

New developments in public procurement

On 30 September 2015, the Law of Ukraine in relation to changes in the area of public procurement due to compliance with the international standards and adoption of measures to fight corruption dated 15 September 2015 became effective.

The changes introduced by the Law are aimed at increasing the level of competitiveness via simplification of participation in public procurement for business, as well as strengthening transparency by way of lifting the restriction on disclosure of terms of the submitted bid proposals.

The Law provides for the following significant changes:

- possibility to review the terms of a bid proposal containing information about the price;
- announcement of the evaluation report on the bidding proposal, as well as exclusion of willful blocking of the bidding;
- increase of the value threshold for application of the law for procurement of goods and services to UAH 200,000 (approx. USD 8,735) and for works to UAH 1,500,000 (approx. USD 65,500);
- the unsuccessful bidder is entitled to get additional explanation of grounds for refusal of their bid;
- introduction of the term of a formal (insignificant) failure, which does not lead to refusal of a bid;
- increase of the value threshold for application of the enquiry procedure for the price bid proposals to UAH 500,000 (approx. USD 21,835).