

PUBLIC PROCUREMENT IN UKRAINE: DYNAMICS AND EFFICIENCY

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Abstract. *The article analyzes the implementation of public procurement in Ukraine. An assessment of the data of the electronic procurement system regarding the functioning of the public procurement system in Ukraine during 2020 - 2022 was carried out. The dynamics of the number and total value of concluded contracts, the ratio of the number of concluded contracts to announced procurements, the dynamics of the number of successful procurements (lots) by types of procurement methods during the analyzed period are considered. Special attention is paid to the assessment of the distribution of expected value by types of procurement methods.*

Keywords: *public procurement, procurement procedures, electronic public procurement system, customers and participants in public procurement, types and methods of public procurement, expected cost of public procurement.*

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The public procurement system in Ukraine, which operates on the principles of transparency and competition thanks to the Prozorro system, plays a key role in the

effective use of public funds. However, an analysis of its dynamics and effectiveness in the period 2020-2022 reveals a number of complex and contradictory trends.

On the one hand, the onset of the COVID-19 pandemic in 2020-2021 significantly changed the procurement structure, focusing on the procurement of medical goods and services, which required prompt but not always competitive solutions. On the other hand, the full-scale invasion in 2022 radically transformed the public procurement landscape. The introduction of simplified procedures, which were designed to meet the needs of the country's defense capability and vitality, significantly affected the volume, types, and competitiveness of procurement.

Since the start of the electronic procurement system and as of the end of

2020, 7.7 million procedures have been announced with an expected cost of UAH 4.3 trillion, of which more than 7 million have been successfully completed with an expected cost of UAH 2.776 trillion.

According to the EUS data, the number of announced procurements in 2021 increased by more than 30 percent compared to 2020. The amount of contracts concluded in 2021 increased by 52.85% and amounted to UAH 965.886 billion.

The total number of announced procurements in 2022 is over 2.95 million, of which 2.8 million procurements were completed as of December 31, 2022. The amount of contracts concluded in the reporting period decreased by 49.9% and amounts to UAH 484 billion.

An important indicator in assessing the effectiveness of public procurement is cost savings, i.e. the difference between the expected cost of the procurement and the most economically advantageous offer.

In total, the cost savings in procurements successfully completed in 2020 amounted to more than UAH 47.3 billion, while in 2019

the savings amounted to more than UAH 28 billion.

Cost savings in procurements successfully completed in 2021 amounted to about UAH 60 billion.

Cost savings in procurements successfully completed in 2022 amounted to about UAH 20 billion.

The public procurement system is a significant tool for socio-economic transformations in the country. Its key principles are openness and transparency. However, under martial law, which has significantly complicated the procurement process, there has been a significant decrease in the number of customers and the volume of information publications.

In view of this, the problem of incomplete information in the Prozorro system regarding purchases made during the period of military operations is becoming more urgent. Therefore, there is a need to increase the level of openness and accessibility of data on purchases made and contracts concluded.

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