

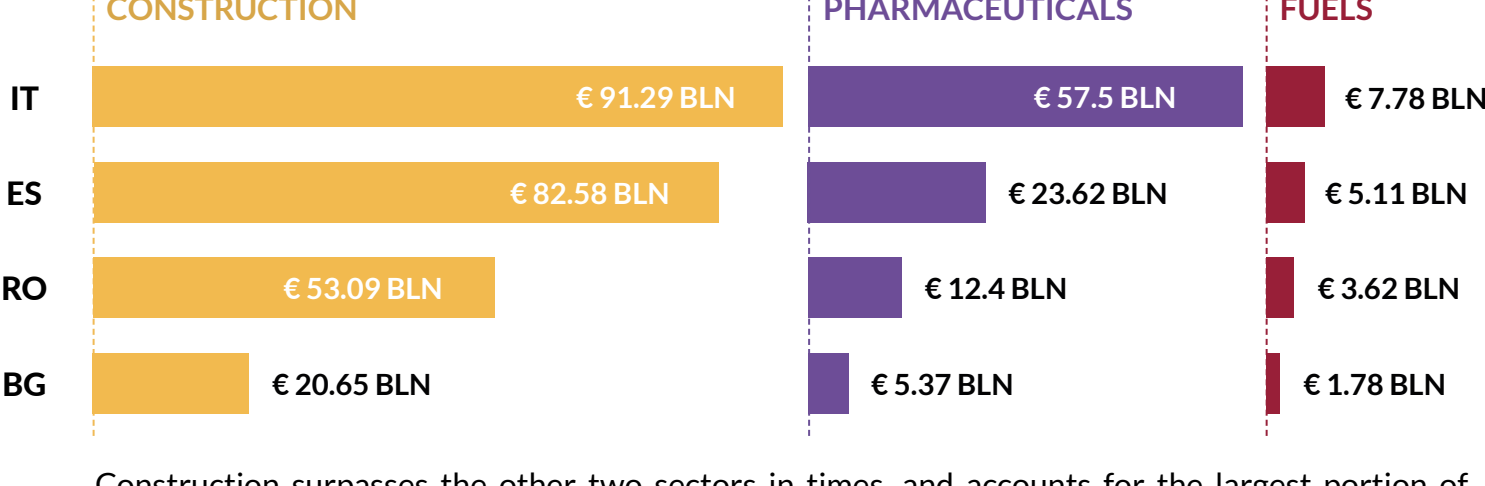
PUBLIC PROCUREMENT MARKET IN SELECTED HIGH-RISK SECTORS OF BULGARIA, ITALY, ROMANIA AND SPAIN

Public procurement is one of the spheres of the economy, most vulnerable to state capture and corruption pressure. It is also directly related to governance practices, policy design and implementation. Public institutions and other budget-funded organisations are major contracting entities, which allocate public finances through tenders, and thus are among the most vulnerable to bad governance.

Let's talk about the context

More tenders + more companies = more competition?

AMOUNT OF PUBLIC PROCUREMENT IN CONSTRUCTION, WHOLESALE OF PHARMACEUTICALS AND WHOLESALE OF FUELS FOR THE PERIOD 2010-2019



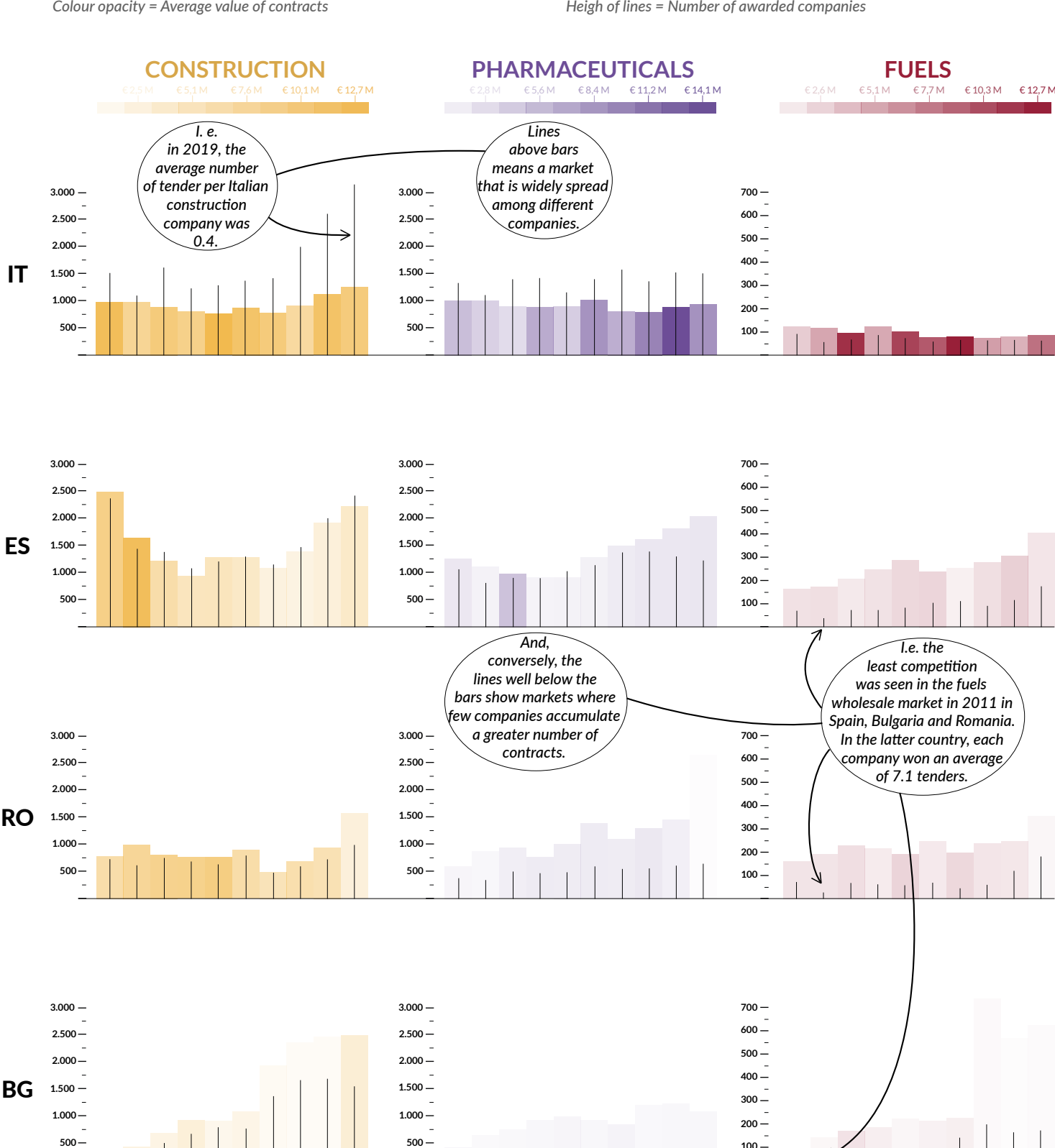
Construction surpasses the other two sectors in times, and accounts for the largest portion of public spending through procurement in them: 58% in Italy, 74% in Spain, 77% in Romania and 74% in Bulgaria. The latter two countries spent almost twice more in construction if calculated as proportion per person of the total population annually (EUR 1,518 in Italy, EUR 1,771 in Spain, EUR 2,671 in Romania and EUR 2,861 in Bulgaria).

VALUE OF CONTRACTS, NUMBER OF TENDERS AND NUMBER OF AWARDED COMPANIES: PERFORMANCE OVER THE YEARS (FROM 2010 TO 2019)

HOW TO READ THIS CHART

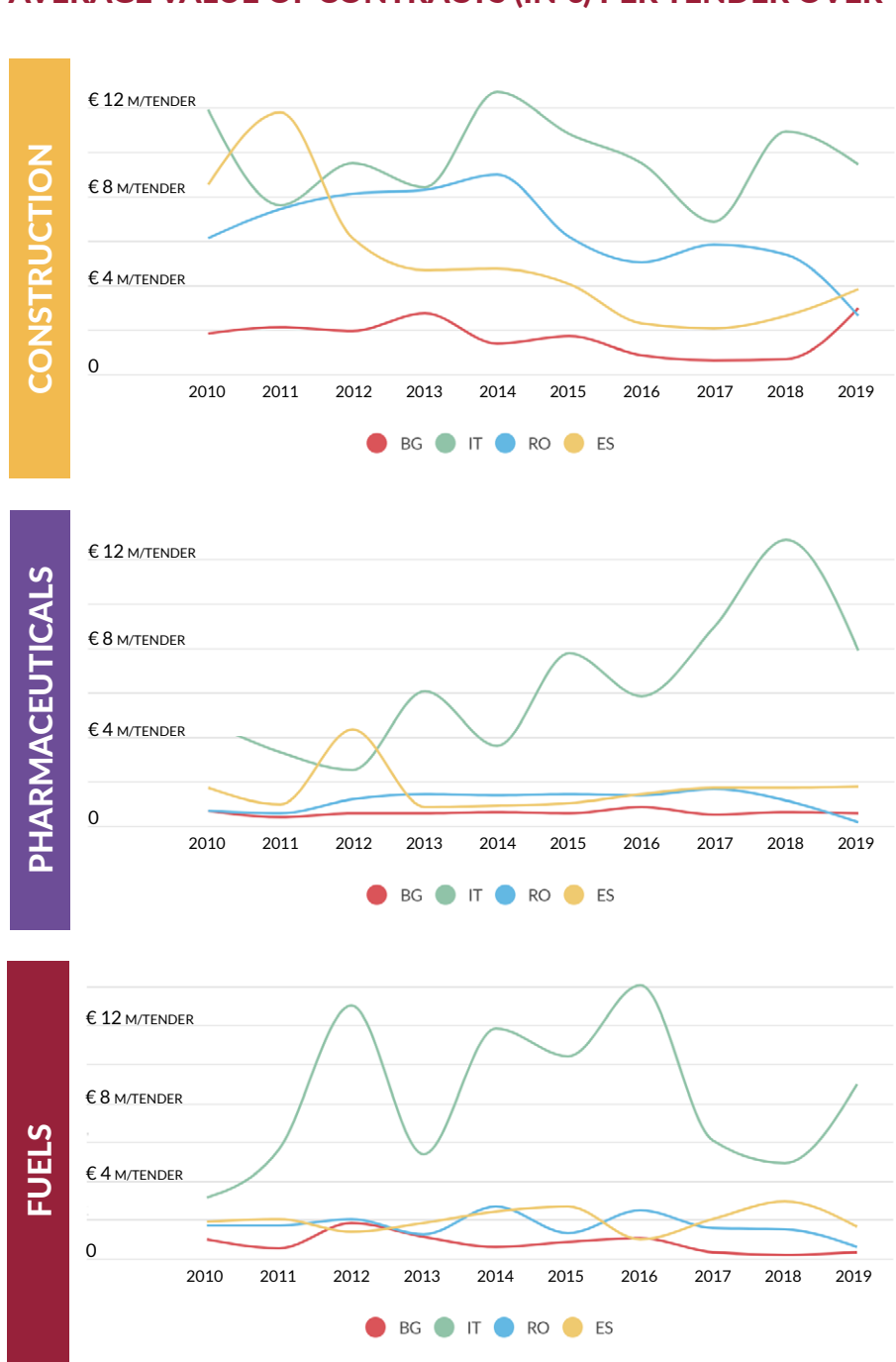
Each bar and line means a year counting from 2010 up to 2019
Colour opacity = Average value of contracts

Height of bars = Number of tenders
Height of lines = Number of awarded companies



Competition increased in Romania, Spain and Italy due to higher increase of number of awarded companies as compared to the number of contracting entities. The only exception is Bulgaria, where the increase is similar for both the suppliers and the buyers.

AVERAGE VALUE OF CONTRACTS (IN €) PER TENDER OVER THE YEARS (FROM 2010 TO 2019)

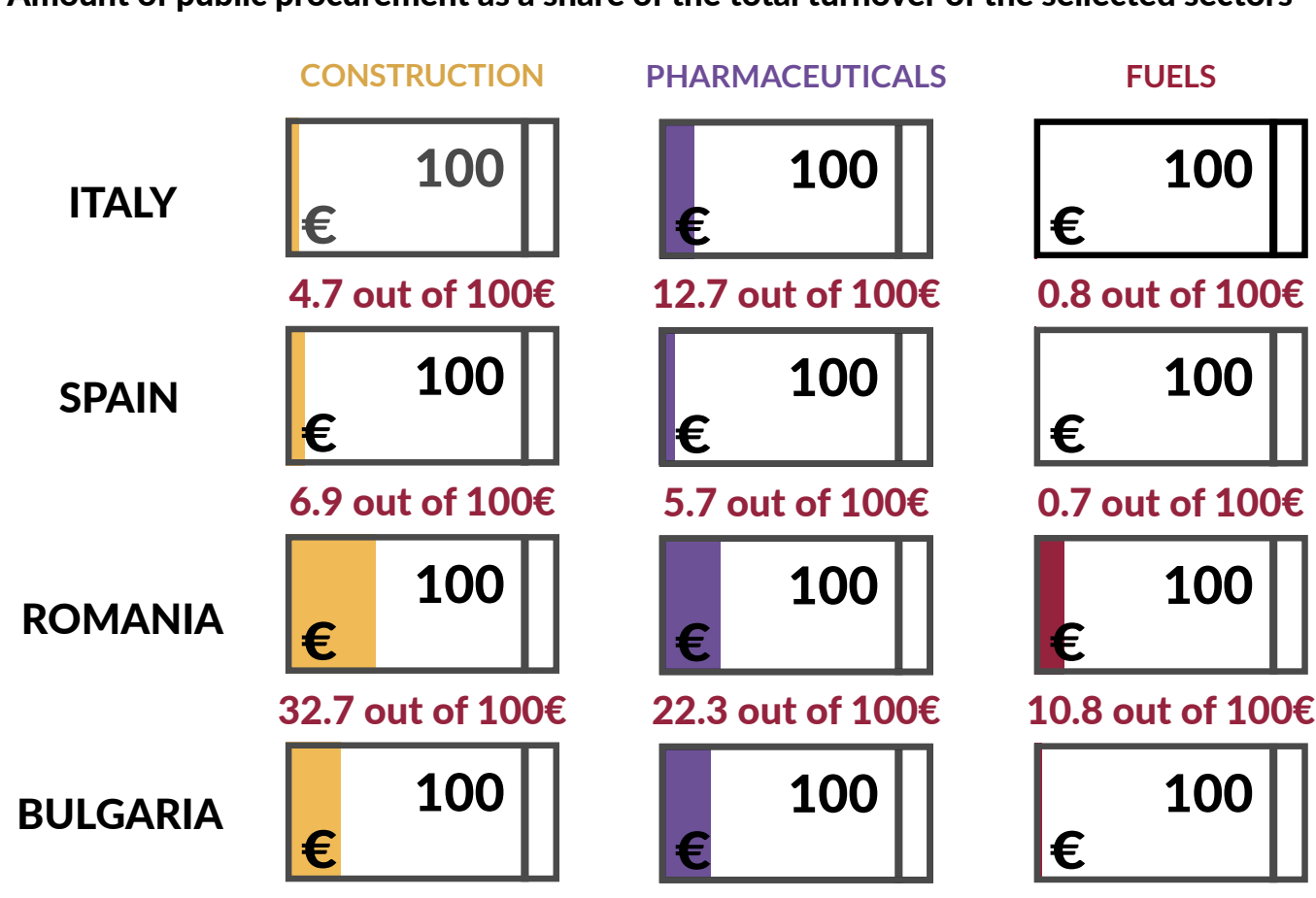


As a result, the average value of contract per tender decreased in all of the countries, except for Italy, where the average value per tender in Construction and Wholesale of fuels is unstable during the years, while in Wholesale of pharmaceuticals is clearly increasing.

General trend points out to increase in competition, which is stronger in Spain and Italy, and weaker in Bulgaria and Romania.

Sectors and dependence on public money

Amount of public procurement as a share of the total turnover of the selected sectors



Project members: