

Report name	Issued recommendations	Execution status
Systemic report "Reducing the risk of corruption and attracting investment to the construction industry"	<p>To include regular methodological work jointly with construction managers working at regional state administrations with the commissioners of construction works in the annual action plans regarding approaches to determine the value of a procurement item through workshops, including those funded by international technical assistance programs, and to publish recommendations that will reflect a number of key rules: Where funding for the construction of an object is expected during several years, the commissioner should organize the procurement process based on the overall expected cost of the entire works and sign a long-term procurement contract with the successful bidder that establishes that the works will be ongoing for several years. In planning procurements, it should be kept in mind that the commissioner has no right to break up the procurement subject into smaller parts to avoid holding open tenders or applying Sec. 5 of Art. 2 of the Law of Ukraine "On public procurements." To estimate the cost of procuring works, Ukraine's normative construction documents should be used as a guide, as they set the rules for determining the value of construction, design and survey works, and feasibility analyses of the actual plans according to the domestic standards. The one mandatory document that should be used in estimating costs is the National Standard "Rules for determining the value of construction". This standard is mandatory when estimating costs for construction covered by budget funds, the funds of state and communal enterprises, institutions and organizations, as well as by loans guaranteed by the government. Its application has to be stipulated by contract. This means that the conditions for calculating the value of a proposition and the draft procurement contract should include the use of this standard, that is, in the conditions that establish the agreed price of the awarded contract. Where participants plan to engage subcontractors to carry out works, tender bid prices should include the cost of all proposed works contained in the tender documentation, including works that will be executed by subcontractors. To prepare procurement and tender documents, the commissioner should use a finalized working design with all necessary approvals and land issues confirmed and resolved, if required. The working phases of the project should be preceded by an explanation of any repair work in compliance with the quality control system for the relevant types of infrastructure, a feasibility study, and public discussions to identify all possible risks. Where there is no finalized working design with the necessary approvals, the recommended approach is to include a tender interview procedure to negotiate with participants and clarify any issues about the project directly during the tender process.</p> <p>Ministry for Development of Economy, Trade and Agriculture of Ukraine</p>	<p>Implemented — comments: Pursuant to paragraph 7, part 1 of Article 8 of the Law of Ukraine "On Public Procurement", on the MEDT's website an information resource of the Authorized Agency was created aimed at disseminating information on the application of public procurement legislation, which allows for on-line advisory advice on procurement issues, as well as get acquainted with the generalized answers prepared on the basis of common problem issues to all entities in the field of public procurement.</p>
	<p>To propose amendments to the Commercial Code of Ukraine to change the section on subcontracting agreements for the execution of works that are drawn up in line with the Law of Ukraine "On public procurements," to require providing both the commissioner and the executors -contractors, subcontractors and engineers engaged in technical supervision - with open access to information about the progress of the works for the purpose of ensuring their accountability to the public at all stages of the procurement process, from design to completed construction and commissioning.</p> <p>Ministry for Development of Economy, Trade and Agriculture of Ukraine Ministry of Regional Development, Construction and Residential Services</p>	<p>Recommendation is no longer relevant</p>
	<p>Draft amendments to the Law of Ukraine "On Public Procurements":</p> <ul style="list-style-type: none"> - by adding to the basic terms in the law, in Art. 1, the concept of a consortium to ensure broader opportunities for companies to jointly submit a bid without having to establish a separate legal entity - by reducing the mandatory minimum weight of the criterion "low price" from 70% to 50% for the procurement of works. When "low price" dominates the criteria while the terms of a contract are poorly defined and requirements for the subject of the purchase, this could lead to the bidder with the lowest price failing to complete the works or to complete them inadequately. <p>Ministry for Development of Economy, Trade and Agriculture of Ukraine</p>	<p>Implemented</p>
	<p>To take into account the necessity to amend Law of Ukraine "On public procurements" regarding publication of information on concessional tenders at the unified procurements portal in preparing the Draft Law of Ukraine "On concessions".</p> <p>Ministry for Development of Economy, Trade and Agriculture of Ukraine</p>	<p>Implemented</p>
	<p>To add to its work plans of further adaptation of public procurement legislation to the EU legislation the Directives 2014/24 on public procurements and 2014/25 on procurements by enterprises that operate in the area of water supply, power, transport and postal services. Of particular importance are the provisions of EU legislation related to public procurements of construction works, including such criteria as life-cycle cost, the influence of a company's reputation on its potential participation in procurements, the concept of abnormally low price, etc.</p> <p>Ministry for Development of Economy, Trade and Agriculture of Ukraine</p>	<p>Implemented</p>