

Impact Story



TRANSPARENCY AND ACCOUNTABILITY IN PUBLIC ADMINISTRATION AND SERVICES / TAPAS



“Ukraine’s technical infrastructure for monitoring procurement transparency is superb.”

Entrepreneur Serhii Pasiuta wants state officials to spend public funds efficiently using the Prozorro system.

Kindergartens and schools in Kyiv receive art supplies, playground equipment, cleaning products, and more from the local education department without delay.

The Kyiv City State Administration (KCSA) fires the head of the Directorate for Construction of Road Transportation Structures for the illegal purchase of a luxury all-terrain vehicle for personal use.

The administration also cancels the off-books procurement of facial recognition and thermal screening video cameras, which bypassed tender procedures and were purchased in place of much-needed ventilators in the heart of the pandemic.

This is not some fantastic future. This is the result of the daily efforts of Serhii Pasiuta, a Kyiv-based entrepreneur and activist who has been proudly branded a “nemesis of the city’s education departments and district state administrations.”

Serhii regularly monitors tenders announced by Kyiv officials and writes about potentially scandalous and corruption-prone contracts on his Facebook page.

As a former copy editor, Serhii is well-connected within the journalistic community. His posts often become newsworthy and serve as the basis for investigations.

Serhii took an interest in public spending when he started his own small business in 2010. The 5% profit tax, payable by Group III sole proprietorships in Ukraine, is fully remitted to city budgets. These funds, in turn, go toward schools and kindergartens, maintenance and development of infrastructure, and other city services.

Every time he paid taxes, Serhii watched the city budget grow while municipal services stagnated. “I wanted to see my money being spent efficiently,” he explains.

So, he began analyzing and monitoring the city’s tenders.

First, Serhii subscribed to daily newsletters from zakupki.prom.ua, which shares information about new tenders. Newsletters can be filtered by procurement authority, product category, and keyword.



Serhii also relies heavily on the public procurement system Prozorro, use of which is obligatory for the public sector. Prozorro is a critical instrument for identifying corruption risks. The system has helped Ukraine save over \$7 billion since 2016.

Prozorro was created with the assistance of international donors, with the USAID/UK aid-funded Transparency and Accountability in Public Administration and Services (TAPAS) Activity providing the bulk of financial and technical support. TAPAS invested in development of the procurement system's functionality, including integration with public registers, creation of central procurement organization and NGO accounts, development of Prozorro Market e-catalogues, launch of electronic tender documentation, and more.

Every morning before going to work, Serhii reviews these resources over a cup of coffee and posts on Facebook about noteworthy tenders held the previous day.

At first, Serhii was monitoring up to 10 institutions on any given day. He continues to add other organizations of interest to his list, which has now grown to number over 40.

Serhii typically spotlights large procurements and tenders with discriminatory terms or other red flags that could indicate corrupt intentions. He also highlights procurements that impact city life. For example, when tenders are announced for projects voted upon in the public budget, he highlights these listings. In doing so, he helps citizens keep an eye on spending and implementation of projects they voted for.

"Ukraine's technical infrastructure for monitoring procurement transparency is superb. One can easily keep track of tenders, complain about them directly to the State Audit Service, or leave testimonials on [DOZORRO](#), which journalists track," Serhii says.

Serhii is ready to help others follow in his footsteps. According to his observations, state officials still often try to make procurements in violation of legislative requirements or common sense, hoping that the public won't notice. Even instruments that track their activity, like Prozorro or DOZORRO, do not always stop them.

"It is important to have as many people as possible get involved in this work and check tenders at various stages, and have journalists write about it as extensively as possible," he says.

Mass media tends to be drawn foremost to big stories, such as those involving large sums of money, prominent officials, or high-profile scandals. But Serhii is also interested in small procurements, particularly in the education sector, that rarely make news.

As a parent himself, whenever families at the local kindergarten decided to buy something for the class, Serhii checked whether the city had announced a tender for the same purchase. Family contributions usually amount to just 100 hryvnias (approximately 4 USD) per purchase, but these small sums add up quickly. Serhii's district is home to nearly 15,000 schoolchildren. Every such "chip-in" thus amounts to an estimated \$60,000 — in just one of Kyiv's ten districts. Furthermore, families chip in money many times throughout the year.

"The numbers were staggering," says Serhii.

In response, Serhii identified which governments funds schools should be legally eligible for. He then monitored education spending on Prozorro and observed how budget funds were being allocated in practice. Serhii's analysis revealed a number of discrepancies. He drew attention to these concerns via Facebook posts and statements to KCSA. Education officials took notice.

"As it turned out, it's easier for the government under strict public watch to perform its functions than to ignore them," quips Serhii. Now, thanks to Serhii's efforts, local government buys what it needs to buy, on time and without reminders.

"For most people in our country," observes Serhii, "it's easier not to delve into whether the government or the city owes them something. Some are not aware of their rights, others don't want to spend time on it, and still others don't have faith in change. However, they pay twice for the same service. I want to resolve these issues systemically. With Prozorro, I can. And others can too."

The USAID / UK aid Transparency and Accountability in Public Administration and Services / TAPAS Activity supports citizens and the Government of Ukraine in reducing or eliminating corruption in key public administration functions and services through eGovernance reform and introduces best international practices in the key areas of eProcurement, Open Data, and eServices