

**МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ
СУМСЬКИЙ ДЕРЖАВНИЙ УНІВЕРСИТЕТ
ФАКУЛЬТЕТ ІНОЗЕМНОЇ ФІЛОЛОГІЇ
ТА СОЦІАЛЬНИХ КОМУНІКАЦІЙ**



**СОЦІАЛЬНО-ГУМАНІТАРНІ
АСПЕКТИ РОЗВИТКУ СУЧАСНОГО
СУСПІЛЬСТВА**

**МАТЕРІАЛИ VII ВСЕУКРАЇНСЬКОЇ НАУКОВОЇ КОНФЕРЕНЦІЇ
СТУДЕНТІВ, АСПІРАНТІВ, ВИКЛАДАЧІВ ТА СПІВРОБІТНИКІВ**

(Суми, 18-19 квітня 2019 року)

**Суми
2019**

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SPECIFIC FEATURES OF ECONOMIC TRANSFORMATIONS IN PUBLIC PROCUREMENT

Today, the volume of public procurement ranges from 8% to 21% of the gross domestic product in most developed countries of the world. In Ukraine, one of the successful examples of innovative solutions on the path to European integration is the introduction of an electronic procurement system.

The motivation for such innovation was, first of all, the prevention of corruption in public procurement and the development of fair competition in this area. It should

be noted that in the EU countries, electronic purchases are aimed at solving other problems, such as reducing operating costs of customers and suppliers, easier management of procurement through the introduction of automation [1].

At present, the transparency of the public procurement process is ensured at all stages of the procurement process - from planning to delivery of goods. Transparency implies the openness of the procurement procedure, the immediacy of its conduct, and the availability of information on public bidding. The reform has raised citizens' awareness, because they are the ultimate consumers of services and those who actually pay for them through taxation.

It should be noted that the information and software of the system of electronic public procurement is being improved constantly. The online analytics module services allow to analyze and monitor public procurement and its participants. The electronic procurement system has united nearly 34 thousands of organizers – customers of goods, works, services that provide the needs of the state or a territorial community, and more than 191 thousands of purchasers who offer their goods and services through the submission of bids [2].

At present, 24 trading platforms are authorized and operated, and their list is being updated constantly [3]. Increasing the number of decentralized commercial sites through the popularization of the electronic procurement system and the constant emergence of new entrants in particular, raises competition between them, prompting in this way the improvement of organizational, technical, and information tools. The work of the system is integrated with open state registries, which automates the process of obtaining relevant documents for participants.

The process is optimized by increasing the speed of public procurement. As a result, the number of actual purchases increased due to a shorter time frame needed for their organization and conduct. Provided there is a sufficient number of bidders (at least two) and their compliance with the requirements of the tender documentation, the electronic information exchange system made it possible to conduct tenders in 2-3 weeks, while paper tenders required more time - up to 60 days.

Electronic foreclosure available at all stages of its implementation has also reduced the time for receiving, processing and responding to such requests. It should be noted that it was very difficult to contest the tender before.

After the introduction of the system of electronic procurement, the new limits were set for the financing of public funds at which a tender procedure was conducted. To purchase goods and services for the amount of more than 200 thousand UAH, as well as works more than 1.5 million UAH, the customer is obliged to conduct open tenders through an electronic platform [4]. In addition, publication of concluded contracts is obligatory if the purchase amount exceeds 50 thousand UAH. In the past the contracts were published only on the amount of 1 million UAH. Such transparent reporting is seen as an instrument for preventing corruption and making it impossible to conduct an auction with only one participant.

We can see significant cost and time savings for both customers and contractors. For the interaction between the customer and the supplier, the Internet is used. New opportunities for private entrepreneurs and small firms have been opened to enter the public procurement market. This unequivocally raises market competition and ensures transparency in the spending of public funds.

The electronic system facilitated access to bidding for participants, reduced the cost of administering both the system on the part of the state and the cost of administering the process by the purchasers and participants, and generally accelerated the procurement process. In addition, monitoring of the procurement process covered by the electronic system has become simpler and more accessible.

Compared to 2015, in 2016, the total value of contracts increased by 17% and amounted to 10.4 billion dollars. The number of transactions increased more than four times. Open and simplified access to the system has increased the number of participants and suppliers. The number of unique suppliers has tripled. At the same time, the number of contracts per supplier decreased, thereby weakening the level of its monopoly power and the customer relationship. In the structure of suppliers, the share of individual entrepreneur has increased significantly (from 24% to 42%). The number of customers increased by 53% – up to 20 thousand.

However, technical and organizational innovations in the field of public procurement require the staffing of all participants engaged in the process: tender committees of customers, sales departments of enterprises, and directly private entrepreneurs, whose participation in tenders became more affordable. With the development of the system of vocational training of specialists in public procurement and professionalization of public procurement, the State Profession Classifier introduced a new profession "Public Procurement Specialist". In addition to trainings and short-term training programs, a number of higher education institutions have already made appropriate changes to the curriculum and started master's programs.

Consequently, the process of adapting all procurement participants to the new requirements is still ongoing. For the development of the electronic procurement system, which is backed up by powerful information and software, awareness of innovations by the organizers of procurement and active participation in tenders of small and medium-sized businesses is necessary. Implementation of the mandatory stages of electronic procurement in Ukraine will be carried out in subsequent years.

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