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Prozorro.Sale -

e-Auction ecosystem
for effective, transparent and fair
sale & lease of
government and municipal assets

The complex Public Assets management system consists of 2 components:

Auction
to Sell & Lease

Tender
to Buy & Rent

Conventional **1-level Auction** system is almost the same as 2000 years ago...

High risk of corruption
Lack of competition
Restricted access
Auction collusion
Long selling process

Marketplace

Buyers

The next step of evolution is

2-level Auction Ecosystem -

public-private and transparent
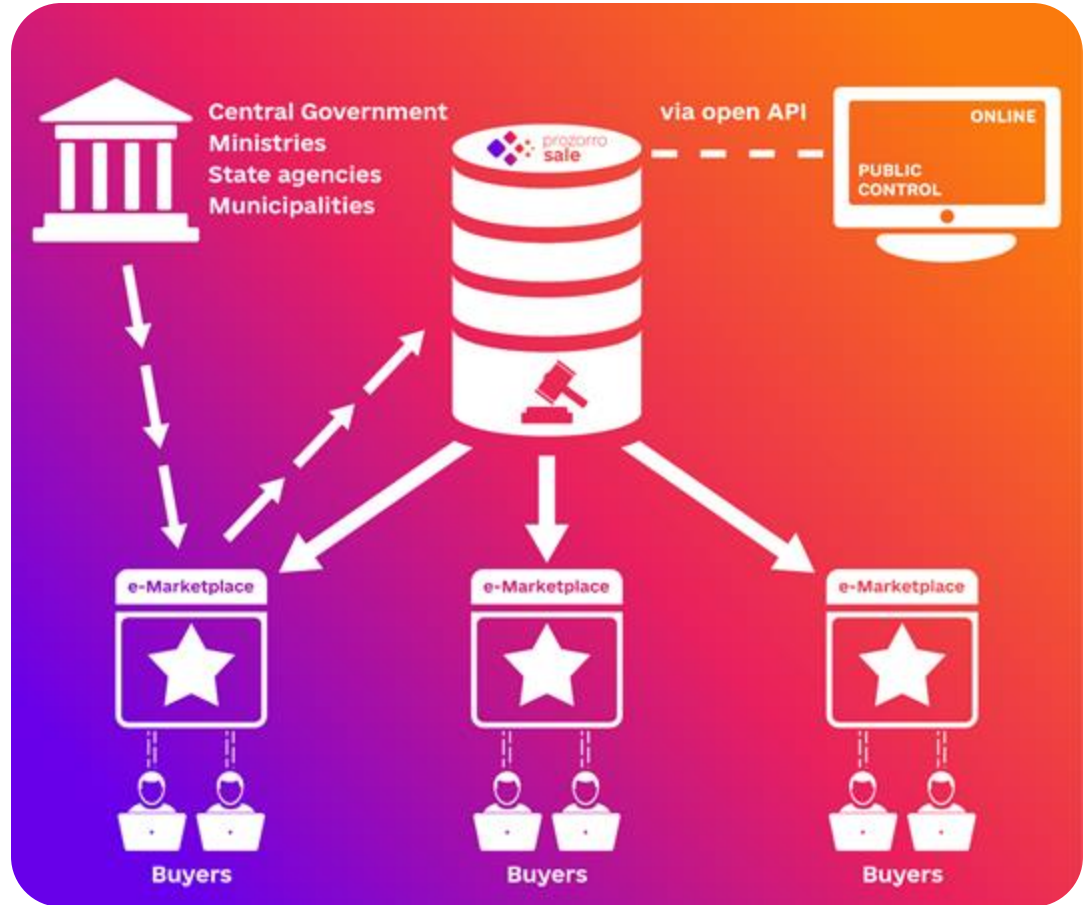
2-level Auction Ecosystem -

"Golden Triangle" of effective cooperation, to balance needs of all stakeholders and mitigate risks

Clear & consistent rules for Assets **access**

Business

Civil Society

Ability to **monitor** Assets disposal process

Government

Effective Assets **management** tool
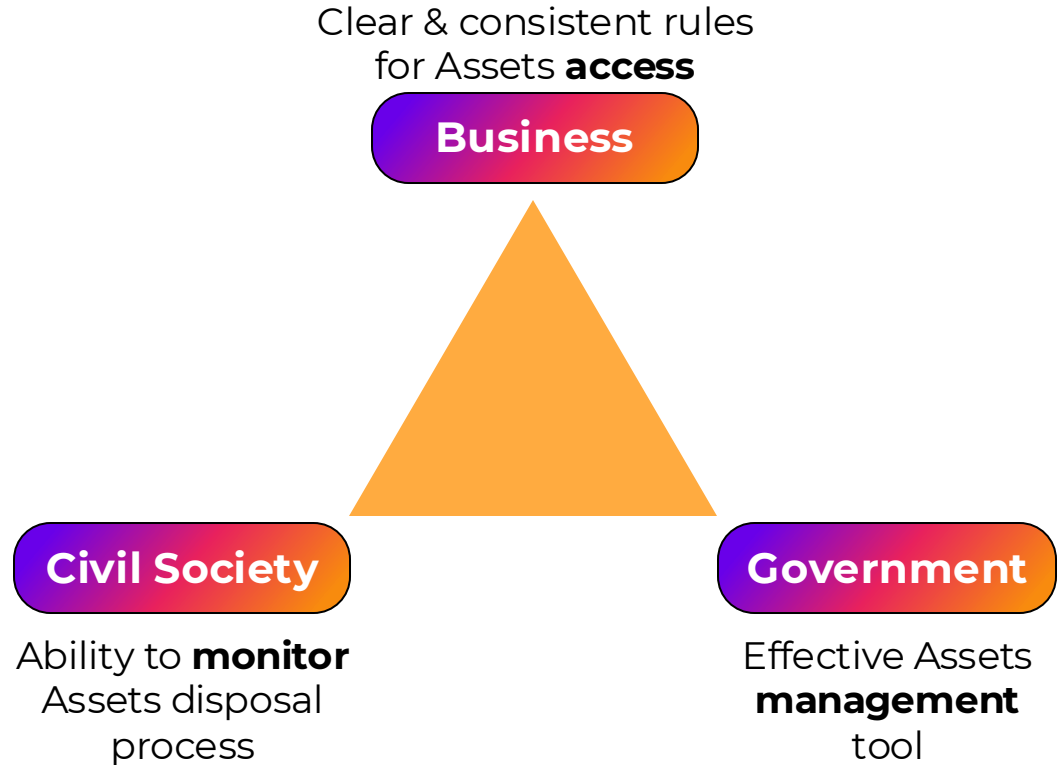
Ukraine created **Prozorro.Sale** - 2-level (public-private) state e-Auction ecosystem

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Prozorro.Sale in brief

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Works since **2016**.

In close cooperation with multiple stakeholders: **Ministry of Economy of Ukraine, National Bank of Ukraine, Deposit Guarantee Fund of Ukraine**.

+2.5 bn
USD

revenue for the State

≈100K
auctions/year

by thouthands of sellers

+43%
price increase

average

2.3
participants

average competition per auction

MINISTRY OF
ECONOMY
OF UKRAINE

Who sells within Prozorro.Sale ecosystem?

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Government

Municipalities

State Enterprises

Large companies

Architecture

The Ecosystem is Public-Private:

- **State company** (Prozorro.Sale) - Admin, IT, GR

- **Private e-Marketplaces** (over 40) - Lots registration, Sales, Support

No fee	SELLERS		Marketplaces		Prozorro.Sale		Marketplaces		BUYERS	Success fee

Government, local authorities, private companies

Authorized agents

Auction module, Central database, Business Intelligence module

Authorized agents

Civil society and business

Asset types

#	Type	Asset
1	**Privatization**	State owned enterprises
2	**Toxic**	NPL, bankruptcy, seized, sanctioned
3	**Surplus**	Any property and assets
4	**Licenses & quotas**	Mining, timber, fishing, marine farming, green energy support
5	**Lease**	Land, real estate, railway cars, parking lots

Different **types of auctions** for different types of assets: English, Dutch, Hybrid Dutch and more

Components

Software

Billing

Protocols

Registry

Jobber

Mirror
API + Chronograph
Auction module

Assembly

Web Portal

Business
Intelligence

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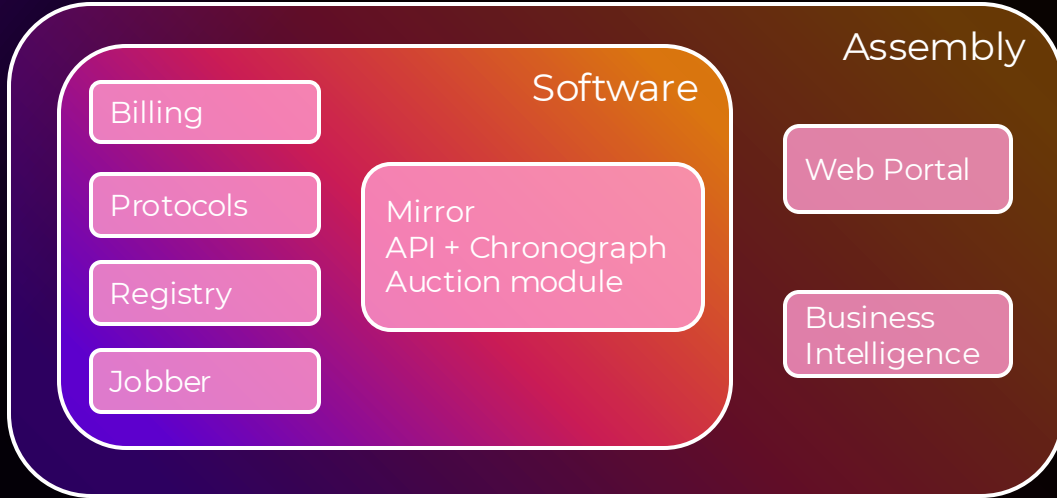
Analysis

Development

Launch and
training

IT: code, setup

Legislation: framework

Marketing: checklists, agreements, rules

Socio-economic impact

1. Maximize **profit** (Higher revenue + Faster sales process)

2. Save operating **costs**

3. Strengthen **accountability**

4. Provide transparency for **public control**

5. Improve **trust** in society

6. Enhance overall effectiveness of public institutions to reach the Sustainable Development Goals (**SDGs**)

International recognition

World Bank: "The transition to a secure and transparent open-source system in land auctions at the end of 2021 doubled prices and reduced barriers to participation in auctions"

Transparency International: "transfer of public and municipal property for rent on the basis of transparency and competition directly influences the well-being of the community and the ability to improve infrastructure and comfort locally"

Open Government Partnership (OGP): "ProZorro.Sale turned abandoned assets into productive ones, opening business access to investment opportunities and allowing civil society organizations to monitor the integrity of the transactions, thereby earning more trust in the privatization process"

OECD: "A special auction method was developed by the Kyiv School of Economics with the aim to reduce the effects of insider knowledge and increase the level of competition, while maximising the sale price. In comparison with other countries who have had similar issues, Ukraine outperformed most in multiple metrics"

Open Contracting Partnership (OCP): "ProZorro.Sale is a pioneering approach to help governments tap into the hidden potential of their assets and generate more revenue for the state. With a radically transparent design, and with open and fair bidding, the online auction system allows government agencies to sell or lease items that were previously impossible or very inefficient to trade"

Awards

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Citi Tech for Integrity Challenge ([link](#))

C5 «Shield in the cloud award» Innovation Challenge ([link](#))

Apolitical "Doing More for Less" Nomination: Global Public Service Team of the Year Award ([link](#))

World Commerce & Contracting Innovation & Excellence Award ([link](#))

Open Government Partnership: OGP Impact Award ([link](#))

UN Public Service Award: Enhancing the effectiveness of public institutions to reach the SDGs ([link](#))

IAM Asset Management Excellence Awards: Digital Innovation (finalist) ([link](#))

2017 — **2018** — **2019** — **2020** — **2021** — **2022** — **2023**

citi

International Award
The best
anti-corruption startup in public administration

apolitical

World Commerce & Contracting

Open Government Partnership
OGP Impact Award Winner 2021
Transparent Sale of Public Assets

Asset Management Excellence Awards 2023

Building markets and trust

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