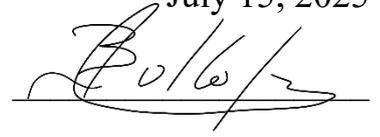


APPROVED
Executive Director
NGO «Technology of Progress»
Zadvornyy V.V.
July 15, 2025



Approved
By Order No. 4-D dated July 15, 2025

Approved
By the Decision of the Extraordinary General
Meeting No. 3-P dated July 15, 2025

POLICY ON THE PROCUREMENT OF GOODS, WORKS AND SERVICES

1. General provisions

1.1. Terms used in this Policy shall have the meanings assigned to them in the Charter of the public organization “Technology of Progress” (hereinafter – the “Organization”). Terms not defined in the Organization’s Charter shall be used in this Policy with the following meanings:

Policy – the “Procurement of Goods, Works, and Services Policy” of the public organization “Technology of Progress”;

Tender Committee – the committee responsible for organizing procurement procedures for goods, works, and services;

Donor – a domestic or foreign organization providing grant support for specific projects that align with its objectives and goals;

Personnel – the collective term for permanent or temporary employees who have received the necessary professional training or have practical work experience and perform their duties under an employment contract or a Service/Work Agreement;

Tender – the process of selecting participants in order to determine the winner of a procurement in accordance with the procedures established in this Policy;

Tender Participant – an individual entrepreneur or legal entity that has expressed an intention to participate in the procurement;

Direct Procurement – a procurement procedure carried out directly with a single supplier without conducting negotiations, a tender, or a price analysis;

Procurement Contract – a contract concluded between the Organization and a participant as a result of a procurement procedure, providing for the delivery of services, execution of works, or acquisition of ownership rights to goods.

1.2 This Policy is approved by the Order of the Executive Director of the Organization.

1.3 The purpose of this Policy is to ensure the process of concluding contracts for the purchase and sale of goods, execution of works, and provision of services, taking into account the optimal combination of conditions, price, and quality for the Organization.

1.4 This Policy defines the procedure for the procurement of goods, works, and services, including: the principles on which procurements are carried out, the main procurement procedures, financial thresholds for conducting a tender, the procedure for determining winners, and others.

1.5 This Policy applies to all procurements of goods, works, and services carried out using the Organization’s funds.

1.6 Procurements are carried out based on the following principles:

- fair competition among participants;
- maximum economy and efficiency;
- openness and transparency at all stages of procurement;
- non-discrimination of participants;
- objective and unbiased evaluation of competitive bids;
- prevention of corruption and abuse.

1.7 Documents related to the procurement process may be provided to the Donor upon their request at any stage of procurement, in accordance with the following list:

- For price analysis: price analysis form; internal memo signed by the person responsible for procurement; saved screenshots from websites as of the date of analysis and a reference to the resource or invoice or price list signed by the potential supplier.

- For tender: procurement announcement; draft contract/signed contract; winner selection protocol signed by Tender Committee members; winner's documents.
- For negotiation procedure: justification for using the negotiation procedure (letter in free form) signed by Tender Committee members; document confirming the supplier meets qualification requirements; supplier's commercial proposal.

1.8 This Policy does not apply to goods, works, and services purchased through Direct Procurement, regardless of the cost of the services.

1.8.1 Such goods, works, and services include:

- office rent;
- utilities;
- postal services, postage stamps, and pre-stamped envelopes;
- communication services;
- banking services;
- paid services in amounts determined by regulatory acts, provided by state authorities, local self-government bodies, or other authorized persons, where receiving such services is mandatory by law;
- telecommunication services, including mobile and internet provider services;
- payment of obligations under previously concluded contracts whose term has not expired or continues at the start of project implementation.

1.8.2 The procurement of other goods, works, and services through Direct Procurement requires the Donor's approval within the framework of the project under which such procurement is planned.

1.8.3 This Policy does not apply to the procurement of services from consultants or contractors when these services are provided within the framework of the Organization's projects. Selection of consultants/contractors for project implementation is carried out through a competitive process.

1.9 The main procedures for procurement of goods, works, and services are:

- price analysis;
- analysis of commercial proposals;
- standard tender;
- two-stage tender;
- international tender;
- negotiation procedure.

1.10 Financial thresholds for organizing tenders and conducting procurement:

- For contracts up to UAH 125,000.00 – price analysis is conducted.
- For contracts from UAH 125,000.00 to UAH 1,000,000.00 – analysis of at least three received commercial proposals.
- For contracts from UAH 1,000,000.00 to UAH 50,000,000.00 – standard or two-stage tender is conducted depending on the subject of procurement.
- For contracts above UAH 50,000,000.00 – international tender is conducted.

1.11 If the contractual agreement with the Donor provides for a lower financial threshold for organizing a tender than stated in clause 1.10, the threshold specified in the agreement may be applied.

1.12 If the procurement is carried out within a project funded by a charitable organization, the procurement of goods, works, and services is carried out without VAT in accordance with current legislation.

1.13 Any matters not regulated by this Policy are governed by the current regulatory and legal acts of Ukraine, the Charter of the Organization, and other internal documents of the Organization.

2. Creation and Organization of the Tender Committee

2.1 The Tender Committee is established by the Order of the Executive Director of the Organization on the basis of collegial decision-making, absence of conflicts of interest among its members, and their impartiality. The Committee is responsible for organizing the procurement of goods/works/services through standard and two-stage tender procedures. In certain cases, by decision of the Executive Director of the Organization, the Tender Committee may organize and ensure the procurement through a negotiation procedure.

2.2 The activities of the Tender Committee are governed by this Regulation and the current legislation of Ukraine.

2.3 Members of the Tender Committee may include Organization personnel in a number of no fewer than two, as well as project coordinators/managers under whose projects the tenders are conducted. Individuals who are close relatives or representatives of Tender Participants may not be members of the Tender Committee, nor serve as experts on compliance with procurement procedures.

2.4 The Chairperson and Secretary of the Tender Committee are appointed in the respective Order of the Executive Director of the Organization establishing the Tender Committee. The Chairperson organizes the work of the Committee. If necessary, the Chairperson may additionally appoint a Deputy from among the Committee members and define the functions of each member. In the absence of the Chairperson, the Deputy Chairperson performs their duties. In the absence of the Secretary, another member of the Committee designated by the Chairperson performs their duties.

2.5 The form of work of the Tender Committee is a meeting, which is considered quorate if at least two-thirds of the Committee members are present, but in any case, no fewer than three members. Committee meetings may be held in person or via internet communication tools when necessary. If a meeting is held online, it must use software that allows the meeting to be recorded.

2.6 Meetings of the Committee are convened by the Chairperson as needed. The list of issues to be considered and the agenda are communicated to the Committee members before the start of the meeting. Decisions on issues discussed at Committee meetings are made by a simple majority vote. In case of a tie, the Chairperson's vote is decisive.

2.7 Committee decisions are formalized in a protocol indicating the date of the decision, results of roll-call voting of members present at the meeting, and the outcome on each issue. The protocol is signed by all members present. If a member refuses to sign, the reason for refusal is noted in the protocol.

2.8 Committee members have the right to:

2.8.1 participate in planning expenses and determining the need for goods, works, and services to be procured;

2.8.2 analyze and/or obtain information regarding contract execution following procurement;
2.8.3 bring issues for Committee consideration;
2.8.4 make decisions, recorded in the Committee protocol, on the need to correct technical (mechanical, formal) errors made during data entry on procurement;
2.8.5 obtain from Organization officials and employees, or its structural units, information necessary for conducting procurement procedures;
2.8.6 express separate opinions in the Committee meeting protocols;
2.8.7 perform other actions specified in this Regulation and other internal documents of the Organization.

2.9 Committee members are obliged to:

2.9.1 attend all meetings personally (including via electronic or internet means);
2.9.2 organize and conduct procurement procedures;
2.9.3 ensure equal conditions for all participants, and an objective and fair selection of the procurement winner;
2.9.4 comply with the legislation of Ukraine, this Regulation, and the Organization's internal documents;
2.9.5 perform other actions specified in this Regulation and other internal documents of the Organization.

2.10 Chairperson of the Committee:

2.10.1 organizes the work of the Committee;
2.10.2 decides on convening Committee meetings;
2.10.3 determines the date, place, and format of Committee meetings;
2.10.4 prepares and proposes the agenda of Committee meetings;
2.10.5 presides over Committee meetings;
2.10.6 submits proposals to the Executive Director regarding changes in the Committee composition;
2.10.7 exercises other powers specified in this Regulation and other internal documents of the Organization.

2.11 Secretary of the Committee ensures:

2.11.1 keeping and formalizing the minutes of Committee meetings;
2.11.2 promptly informing Committee members on organizational issues;
2.11.3 performing other organizational tasks as assigned by the Chairperson;
2.11.4 storing documents related to procurement;
2.11.5 performing other powers specified in this Regulation and other internal documents of the Organization.

3. Price Analysis and Commercial Proposal Review

3.1 For concluding agreements for which, according to the current Policy, the organization of tenders is not required, a Price Analysis is conducted.

3.2 The Organization conducts a Price Analysis and, based on the results, prepares a Price Analysis Form and an internal memo justifying the selection of the given Tender Participants. The memo includes saved screenshots from the websites where the analysis was conducted, links to the resources, or invoices/price lists signed by the potential supplier.

3.3 The number of Participants must be at least three (3). If the required number of alternative suppliers is not available in the market, the Organization selects the winner from the available participants and prepares an explanatory note.

3.4 If the evaluation of goods (works, services) involves the preparation of an estimate (specification) or if the price is determined individually, the Price Analysis Form shall include the relevant commercial proposals from the submitted Tender Participants.

3.5 For concluding agreements for which, according to the current Policy, the organization of tenders is not required, and the contract amount is between UAH 125,000.00 and UAH 1,000,000.00, it is necessary to analyze at least three (3) received commercial proposals.

3.6 The Organization conducts a review of commercial proposals and, based on the results, prepares a Price Analysis Form and an internal memo justifying the selection of the given Tender Participants. The memo includes the collected commercial proposals.

3.7 The number of Participants must be at least three (3).

4. Tender Procedure

4.1 Announcement of Procurement

4.1.1 The procurement announcement must include the following information:

- Description of the procurement subject;
- Expected procurement value (if necessary);
- Payment terms;
- Auction step (increment);
- Date and time of the proposal submission deadline;
- Contact information of the Organization's representatives for clarifications or questions;
- Participant qualification requirements;
- Other information in the form of attachments.

4.1.2 In addition to this information, the Organization may specify the following:

- Qualitative (non-price) criteria to be applied to participants' proposals for determining the best offer;
- Requirements for bid security to be provided by participants for tender participation.

4.1.3 The Organization may divide the procurement subject into separate lots to increase competition. Each lot is considered a separate procurement.

4.2 Submission of Proposals

4.2.1 Participants may submit their proposals from the start of the submission period until its end, as specified in the procurement announcement.

4.2.2 Before the submission period ends, a Participant may make changes to their proposal.

4.3 Evaluation Based on Quality and Price

4.3.1 Preference is given to proposals with the best ratio of quality to price.

4.3.2 The winner of the tender is not necessarily the supplier who proposed the lowest price for the goods, works, or services. Selection is based on the quality-to-price ratio.

4.3.3 When deciding on a supplier, the Tender Committee may consider work experience, education, knowledge, professional experience, market reputation, efficiency, compliance with applicable legislation, justified price-to-quality ratio, the supplier's potential ability to successfully fulfill the contract, and other factors deemed important by the Tender Committee.

4.4 Determination of Tender Results and Contract Conclusion

4.4.1 The decision on the tender winner is made by the Tender Committee, provided that at least two proposals are received on the proposal opening day.

4.4.2 If fewer than two proposals are received, the tender is re-announced. If only two proposals are received after re-announcement, the Tender Committee decides, during a meeting, to conduct a negotiation procedure in accordance with this Policy.

4.4.3 Following the procedure, a contract is signed with the tender winner.

4.5 Cancellation of Procurement

4.5.1 The Organization may cancel the procurement at any time before its completion by publishing the reasons for cancellation.

4.6 Features of Standard Tender

4.6.1 The clarification period must be at least one working day.

4.6.2 The proposal submission period must be at least three working days.

4.7 Features of Two-Stage Tender

4.7.1 Can be applied to procurements with a specific subject: website/portal development; research services/parts of research.

4.7.2 The Organization sets only the end date and time of the submission period. The minimum submission period is five days.

4.7.3 When submitting proposals, Two-Stage Tender participants must indicate which documents constitute the commercial part – these will be opened only after prequalification. Certain documents may also be marked as confidential, making them accessible only to the Organization.

4.7.4 If, at the moment of editing the procedure, fewer than three days remain until the end of the submission period, the Organization must extend it so that at least three days remain from the change to the submission deadline.

4.7.5 If at least two proposals are submitted by the end of the submission period, the tender proceeds to the prequalification stage. At this stage, only the technical and qualification parts are opened; the commercial part remains hidden until the auction. The Organization reviews proposals and either admits them to the auction or rejects those that do not meet requirements.

4.7.6 The procurement is considered successful only if at least two proposals are submitted. It will also proceed to the auction only if at least two proposals pass prequalification.

4.7.7 In this procedure, the proposal opening is considered to occur at the start of prequalification.

4.8 International Tender

4.8.1 General provisions for open or two-stage tenders apply, taking into account the international nature of the procurement. Additional mandatory conditions for international tenders include:

- The tender announcement must be posted on relevant international platforms to ensure access for potential foreign participants and maximum transparency.
- All tender documentation, including technical specifications, evaluation criteria, forms, and draft contract, must be prepared in English. A parallel Ukrainian translation may be provided for informational purposes only.
- The tender is considered international only if at least 25% of all received proposals are submitted by foreign legal entities or non-resident individuals.

4.8.2 If these conditions are not met, the tender may be deemed not to meet international standards and may require re-announcement or revision of participation conditions.

5. Negotiation Procedure

5.1 The negotiation procedure is applied to procurement subjects where there is a limited number of suppliers, namely:

- Trainer/moderator/facilitator services;
- Procurement of training courses;
- Procurement of revisions or updates to previously developed websites/portals.

5.2 To justify the use of the negotiation procedure, a letter in free form is prepared and signed by the members of the Tender Committee.

6. Responsibility

6.1 The responsible person bears personal accountability for the quality of the conducted tender, the completeness of the review of available market proposals, and the reliability of the data obtained as a result of the tender.

7. Conflict of Interest

7.1 The Organization must not involve interested staff members or related persons (subordinates; individuals with material, family, or friendly relationships, etc.) in the process of reviewing price or tender proposals.

7.2 If the person responsible for procurement within the Organization, or a member of the Tender Committee approving the procurement, or any other employee of the Organization has a potential financial or other interest in giving an advantage to a participant in the procurement procedure (hereinafter, a "Conflict of Interest"), such person must immediately inform the head of the Organization. If the Conflict of Interest is deemed significant by the head of the Organization or by members of the Tender Committee approving the procurement, the head of the Organization

must immediately remove the person from participation in the relevant procurement and notify the Organization accordingly.

8. Final Provisions

8.1 This Policy has been developed in accordance with and based on the Charter and other internal documents of the Organization. Any provisions or sections of this Policy that contradict the Charter of the Organization shall be considered invalid and are subject to annulment or amendment to comply with the provisions of the Charter in the manner established by the Charter.

8.2 This Policy shall enter into force from the date of its approval by the Executive Director of the Organization.