JULIA DVORNYK
DOZORRO product manager

MARTA HOHOL
lawyer, professionalization program coordinator

ANDREY TYMOFEIUK
business analyst

C O N T E N T

DOZORRO VISION

civic control over public procurement

We unite the civil society to ensure equal rules for all stakeholders in the procurement system

We are part
of the big team

TRANSPARENCY INTERNATIONAL
UKRAINE

SUMMARY

Upon development of the electronic procurement system ProZorro and its transfer to the government, Transparency International Ukraine set the goal to create an effective monitoring ecosystem.

From August 2016 to March 2019, the organization succeeded in developing a number of analytical tools, which have already been used by over 930,000 people.

These tools are regularly used by:

social activists	investigative journalists	regulatory and law enforcement authorities
big procuring entities	ministries	researchers

A completely new civic monitoring paradigm was developed, uniting 25 civil society organizations. Every month, these organizations identify and submit complaints concerning violations in over 1,500 procurements.

By joint effort of DOZORRO and ProZorro, a strong regional network has been created. Apart from monitoring, it organizes training events and workshops to build up the capacity to organize procurement, participate in it, monitor it and publish relevant information in the media. During only 2016-2017, over 350 training seminars were organized, which were attended by over 20,000 people.
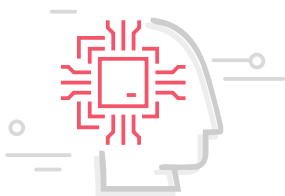
LEAVE FEEDBACK

Business has become a strong element of the monitoring community, not only reporting violations by leaving feedback on the DOZORRO portal, but also fighting for justice using guidelines on the portal to submit requests to supervisory and law enforcement agencies.

Besides, procuring entities and inspectors regularly work with DOZORRO to increase the efficiency of procurement and control.

The risk-oriented monitoring approach developed by DOZORRO team has been implemented in the Law of Ukraine "On Public Procurement", and starting from October 2018, the State Audit Service launched monitoring through the ProZorro system using risk indicators.

DOZORRO continues implementing innovative monitoring approaches. In July-September 2018 a civic system of automated risk indicators based on using artificial intelligence was tested. AI will help to identify procurements with violations faster and with high accuracy - making civic monitoring more efficient.

DOZORRO's approaches are being replicated in other countries - starting from autumn of 2018, a similar system is implemented in Moldova and Poland.

Within less than two years, the team of DOZORRO managed to overhaul the approach to procurement monitoring, building a truly stable ecosystem which will only continue to develop further.

ProZorro Story

In 2014, following the first stage of the Revolution of Dignity, Ukraine got a window of opportunities to implement quick, effective changes in various areas of public governance. One of the focus areas was the reform of public procurement.

A group of volunteers, supported by business and the government, came up with the idea to create a pilot system of electronic procurement with a unique hybrid model for below-the-threshold procurement (the kind that is not regulated by the law - up to UAH 100,000 at the time and UAH 200,000 later on). Business representatives (electronic platforms), who were future participants of the system, donated USD 35,000 to develop the MVP (minimum viable product - a prototype which can be already put into service), and mere three months later, on February 12, 2015, the pilot system ProZorro (Ukrainian play on words for "transparently") was officially presented.

To develop the project fast, the decision was made to develop the system beyond governmental bureaucracy. Transparency International Ukraine was the organization that, from the very beginning, supported development of not simply a new electronic procurement system, but an entire ecosystem with multiple components. That is why TI Ukraine was the organization which agreed to host development, administration, legal support and many other components of the idea with active support of activists, business and, later on, of the government.

Starting with 10 procuring entities and 34 announced procurement procedures in February of 2015, the system gained momentum thanks to the "golden triangle" of partnership - the business, the authorities and the public. On December 25, 2015, after just 11 months of the piloting stage, the Verkhovna Rada of Ukraine passed the new Law "On Public Procurement," which gradually implemented ProZorro as a required tool. On December 28, 2015, TI Ukraine officially transferred all the groundwork to the government and during 2016, focused its effort on supporting the new teams of the state-owned enterprise ProZorro and preparing the country for a grand-scale launch of the electronic system.

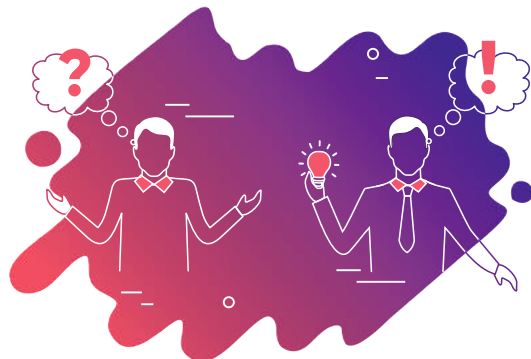[1] Learn more about the history of the system here: goo.gl/xMvWUJ.

Starting from August 1, 2016, every public procurement has to be carried out through the new public procurement system ProZorro developed on the basis of TI Ukraine with active support of business, public authorities and donor organizations. As of March 2019, there are over 3,1 million tenders announced in the system. It enabled organization of even small-scale bidding (from EUR 100) and saving 10% of the expected cost of procurement on average. As of March 2019, the saved funds amounted to almost USD 2,5 billion.

The main achievement of the ProZorro system is the introduction of maximum transparency and access to information in the area of procurement. One of the fundamental principles of the ProZorro system is "everyone sees everything," and the publication of open data through API in Open Contracting Data Standard has enabled citizens to completely change the approach to procurement monitoring and significantly increase its efficiency. This was what Transparency International Ukraine's team engaged in after the system's transfer to the government management.

That is how the DOZORRO initiative came to exist - in Ukrainian, a play on words The Watch of ProZorro.

Challenges

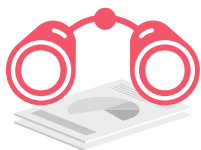. . . . .

Following the Launch of the New Electronic Procurement System

The ProZorro system started working at full capacity. Maximum openness and the hybrid model had to help to overcome corruption and inefficiency of public procurement. Another goal was to make the procurement system more trustworthy, providing conditions for rapid monitoring. At the same time, the stakeholders faced a number of challenges: professionalization of the participants, procuring entities and the public; development of monitoring tools and their implementation. In its turn, the young system that ProZorro was at the time needed performance analysis of the IT product itself as well as legislative regulation.

Introduction of the electronic procurement system and changes in the Department of Public Procurement Regulation of the Ministry of Economic Development and Trade and State Enterprise Prozorro[2] resolved only part of the problems with the legislation and interaction with the system. However, the control problem remained acute due to the lack of structural reforms in the State Audit Service, Economy Protection Department of the National Police and other agencies.

---

[2] What changes took place exactly - find out at goo.gl/xMvWUJ.

The effectively lacking comprehensive control required the public to come up with new solutions for temporary replacement of this function and close scrutiny of the efficiency of use of public funds.

Creation of DOZORRO

from an Idea to a Minimum Viable Product

The problems which existed and still exist in public procurement are often discussed at various forums, on Facebook, in the media. Thousands of procedures with identified violations and expert conclusions remained unstructured and ended up lost in the endless vast space of the Internet. There was no generalized database of typical procurement violations in Ukraine, there was no statistics. Information on actions taken by supervisory agencies or civil society organizations remained in the official paperwork, or published on their own websites at best.

All of this information was soon forgotten, since there was no platform which would accumulate it all in one place. This platform had to be created.

Thus appeared the idea to build a system which would aggregate all feedback (both positive and negative) to procurement procedures or to procuring entities in a structured way, contain information on key changes in the area of procurement and enable professional discussion as well.

On November 1, 2016, in three months after the official launch of the ProZorro system nationwide, the society was presented with a new paradigm of public procurement monitoring - the DOZORRO system. The system was fully integrated with ProZorro and enabled anyone to leave structured feedback to procurements online. The comments were stored in the database and would not get lost on the Internet any more. The idea was that whenever you visited the portal, you could always see the statistics on any procuring entity and the system in general.

This concept was at the heart of the future logic of rating accumulation. It was something like tripadvisor.com for public procurement. If you are looking for participation opportunities or procurements for monitoring, you can go to the portal and check the ratings. System users have already done everything for you and you can quickly see with whom you can work and who needs encouragement to change.

At the official public presentation, journalists called the initiative a "complaints and suggestions book" in the procurement system, since, at the moment, the MVP only had the option to leave a comment about this or that procurement.

The team of developers was less than happy about this label, since the complaints and suggestion book back from the Soviet times had a negative connotation - firstly, it was mostly used for negative feedback, secondly, it hardly ever affected the situation - it was rare that a complaint written there would lead to any actual change.

DOZORRO immediately became something like a lightning rod for ProZorro. If the technical specification was written to favor a certain participant, you could leave a comment on DOZORRO. If you were disqualified for no good reason, you could turn to DOZORRO. If the procuring entity failed to pay, you could turn to DOZORRO. And we immediately started receiving feedback. During the first month, we received over 500 comments. The bulk of the feedback was and remains negative - after all, DOZORRO is supposed to resolve problems. But it is not the only and principal goal of DOZORRO's work.

We quickly started adding new services to the portal in addition to the feedback option. More on that in the following chapters.

Accountable Civic Monitoring
· ·
Launch of the Monitoring Management System for CSOs

Transparency International Ukraine launched the portal DOZORRO with two lawyers who were ready to process complaints and feedback. However, during the first month of the work alone we received over 500 applications and could not cope on our own. At the same time, our partners from Open Contracting Partnership and Omidyar Network supported the initiative to pilot regional monitoring. We faced the choice: we could employ lawyers in Kyiv who would process regional feedback or we could start developing the network. We decided to focus on the second option, since the network was a more long-term solution which would ensure stability of the monitoring system. Besides, regional initiatives are more familiar with

the local context and are capable of more rapid reaction to problems, up to and including a field trip to the procuring entity.

There was great interest for procurement monitoring in the regions. We received over 50 applications from regional organizations, out of which we selected six to develop new strategies of procurement analysis.

During several months of our work, we understood that civic procurement monitoring needed a system to account for the results. Certain organizations claimed to monitor several thousand procurements per month, identifying violations just in ten, and only five of those led to letters to supervisory agencies. It was impossible to verify if such statements had any truth to them. Besides, there were talks in the expert community close to procurement that some civil society organizations were abusing their rights and pressuring certain procuring entities to promote interests of affiliated suppliers.

Thus, we faced several challenges: how do we verify the real results of civil society organizations? How do we verify the quality? How do we accumulate the statistics of their work? How do we make the results publicly available to avoid accusations of unscrupulous conduct?

We decided to create a management system of CSO monitoring based on the DOZORRO portal. The new approach was accountable monitoring. Monitoring of violations consists in analysis of procurement, identification of signs of violations or lack thereof, taking action to eliminate violations, registration of such actions, registration of reaction to such actions and archiving the monitoring procedure.

The portal includes the necessary options for each of these steps.

....

✓ If you have analyzed a procurement and found no violations, you register it in the database through the portal interface.

✓ If you found one, you select it from the catalog of possible violations and submit information to the system.

✓ The next step is communication with procuring entities, managers, inspectors. It was implemented on the portal by adding the option to upload copies of sent letters. When you receive answers, they are also uploaded on the portal and registered in the database. As the result, every action is recorded and all users of the portal can analyze how a certain civil society organization works.

....

This approach eliminates the issue of thousands of processed procurements with no visible results - each step is recorded in the system. Most importantly, all actions are structured. Their registration contributes to the database which is then used in the system of risk indicators, for compilation of rankings etc. The stage of analysis of the tender was advanced further in July 2018 with introduction of automated risk indicators - each CSO sees the list of tenders deemed as most risky by the system and can monitor and validate violations in the more time efficient manner.

The new approach to civic monitoring made it much more trustworthy and valuable.

Building the Community

. . . .

Uniting CSOs Nationwide

The monitoring management system was officially presented on June 15, 2017. We picked 10 civil society organizations for its piloting. It turned out easy to work with it. After a one-day training in Kyiv, regional civil society organizations started their activities. During the first month, they processed 845 procurements, then addressed inspectors, procuring entities or management concerning 703 procurements to eliminate signs of violations. It was a huge number of processed procurements aggregated in a single system with the possibility of further analysis and tracking of results. These numbers confirmed out doubts about "thousands" of procurements processed by one organization during one month.

Verifying the viability of our approach, we started focusing on building the community. Accountable procurement monitoring had to become the golden standard for civil society organizations. But the main value of the concept was not accountability alone. Apart from control of results and quality, we got the power of collective action - the voice of ten organizations speaking out about the violations and issues in the system was much greater

than the voice of TI Ukraine alone.

We started understanding what violations were most common in Ukraine, what supervisory agencies worked effectively and which ones didn't, what structures truly tried to make their procurements more efficient and react to mistakes or violations rapidly. Therefore, after the piloting stage, we started inviting other civil society organizations to join the DOZORRO community and our monitoring principles.

Together with the biggest patient organization in Ukraine, All-Ukrainian Network of PLWH with 25 regional offices, with the support of Omidyar Network, the project Transparency and Accountability in Public Administration and Services (USAID, UKaid and Eurasia Foundation) and International Renaissance Fund, we organized the first DOZORRO_FEST 2017. It aimed at gathering all activists interested in monitoring of public procurement and uniting them around common values and strategies.

Two days of networking, procurement competitions and team building yielded their result. Over 150 people immediately joined the community and started interacting every day to figure out complicated issues, prepare materials for the media etc. The 10 pilot CSOs already engaged in the work were joined by 15 new regional initiatives. **25 civil society organizations from across the country shared the principle of accountable monitoring.** Some worked very actively, some only learned how to be effective, but the new civic monitoring paradigm was already working. In summer 2018 the second edition of alike capacity building event had taken place. During DOZORRO_FEST 2018 more than 95% of participants had reported helps to deepen their knowledge in the sector of public procurement and share experience.

TI Ukraine's role consists in continued support of the community - expert, media, partly financial support. We took on the responsibility to professionalize the members of the community - deliver training on procurement monitoring, peculiarities of legislation, work with the tools, work with law enforcement and supervisory agencies, media etc. Besides, we constantly control the quality - it is important to avoid defamation of the idea of civic monitoring due to incompetent applications or publications. That is why, from the very first days, we followed every step taken by CSOs and advised them how to avoid mistakes. We introduced a certification policy to increase the trust of external stakeholders for the community members. Unfortunately, not everyone succeeded and we had to exclude several organizations.

To uphold the interest of the organizations, apart from training, we introduced gamification - monitors receive awards and bonuses for various achievements. We introduced our internal virtual currency - DOZORRO coins. For everything that a civil society organization does on the portal it receives a certain amount of coins, which can later be exchanged for annual subscriptions for professional magazines, souvenirs, participation in conferences and trainings etc.

As of now, the community includes 25 CSOs. Together, they process about 1,500 procurements per month. On average, one in three procurements with violations ends in "victory" almost immediately. In most situations, the documentation is amended or the bidding is called off. In more rare cases, those responsible for the violations are brought to disciplinary or administrative responsibility, fired or even have criminal cases opened against them.
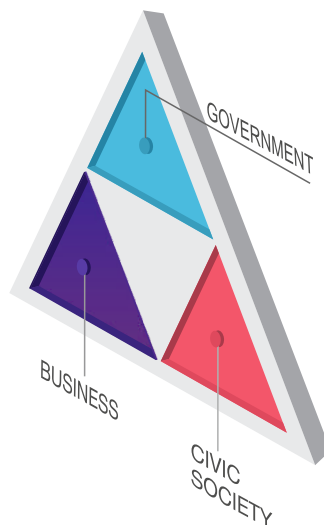
Since the moment this array of functions started working, over 20,000 tenders have been processed. The most important thing is that all the results are available to anyone online, while statistical data helps to understand the problem better and improve upon the community activity.

Civil Society Is More than CSOs.

Engaging Business, Authorities, Journalists and Active Citizens in Monitoring

From the very beginning of development of the ProZorro system, it was based on the concept of the "golden triangle of partnership" - cooperation of business, authorities and civil society in order to achieve irreversible change. We maintained the same approach in development of DOZORRO as well.

We promoted the idea of civic monitoring of public procurement. Civil society includes not just civil society organizations. It is also responsible business, which understands the importance of development of a healthy competitive market with fair play, procuring entities who strive to increase the efficiency of their procurement, supervisory agencies, media and regular citizens. We tried to unite all of them and give everyone what can be most useful in civic monitoring.

GOVERNMENT

BUSINESS

CIVIC SOCIETY

We motivate procuring entities and participants to leave feedback about each other. It is not about complaints or "telling on somebody" - it means quality feedback on interaction within this or that tender.

Like most companies that care about their development collect feedback from their partners and clients, DOZORRO collects feedback to improve the quality of service and its internal business processes. Who has to bear responsibility for negative feedback is secondary in this case.

For broader reach, DOZORRO has integrated with ProZorro and the biggest electronic platforms. This integration has significantly simplified leaving feedback about a procuring entity and enabled procuring entities to leave feedback on the suppliers about how the latter fulfill their obligations.

Feedback allows to understand what issues the procuring entity or the supplier may have and how they can be resolved. It is also used to build up the trust of potential partners and to increase the transparency of procurement.

Both the procuring entities and the bidders can receive feedback through the system and react to it. This option is in active use by community members that represent the state. We have been joined by 33 procuring entities, including city councils and biggest state-owned enterprises from all over Ukraine - Kyiv, Dnipro, Kharkiv, Mariupol and others – and we continue to receive new affiliation requests.

For all our users, we have developed simple guidelines to contest identified violations at every stage of procurement. Regular citizens and business have obtained an effective tool to stand up for their rights and interests. Besides, we keep analyzing the decisions of the complaints review agency and courts and updating information accordingly in order to help procurement experts.

During 2016-2017 we delivered more that 300 trainigs for 20 000 participants from the regions - procuring entities, bidders, media, activists, inspectors. We taught and still teach procuring entities and participants how to work with the ProZorro system, how to control procurement and submit complaints if you represent a professional CSO or how to analyze tenders announced by schools or hospitals if you are a regular active citizen. We teach journalists to use DOZORRO tools to search and identify the professional description of violations. We constantly try to extend our community, since only by joint effort of all parties can we change the system.

20 000
participants

Now, if there is a problem with procurement, the authorities, business, citizens and journalists turn to DOZORRO. And we always help - first of all, we help to stand up for oneself using our toolkit.

DOZORRO Monitoring Infrastructure

Rapid Development

The new electronic procurement system ProZorro is fully based on Open Contracting Data Standard (OCDS). Besides, the system releases any documents or information (annual plans, tender announcements and documentation, bids, decisions on winner selection, agreements and amendments made to them etc.) in the open data format with free access.
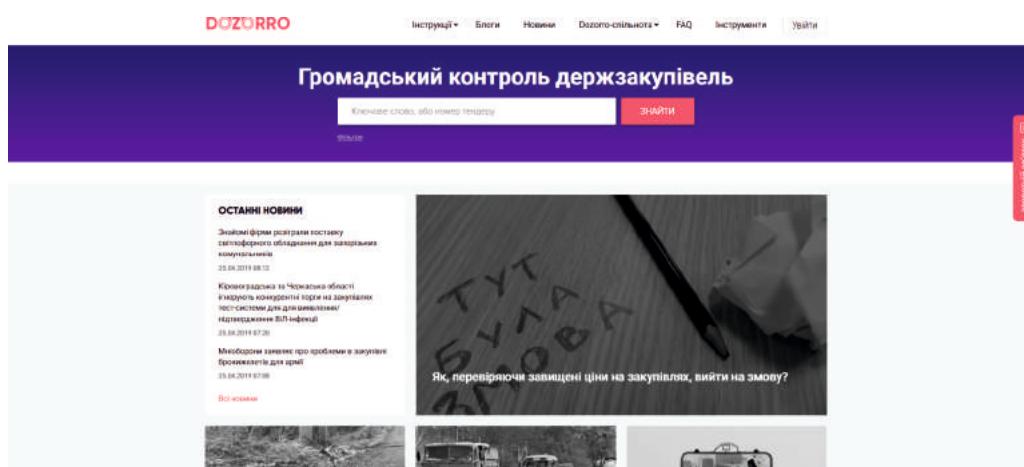
OCDS allows to release data and documents at all stages of the procurement process, defining a single data model. However, the data standard alone and the publication of open data are of no use for the general user. To make them valuable, the data have to be developed into a monitoring infrastructure.

That is the task that the team of TI Ukraine and DOZORRO took on. Thanks to OCDS and open data in ProZorro, a variety of tools was developed, providing all kinds of options to different types of users.

PUBLIC INTELLIGENCE MODULE (bi.prozorro.org) – is a tool which helps procuring entities and suppliers to analyze the market. At the same time, the public can control expenditures through public procurement and help with its development. The tool is available to anyone. It is based on Qlik Sense and allows a 360-degree view of any stage and aspect of procurement in ProZorro. The tool includes 18 dashboards: key indicators, competition analysis, complaint analysis, profiles of the procuring entity and the supplier etc. If necessary,

the tool can be embedded into any website in order to provide statistics on specific procuring entities or cities. Overall, from the moment of its launch, the module has had over 100,000 unique users.

DOZORRO MONITORING PORTAL (dozorro.org) – is a platform where every participant of the system (supplier, procuring entity, supervisory agency, citizen) can leave feedback about a procuring entity or a supplier, discuss and assess the conditions of a specific procurement, analyze the procurement of a particular public agency or institution, prepare and submit an official request to supervisory agencies and do many other things.

The portal is integrated with the ProZorro system - everyone can access DOZORRO from the official Ukrainian procurement portal. Furthermore, it has been integrated with the biggest electronic platforms of the system. It allows them to work with monitoring without leaving their primary accounts.

The portal has numerous options - from assessment of a tender, a participant or a procuring entity to analysis of typical violations, best practices to eliminate them etc.
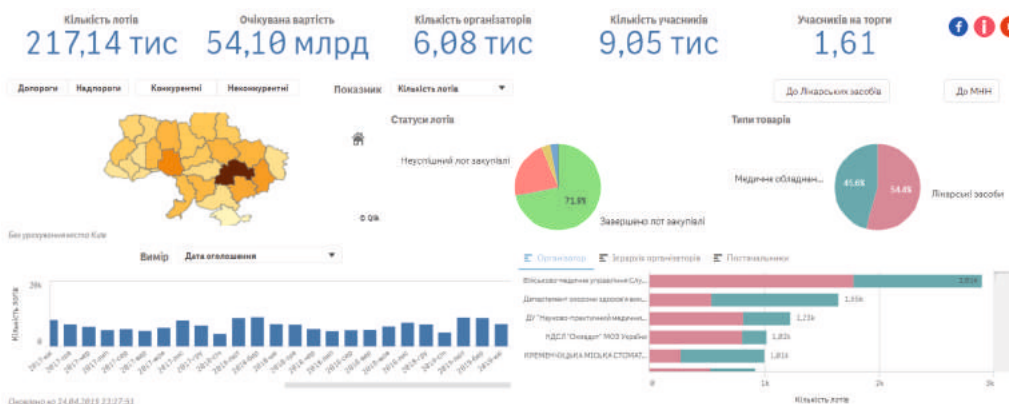
From the moment of its launch, the tool has been used by over 930,000 people.

PROFESSIONAL INTELLIGENCE MODULE (bipro.prozorro.org) – is a tool based on Qlik View with a limited access (300 licenses issued). It has much broader options than the public business intelligence module, since it allows for development of one's own objects and dashboards. It is thus used mainly by professional supervisors. The biggest users include CSOs, investigative journalists, representatives of the State Audit Service, the NABU, the National Police, the Anti-Monopoly Committee, Prosecutor General's Office, big ministries etc.

RISK INDICATOR SYSTEM – is a tool that allows to assess the risk of low efficiency, low competition or violation for example mass or groundless disqualification, noncompetitive behavior, price changes after signing a contract etc. The tool helps to identify specific procurements which should be primarily analyzed for signs of violations. It tracks a number of risk indicators during the procedure in relation to the entire set of data in the ProZorro system. Suppliers can identify the level of risks when they cooperate with procuring entities. Procuring entities can see typical problems in their procurements. The public can understand how correctly and effectively procurement is carried out in their region. There are 44 risk indicators at the stage of planning, conduction of the procedure, selection of the winner and execution of the contract, which are constantly updated. They became the basis for a public system currently developed for the State Audit Service.

MEDICAL BI – in November 2018 TI Ukraine has launched the business intelligence tool to enable the analysis of all the data on the procurement of medicines conducted through ProZorro system. The tool facilitates the monitoring of the tenders in the health care sector by the DOZORRO community and contributes to the policy and operation planning on behalf of centralised procurement entities in the field and the Ministry of Healthcare of Ukraine.

Artificial Intelligence
and Machine Learning for Anti-Corruption Activity

During 2016-2017, the team of DOZORRO developed a number of tools which help to analyze procurements and identify possible violations using multiple metrics.

Those metrics form tens of thousands of combinations, where risk factors sometimes reinforce each other and sometimes compensate for each other. The number and variety of such combinations complicate construction of the algorithm which would allow to identify the most risky tenders.

To make the diagnostics of problematic tenders more accurate, we are running an experiment with the use of artificial intelligence - algorithms of "supervised learning." We know that experiments with simpler algorithms have already been done in other countries, for instance in Chile, but the use of "supervised learning" in public procurement monitoring may be yet unprecedented in the world.

The last stage of the system's preparation for the pilot launch started on May 13. The technical team implementing this technology built a training set which was offered to the most experienced experts of the DOZORRO community. Experts define priorities of various combinations of risk factors to their best judgment, and their opinions are combined, processed and used for training of the neural network. Thus the "hive mind" of the DOZORRO community teaches the AI system, which will allow to calculate the relative weight of risk factors for millions of procurement procedures in the ProZorro system.

The beginning of the system's beta testing began in July 2018.

artificial intelligence
_____

risk-indicators
_____

60 metrics
_____

best practices

The success of the pilot project will completely change the method of procurement monitoring: using this algorithm, we will sort the list of procurements to be monitored by activists from most to least risky. The results of inspection by activists will, in their turn, be used for further training of the AI system, improving its diagnostic capability.

A possible area for the system's future development can be its use for prevention of mistakes and violations instead of their post factum diagnostics. Procuring entities that announce tenders in the ProZorro system will receive messages about potential problems at the stage of creation of the tender, which will enable them to eliminate mistakes right away.

This tool will help not only monitors but also the business (economic operators) - they will be able to choose the least problematic procedures and select procuring entities that are reliable partners.

Raising Awareness

Recognition and the Biggest Cases

One of the most important tasks one needs to achieve while working towards increasing transparency and efficiency of public procurement is raising citizens' awareness of the changes in the electronic procurement system, development of control options, growth of competition, promotion of positive monitoring outcomes etc. Further changes and rapid reaction to identified violations become much stronger when citizens support the idea.

The team of TI Ukraine and DOZORRO have been working hard on their media brand, and now most stories on the ProZorro system on all national channels include comments by our experts. In addition to that, we are developing our own information outlet, where we post news, blog posts, stories that the media may find interesting.

Thanks to our achievements and their media coverage, we have received a few national and international awards.

First Vice Prime Minister of Ukraine Stepan Kubiv called DOZORRO one of the crucial cost-cutting factors in public procurement. In the Government's report to the parliamentary Committee of Economic Policy, the Vice Prime Minister pointed out the role of the portal in saving budget funds through the ProZorro system. He also said that he believed the launch of the DOZORRO portal and the monitoring infrastructure around it to be one of the biggest achievements of 2016.

The Guardian called DOZORRO one of the 6 successful projects in the world that helped citizens to control the authorities. The British newspaper described DOZORRO as a platform allowing to leave feedback and stop violations in public procurement.

In 2018 DOZORRO was listed in top 12 projects worldwide for engaging citizens as a corruption watchdog by the Open Government Partnership and in 2019 recognized by OECD as one of the best practices covered in Observatory of public Sector Innovations.

DOZORRO was shortlisted for the Transparency International Amalia Award in the Impact category.

Media coverage of the events helps to achieve justice and eliminate violations, too. One of the most successful cases based on the feedback on the portal is recovery of UAH 124 million paid for hybrid vehicles for the National Police to the budget.

Another big case is the beginning of an SBU investigation on embezzlement of UAH 400 million in PAT Ukrzaliznytsia after a blog post by one of the community members was published.

Thanks to rapid reaction and media support, the cost of construction of the Okhmatdyt hospital was reduced by UAH 5 million. There are many cases of unscrupulous bidders brought to responsibility, when they have to pay millions' worth of fines and are banned from tenders for three years.

Annulment of contracts, dismissal of officials, opening criminal cases. There are increasingly many cases like this as DOZORRO continues to develop and the united voice of the community becomes impossible to ignore.
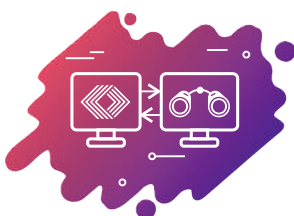
2016-2018 OUTCOMES

LEGISLATION

The Law of Ukraine "On Public Procurement" was passed at night before December 25, 2015. It was important to rush the launch of the system, but some important issues ended up left out. One of such issues was the lack of regulation of public procurement monitoring by the State Audit Service of Ukraine.

The team constantly worked on advocacy of the necessary changes, and on December 21, 2017, the Verkhovna Rada finally voted for changes to the Law "On Public Procurement" in relation to monitoring. It was the experts of TI Ukraine who suggested the idea of risk-oriented approach and an open SASU profile. The system of risk indicators developed by TI Ukraine and the DOZORRO team was used to develop the new options.

To track legislative changes and develop proposals which take into account the interests of all stakeholders, the team initiated creation of the Expert Group, which united representatives of business, procuring entities, supervisory agencies, Ministry of Economic Development and Trade, SE ProZorro, civil society organizations and researchers. The group constantly processes new proposals and helps to improve the legislation and the electronic system.

TI Ukraine has also payed close attention not only to the appropriate implementation of the existing Law, but also promoting adoption of improved, new Law in order to harmonize Ukrainian procurement rules along EU standards.

DEVELOPMENT
OF THE PROZORRO SYSTEM

Development of the system as an IT product is important not only to increase the quality of tenders and thus their competitiveness and efficiency, it is also an important prerequisite for high-quality monitoring.

In close cooperation with SE ProZorro experts, we worked on identifying the system's soft spots in terms of quality and machine readability. With the support of Open Contracting Partnership, a number of important changes have been prepared.

Suggestions have been provided on such important subjects as electronization of tender documentation, changes in the planning module, data quality etc.

As the result, SE ProZorro has taken into account most proposals on the improvement plan for 2018.

WORK ON DEVELOPMENT OF MONITORING TOOLS

Our analytical tools help the public, journalists, researchers, supervisory agencies, procuring entities and participants to monitor the procurement system. In 2016-2019, we worked on improvement, promotion and training on tools developed by the team of TI Ukraine. Each one has its own page with educational videos, written instructions, FAQs, specific cases of its use. The total number of users exceeds 930,000.

WORK ON STAKEHOLDER PROFESSIONALIZATION

The team of TI Ukraine and SE Prozorro have launched regional Competence Centers. Regional representatives have visited over 200 cities and villages and conducted over 350 trainings with a total of over 20,000 participants. Business became more interested in the sector of public procurement and started learning how to work in it. CSOs started more active work on public procurement monitoring. There is now a new audience interested in the procurement sector - college students and professors.

On May 12, 2017, online course Public Contracts and Civic Monitoring was launched on the educational platform Open University of Maidan. The course aims at teaching the students how to work with the data from ProZorro, DOZORRO, eData, Youcontrol etc.

DEVELOPMENT OF THE NETWORK OF CIVIC CONTROL OVER PUBLIC PROCUREMENT

In 2017, the goal was to unite civil society organizations around a unified monitoring methodology and strategies for information accounting on identified violations and outcomes. We have managed to engage 25 CSOs from across Ukraine in the DOZORRO Community for regular monitoring of tenders and protection of the interests of citizens and business. **Over the short time starting from June 15, 2017, activists have processed over 20,000 procurements with violations.**

Apart from the public, representatives of authorities and procuring entities are, too, actively joining the network. **The Community now includes such large state-owned companies as Ukrgazvydobuvannia, Ukrposhta, Energoatom, Ukrenergo, Rivneoblenergo, Vinnytsiaoblenergo, Kyiv City Administration, Mariupol City Council, Kharkiv City Council and other procuring entities.**

In order to ensure closer cooperation and networking, we have organized two editions of DOZORRO_FEST, which gathered over 300 activists who work with procurement monitoring nationwide.

RESEARCH AND ANALYTICAL WORK

The team of TI Ukraine has prepared 7 topical reports, 5 regular reports, 3 big analytical reports on development of the procurement system, 1 report on the effectiveness of the planning module and 2 reports based on the outcomes of the survey of procuring entities and business on the work of ProZorro.

The aim of the team's research and analytical work is to identify soft spots and develop recommendations which can help to improve the procurement sector in the future.

Together with the Ministry of Defense of Ukraine and the Ministry of Healthcare of Ukraine, we have presented the main issues with procurement in the respective sectors and how to resolve them. Together with the Ministry of Economic Development and Trade of Ukraine and electronic platforms, we have discussed problems in the interaction with business and supervisory agencies. Part of the recommendations and reports have already been implemented.

PLANS FOR 2019-2020

legislative initiatives

implementation of new analytical tools

community professionalization

business engagement

monitoring

Having built the monitoring infrastructure, and uniting the public, authorities and business into a single community with new procurement monitoring strategies, the DOZORRO team will put its effort into strengthening the results, ensuring durability and stability of the practices.

One of the important tasks for the following years is to start raising funds from business that is ready to invest into the development of a healthy public procurement ecosystem.

One of our priorities is further development of the regional network. It will mostly be about the quality of their work, not the number of affiliated organizations. We expect to work with at least 20 regional partners that will identify and submit complaints about violations in over 1,500 procurements per month, will conduct at least 5 monthly educational events, provide at least 50 weekly consultations to business, procuring entities, the public and journalists.

Professionalization and methodological support are provided to the active members of the community to ensure that their work is trusted. This aspect includes quarterly trainings for key analysts of the community, monthly webinars on monitoring, development of methodological guidelines and implementation of monitoring strategies locally, recording and post-production of dozens of short educational videos. As the result, not only professional analysts, but the community, too, will have full methodological support at any stage of procurement or its monitoring - guidelines and recommendations how to use them.

Development and promotion of monitoring tools means improvement of the existing modules and their adaptation to system and legislation development. The strategic goal is to standardize the options as much as possible in order to unite individual tools into one and further support the business intelligence module, the DOZORRO portal and the risk indicator system. Over 2019-2020, it is projected that the DOZORRO tools will be used by at least 1,000,000 unique clients.

Development of the legislation and the electronic system was and still is among the strategic goals set by the DOZORRO team. Analysis of shortcomings, search of best practices, preparation of improvement proposals are carried out regularly. Among other things, the team has contributed to passage of such initiatives as risk-oriented monitoring. For 2019-2020, the priority tasks are regulation of the below-the-threshold procurement problem, complaints, electronic tender documentation, technical improvements in the system etc.

The team will continue to do research and public opinion surveys to strengthen the aforementioned components, understand the most acute problems and find ways to resolve them.

Strategic communications are necessary not only to reinforce the voice of the community and resolve identified problems, but also to inform as many people as possible on the changes and new options that citizens can use to control local expenses, business - to extend its market presence or protect its interests, procuring entities and inspectors - to improve their anti-corruption work.

It is also planned to provide methodological and technical assistance to similar initiatives in other countries in our region and when the ProZorro.Sale monitoring system is created.

DOZORRO DONORS

Open Contracting Partnership

Luminate
Building stronger societies

The Governance & Citizen Engagement initiative at Omidyar Network

USAID
FROM THE AMERICAN PEOPLE

UKaid
from the British people

EURASIA FOUNDATION

European Bank for Reconstruction and Development

European Bank for Reconstruction and Development

INTERNATIONAL RENAISSANCE FOUNDATION
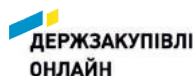
International Fund Renaissance

Project "Transparency and Accountability in Public Administration and Services" with the support of USAID, UKaid and Eurasia Foundation

DOZORRO PARTNERS

МІНІСТЕРСТВО ЕКОНОМІЧНОГО РОЗВИТКУ І ТОРГІВЛІ УКРАЇНИ

prozorro

prozorro продажі

RBC group

Qlik

YOU CONTROL

OpenDataBot

CoST Ukraine

.007

ПРА ВОЕ ДЕЛ О
юридическая компания

EASYTENDER

100%LIFE

Institute of Analysis and Advocacy
AiA Інститут аналітики та адвокації

ГК

DOZORRO COMMUNITY MEMBERS

MARKETPLACES:

ZAKUPKI.PROM.UA

e-tender

ДЕРЖЗАКУПІВЛІ ОНЛАЙН

SmartTender.biz by IT-Enterprise

Authors:
Viktor Nestulia
Ivan Lakhtionov
Anastasiya Mazurok
Marta Hohol
Sergii Pavliuk

Compiled by:
Kateryna Kolotii

Literary editor:
Mariana Doboni

Designer:
Kateryna Kysla

TRANSPARENCY
INTERNATIONAL
UKRAINE