



APPROVED
Executive Director
NGO «Technology of Progress»
Zadvornyy V.V.
April 8, 2025

Approved
By Order No. 2-D dated April 8, 2025

Approved
By the Decision of the Extraordinary General
Meeting No. 1-P dated April 8, 2025

POLICY ON THE PROCUREMENT OF GOODS, WORKS AND SERVICES

Kyiv, 2025

1. General Provisions

1.1 Terms used in this Policy shall have the meaning given to them in the Charter of the NGO «Technology of Progress» (hereinafter referred to as the «Organization»). Terms not used in the Organization's Charter shall be understood in this Policy as follows:

Policy – the «Procurement Policy for Goods, Works, and Services» of the NGO «Technology of Progress»;

Tender Committee – the committee that organizes procurement procedures for goods, works, and services;

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

Personnel – the totality of permanent or temporary employees who have received necessary professional training or have practical work experience and perform labor functions based on an employment contract or a service/work agreement;

Tender – the process of selecting participants to determine the winner of the bidding according to procedures established in this Policy;

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

Direct Procurement – a procurement procedure conducted directly from one supplier without negotiation, tender, or price analysis;

Procurement Contract – a contract concluded between the Organization and a participant based on the procurement procedure results, providing for services, works, or transfer of ownership of goods.

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

1.3 The purpose of this Policy is to ensure the process of concluding contracts for purchase and sale, performance of works, and provision of services with optimal balance of conditions, price, and quality for the Organization.

1.4 The Policy defines the procurement procedure for goods, works, and services, namely: principles of procurement, main procurement procedures, monetary thresholds for conducting tenders, rules for determining winners, etc.

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

1.6 Procurements are conducted according to the following principles:

- fair competition among participants;
- maximum economy and efficiency;

- openness and transparency at all procurement stages;
- non-discrimination of participants;
- objective and unbiased evaluation of competitive bids;
- prevention of corruption and abuse.

1.7 Procurement documents may be provided to the Donor upon request at any procurement stage according to the following list:

- for price analysis: price analysis form; memo signed by the person responsible for procurement; saved screenshots from analysis websites dated on the procurement date and links to resources or invoices/pricelists signed by potential suppliers;
- for tenders: procurement announcement; draft/signed contract; minutes of winner selection signed by Tender Committee members; documents of the tender winner;
- for negotiation procedures: justification for the use of negotiation (informal letter) signed by Tender Committee members; document confirming supplier's compliance with qualification requirements; supplier's commercial proposal.

1.8 This Policy does not apply to goods, works, and services procured via Direct Procurement regardless of the service cost.

1.9.1 Such goods, works, and services include:

- office rent;
- utility services;
- postal services, postage stamps, and stamped envelopes;
- communication services;
- banking services;
- paid services in the amount established by regulatory acts provided by state authorities, local governments, or other authorized persons, whose receipt is mandatory by law;
- telecommunications services, including mobile communication and internet provider services;
- payments under previously concluded contracts whose validity has not expired or continues at the project start.

1.9.2 Procurement of other goods, works, and services via Direct Procurement is allowed only with Donor's approval within the project scope.

1.9.3 This Policy does not apply to procurement of consultant/executor services when these services are provided within Organization's projects. Selection of consultants/executors is done via competition.

1.9 The main procurement procedures are:

- price analysis;
- regular tender;
- two-stage tender;

- negotiation procedure.

1.10 Monetary thresholds for tenders and procurement:

- Contracts up to UAH 600,000.00 require price analysis;
- Contracts from UAH 600,000.00 and above require regular or two-stage tender depending on procurement subject.

1.11 If the contractual document with the Donor sets a lower monetary threshold for tendering than in 1.11, the contractual threshold applies.

1.12 If procurement is within a project funded by a charitable organization, goods, works, and services are procured VAT-free in accordance with current legislation.

1.13 Issues not regulated by this Policy are governed by the current legal acts of Ukraine, the Organization's Charter, and other internal documents.

2. Procedure for Establishment and Organization of the Tender Committee

2.1 The Tender Committee is established by an order of the Executive Director of the Organization on the basis of collegial decision-making, absence of conflict of interest among the members, and their impartiality. The Committee is responsible for organizing procurements of goods, works, and services through regular tenders and two-stage tenders. In certain cases, by decision of the Executive Director of the Organization, the Tender Committee may organize and ensure 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 less than 2 persons, as well as coordinators/project managers within the projects where tenders are conducted. Persons who are close relatives or representatives of tender participants cannot be members of the Tender Committee or experts on compliance with procurement procedures.

2.4 The Chairperson and Secretary of the Tender Committee are appointed in the corresponding order of the Executive Director of the Organization establishing the Tender Committee. The Chairperson organizes the Committee's work. If necessary, the Chairperson may appoint a Deputy from among the Committee members and define the functions of each member. In the absence of the Chairperson, their duties are performed by the Deputy Chairperson. In the absence of the Secretary, their duties are performed by another Committee member appointed by the Chairperson.

2.5 The form of work of the Tender Committee is meetings, which are valid if at least two-thirds of the Committee members are present, but in any case no fewer than three members. Meetings can be held in person or via internet communication tools if necessary. If the meeting is held online, it must be conducted using software that allows recording the session.

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

2.7 Decisions of the Committee are formalized in minutes indicating the date of the decision and the results of roll-call voting of members present for each issue. Minutes are signed by all members present. If a member refuses to sign, this is noted with reasons in the minutes.

2.8 Committee members have the right to:

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

2.8.2 analyze and/or receive information on contract performance results following procurement;

2.8.3 raise issues for Committee consideration;

2.8.4 make decisions, with minutes, to correct technical (mechanical, formal) errors made during data entry about procurement;

2.8.5 receive necessary information from Organization officials and departments for procurement procedures;

2.8.6 submit dissenting opinions to the Committee meeting minutes;

2.8.7 perform other actions defined by this Regulation and other internal documents of the Organization.

2.9 Committee members are obliged to:

2.9.1 attend all meetings personally (including by electronic or internet communication means);

2.9.2 organize and conduct procurement procedures;

2.9.3 ensure equal conditions for all participants and objective, fair selection of the procurement winner;

2.9.4 comply with Ukrainian law, this Regulation, and internal documents of the Organization;

2.9.5 perform other actions defined by this Regulation and other internal documents of the Organization.

2.10 The 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 form of meetings;

2.10.4 prepares and proposes the meeting agenda;

2.10.5 chairs the meetings;

2.10.6 submits proposals for changes in Committee membership to the Executive Director of the Organization;

2.10.7 performs other powers defined by this Regulation and internal documents.

2.11 The Secretary of the Committee ensures:

- 2.11.1 preparation and maintenance of meeting minutes;
- 2.11.2 timely informing Committee members about organizational matters;
- 2.11.3 performance of other organizational tasks as assigned by the Chairperson;
- 2.11.4 storage of procurement documents;
- 2.11.5 performance of other powers as defined by this Regulation and internal documents of the Organization.

3. Price Analysis

- 3.1 For concluding contracts that, in accordance with the current Policy, do not require a tender procedure, a Price Analysis must be conducted.
- 3.2 The Organization carries out the Price Analysis and, based on its results, prepares a Price Analysis Form and a memorandum justifying the selection of the given suppliers. The memorandum must include saved screenshots from the websites used for the analysis, along with links to the resources, or invoices / price quotations signed by potential suppliers.
- 3.3 The number of participants must be no less than three (3). If the required number of alternative suppliers is not available on the market, the Organization selects the winner from the available suppliers and prepares a corresponding explanatory note.
- 3.4 If the assessment of goods (works, services) involves the preparation of a cost estimate (specification) or if pricing is determined on an individual basis, relevant commercial proposals from the listed suppliers must be attached to the Price Analysis Form.

4. Tender Procedure

4.1 Procurement Announcement

4.1.1 The procurement announcement must include the following information:

- Description of the subject of procurement;
- Expected value of the procurement (if necessary);
- Payment terms;
- Auction step;
- Deadline for proposal submission (date and time);
- Contact details of Organization representatives for inquiries or clarifications;
- Qualification requirements for participants;
- Other relevant information in the form of attached files.

4.1.2 Additionally, the Organization may specify the following elements:

- Non-price quality indicators that will be used to determine the best proposal;
- Requirements for bid security that participants must provide to take part in the tender.

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

4.2 Submission of Proposals

4.2.1 Participants may submit their proposals from the start date until the deadline indicated in the Procurement Announcement.

4.2.2 Participants may amend their proposals before the submission deadline.

4.3 Selection Based on Quality and Cost

4.3.1 Preference is given to proposals offering the best price-to-quality ratio.

4.3.2 The winning bid does not necessarily have to be the lowest priced. The selection is made based on the balance between quality and cost.

4.3.3 When selecting a supplier of goods, works, or services, the Tender Committee may consider: relevant experience, education, expertise, market reputation, responsiveness, compliance with current legislation, reasonable price-to-quality ratio, the supplier's capacity to fulfill the contract, and other factors deemed relevant by the Committee.

4.4 Determining Tender Results and Contract Signing

4.4.1 The Tender Committee decides on the winner, provided at least two proposals have been received by the proposal opening date.

4.4.2 If fewer than two proposals are received, the tender is re-announced. If only two proposals are received again, the Committee may decide to proceed with a negotiation procedure, in line with this Policy.

4.4.3 Based on the results, a contract is signed with the tender winner.

4.5 Cancellation of Procurement

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

4.6 Features of a Simple Tender

4.6.1 The clarification period must be at least 1 working day.

4.6.2 The proposal submission period must be at least 3 working days.

4.7 Features of a Two-Stage Tender

4.7.1 This type may be used for procurements with a specific subject, such as: website/portal development; research services or components thereof.

4.7.2 Only the deadline for proposal submission is set by the Organization. The minimum submission period is five days.

4.7.3 When submitting proposals, participants must specify which documents constitute the commercial part of their offer — these are opened only after the prequalification stage.

Participants may also mark some documents as confidential, making them accessible only to the Organization.

4.7.4 If changes are made to the procedure and less than three days remain before the proposal deadline, the Organization must extend the period so that at least three days remain after changes are made.

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

4.7.6 The procurement is considered successful only if at least two proposals are submitted. The auction stage proceeds only if at least two proposals pass prequalification.

4.7.7 In this procedure type, the proposal opening moment is considered to be the beginning of the prequalification stage

5. Negotiation Procedure

5.1 The negotiation procedure is applied to procurements where there is a limited pool of suppliers, specifically for:

- Services of a trainer/moderator/facilitator;
- Procurement of training courses;
- Procurement of further development for previously created websites/portals.

5.2 A justification for applying the negotiation procedure must be documented in a letter prepared in free form and signed by members of the Tender Committee.

6. Responsibility

6.1 The responsible executor bears personal responsibility for the quality of the tender procedure, the completeness of the market research, and the reliability of the data obtained as a result of the tender process.

7. Conflict of Interest

7.1 The Organization must not involve any interested staff members or affiliated individuals (e.g., subordinates, persons with material, family, or close personal relationships) in the review of price or tender proposals.

7.2 If the person responsible for procurement or a member of the Tender Committee, or any other employee of the Organization, has a potential financial or other interest in giving preference to a specific participant in the procurement process (hereinafter referred to as a «Conflict of Interest»), that person must immediately report this to the Head of the Organization. If the Conflict of Interest is deemed significant by the Head of the Organization or the members of the Tender Committee, the Head must immediately remove the concerned

individual from participating in the relevant procurement procedure and inform the Organization accordingly.

8. Final Provisions

8.1 This Policy is developed in accordance with and based on the Charter and other internal documents of the Organization. Any provisions of this Policy that contradict the Charter shall be considered invalid and are subject to cancellation or amendment to comply with the Charter in accordance with the procedures established therein.

8.2 This Policy comes into effect from the date of its approval by the Executive Director of the Organization.