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Università Cattolica del Sacro Cuore - Transcrime

Dissemination Level		
PU	Public	x
PP	Restricted to other programme participants (including the Commission Services)	
RE	Restricted to a group specified by the consortium (including the Commission	
Co	Confidential, only for members of the consortium (including the Commission	

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DIGIWHIST National workshops

Table of contents

The national workshops	3
Aims of the workshops	3
<i>The organisation and the agenda.....</i>	<i>3</i>
The locations and the attendees	3
<i>Bonn, Germany.....</i>	<i>4</i>
<i>Athens, Greece.....</i>	<i>4</i>
<i>Milan, Italy</i>	<i>4</i>
<i>Barcelona, Spain</i>	<i>4</i>
<i>Brussels, Belgium</i>	<i>4</i>
The added value of the workshops.....	5
Annex 1 – Description of the workshops	6
Annex 2 – Workshops material (Agenda, Attendance list, Notes and Presentations)	7

The national workshops

The national workshops are part of the dissemination plan of the project Digiwhist. The workshops have been organised to disseminate the results, including the Digiwhist digital products, to the relevant stakeholders.

Aims of the workshops

Università Cattolica del Sacro Cuore-Transcrime in collaboration with other national organisations was the organiser of the Digiwhist workshops. A close collaboration with organisations and institutions present on the territory maximised the advertisement of the event and the media coverage afterwards. The only exception to this collaboration was the Italian workshop held in Milan, completely organised and advertised by Università Cattolica del Sacro Cuore-Transcrime.

The main aims of the workshops were:

- introducing the Digiwhist digital products and showing the large amounts of public procurement data unlocked by Opentender portals;
- exploring and discussing how to improve transparency in public administrations with these digital outputs;
- creating a network of local NGOs committed to open data to amplify the project's reach and engagement with data and indicator users.

The workshops offered the participants the chance to improve their knowledge on transparency and public procurement data, to work with big data on public procurement and to create a network among different experts on anti-corruption and transparency.

The organisation and the agenda

Università Cattolica del Sacro Cuore-Transcrime sent a document containing the description of the project, the aim of the workshops and a standard agenda to the host organisation before each workshop (Annex 1 – Description of the workshops).

The agenda forecasted a 5-hours workshop. The agenda was then modified according to the organisation of the general event.

During the workshops, the researchers presented all the Digiwhist digital outputs (Europam, Opentender and MET). Each section closed with questions and comments from the audience to gather feedback from end-users (e.g. public officials, journalists, researchers, developers and civil society).

At the end of each workshop, the participants filled an evaluation form. The notes of each workshop report the results of the evaluation (Annex 2 – Workshops material (Agenda, Attendance list, Notes and Presentations))

The locations and the attendees

The national dissemination workshops were conducted in 5 different countries:

1. Germany, Bonn: <https://codeforbonn.de/digiwhistworkshop/>;
2. Greece, Athens: <https://opendata.ellak.gr/2017/10/04/yourdatastories-hackathon-digiwhist-workshop/>;

3. Milan, Italy: <http://www.transcrime.it/workshop-digiwhist-big-data-e-appalti-pubblici/>;¹
4. Spain, Barcelona: <https://xnet-x.net/digiwhist-defensa-bienes-publicos/>;
5. Belgium, Brussels: <https://transparency.eu/digiwhist-workshop/>.

Bonn, Germany

The Open Knowledge Lab of **Bonn**² was the partner for the organisation of the German workshop. It is a centre for the analysis of open data with the aim to promote transparency, open data and civic tech developments.

The attendees were mainly hackers and people working with data.

Athens, Greece

The European project YourDataStories was the partner for the workshop in **Athens**. As, Digiwhist, YouDataStories deals with the topic of the open data and has the aim of developing the required software stack that will enable the Open Government Data to reach citizens in their everyday online life. The day-event focused on the aims and results of the two projects with an interactive part (the workshop for Digiwhist and the hackathon for YourDataStories).

In this case, the attendees of the workshop were mainly politicians and public officials.

Milan, Italy

The workshop in **Milan** was held at the Università Cattolica del Sacro Cuore, where Transcrime has its headquarters. The agenda of the one-day event comprised the workshop (in the morning) and a brainstorming on corruption and data availability on public procurement (in the afternoon). The discussion on data on public procurement was the main topic of the day.

The attendees were researchers, experts in the field, activists and students.

Barcelona, Spain

Xnet organised the workshop in **Barcelona**. Xnet is an activist project working in fields related to digital rights and democracy. The one-day meeting, that comprised the workshop, focused on open data on public procurement. Together with Digiwhist, during the meeting, the *Oficina Antifrau de Catalunya* presented a similar project using data mining to develop large-scale procurement datasets.

The attendees were mainly officials of the municipality and activists.

Brussels, Belgium

Transparency International Europe was the co-organiser of the workshop in **Brussels**. The workshop was a half-day event on the same day of the final conference and it focused on the topic of transparency and open data.

The attendees were mainly EU officials.

¹ The workshop was in Italian.

² <https://codeforbonn.de/>

The added value of the workshops

Given the need of spreading the results and the digital outputs of Digiwhist, the workshops were interactive sessions to receive feedbacks from the end-users.

Each workshop involved different stakeholders and it provided an added value.

In **Bonn**, the participants were mainly data analysts with an interest on the way data was treaty and presented. They provided us with a lot of comments on the portal and its usability, which we finally considered to improve project products, especially opentender website.

In **Athens**, participants were politicians and public officials. We discussed about how public administration can benefit from the use of open contracting data. We shared view on how best practices on the way procurement data are collected and systematised could enrich both the public authorities and the researchers working with contracting data. The entire workshop was live streamed to reach a broader audience.

In **Milan**, the workshop was an occasion to create a network among the participants composed mainly by activists and researchers involved in big data and anti-corruption practices. The workshop gave the chance to discuss on the quality and the availability of open data on public procurement in Italy.

In **Barcelona**, the workshop was the occasion to interact with local and regional authorities interested in the project and with local public units involved in other similar projects on a municipality base. Local activists have agreed to cooperate with the Digiwhist consortium to become the contact point for future project related-training and dissemination activities in Spain.

In **Brussels**, the presence of many EU officers made the workshop more interactive and particularly focused on best-practices in big data use.

Annex 1 – Description of the workshops



DIGIWHIST – National dissemination workshops

Introduction

The main goal of the EU Horizon 2020 DIGIWHIST (The Digital Whistleblower. Fiscal Transparency, Risk Assessment and Impact of Good Governance Policies Assessed) project is the systematic collection, structuring, analysis, and broad dissemination of information on public procurement and on mechanisms that increase accountability of public officials in all EU and some neighbouring countries. One of the DIGIWHIST objectives is to create national public procurement portals (www.opentender.eu) for 35 jurisdictions (28 EU member states, Norway, the European Commission, Iceland, Switzerland, Serbia, and Georgia).

Further details on DIGIWHIST can be found at <http://digiwhist.eu>

National dissemination workshop goals

DIGIWHIST is currently planning four one-day national dissemination workshops in different countries to present its national public procurement portals and seek collaboration with national NGOs working on anticorruption. The goal of these workshops would be to introduce the large amounts of public procurement data unlocked by DIGIWHIST and jointly explore ways through which it can be put to use in the fight against corruption and improving public administrations. This includes user feedback by end-users (which include public officials, journalists, developers and civil society). DIGIWHIST designed an interactive watchdog portal available in each country which can be positioned as a central hub for mobilizing anticorruption efforts.

Suggested structure of the workshops

The consortium has agreed that the workshop may be structured as follows:

- Start at mid-morning (e.g. 10:00 or 11:00), thus enabling participants coming from different locations to easily reach the workshop;
- Finish at mid-afternoon (e.g. 15:00 or 16:00);
- The morning session would include: a brief presentation of DIGIWHIST; presentation of the public procurement data collected by DIGIWHIST: details on data collection, cleaning, sharing; presentation of main red flags of inefficiency, opacity and corruption in public procurement; presentation of all major DIGIWHIST outputs (EuroPAM, final data, Opentender [briefly], and software);
- The lunch break could be an opportunity for discussion and networking among participants;
- The afternoon session will take a more operational form. Participants will be guided through the download, analysis and assessment of public procurement data for the country where the workshop takes place using the DIGIWHIST watchdog portal: opentender.eu. Dependent on participants' level of knowledge the afternoon can be used to do analysis with the data, develop apps or create stories.

This structure can be adapted based on the needs and comments by possible partners.

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 844862



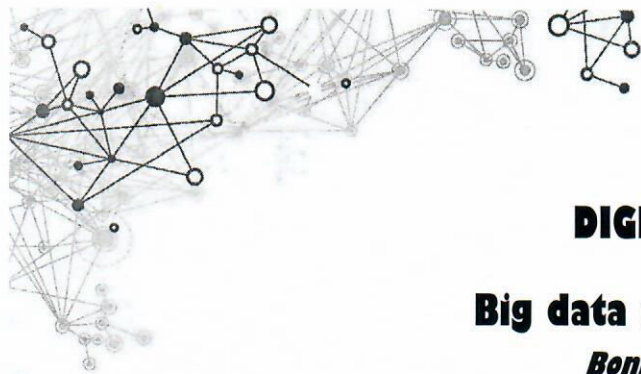
Annex 2 – Workshops material (Agenda, Attendance list, Notes and Presentations)



Dissemination Workshop

Bonn, Germany

30 September 2017



DIGIWHIST Workshop

Big data on public procurement

Bonn, 30 September 2017

Introduction

The main goal of the DIGIWHIST is the systematic collection, structuring, analysis, and broad dissemination of information on public procurement in all EU, and some neighbouring, countries.¹

To achieve its main goal, DIGIWHIST created the **Opentender.eu** portal, that gathers the available data on public procurement at national level for 35 jurisdictions (28 EU member states, Armenia, Norway, the European Commission, Iceland, Switzerland, Serbia, and Georgia). Beyond the possibility of download the databases, the portal will also include some indicators of transparency and administrative quality.

What is the goal of the workshop?

The goals of this workshop will be:

- to introduce the large amounts of public procurement data unlocked by Opentender.eu;
- to explore ways through which it can be use in improving transparency in public administrations.

The workshop includes also user feedback by end-users (e.g. public officials, journalists, developers and civil society). Participants will have the chance:

- to improve their knowledge on transparency and public procurement data;
- to work with big data on public procurement;
- to create a network among different experts on anticorruption and transparency.

How is the workshop organised?

- 10-10.15: Participants registration
- 10.15-11.45: Presentation of DIGIWHIST
 - DIGIWHIST goals, data type and their collection, cleaning and sharing
 - Red flags of inefficiency and opacity
 - Presentation of opentender.eu.
- 11.45-12.00: Coffee break
- 12:00-13:00: Lunch break
- 13:00-15:00: How to use Opentender.eu.
 - Participants will be guided through the use of the portal: download, analysis and evaluation of the public procurement data on the portal. The data can be used for simple analysis or analysis of specific cases.
- 15.00-15.30: Evaluation phase and workshop closure

The contact persons are Prof. Francesco Calderoni (francesco.calderoni@unicatt.it) and Martina Rotondi (martina.rotondi@unicatt.it).

¹ Further details on DIGIWHIST can be found at <http://digiwhist.eu>



DIGIWHIST Workshop - Bonn, Germany

30 September 2017

Notes of workshop

1. Welcome – Martina Rotondi, UCSC-Transcrime (TRC)

Martina Rotondi welcomed the participants to Bonn and to the DIGIWHIST Workshop.

2. Presentation of DIGIWHIST – Bence Tóth, UCAM-SOC (UC-SOC)

Bence Tóth introduced the project DIGIWHIST and its main goals. He described the legislation mapping made in WP1 and showed the EUROPAM portal. The participants interacted with EUROPAM and asked some questions about the data collecting and the elaboration made on the data.

Then, Bence Tóth introduced the data used in the project and their reliability and the indicators published by DIGIWHIST. He also showed some tests conducted on the data. This part of the workshop was very interactive, since the participants asked questions about the reliability of the data and the problem of missing data.

3. How to use Opentender.eu – Arne Semsrott, OK Foundation (OKF)

Arne Semsrott described the portal and showed to the participants all the functions present in the portal, going with them along the different parts of the portal. The participants seemed very interested in the portal and asked many questions about the different functions.

At the end of the interaction with the portal, the participants added many **inputs for the portal**, among them:

- It would be better to have translations in the different languages (we are working on it);
- It would be better to have a glossary and explanation of different indicators;
- It would be better to have the more interesting country information (e.g. the main buyer, the company that won more contracts);
- It would be better to have improved machine learning to merge buyers/companies.

All these inputs will be taken into consideration while updating the portal.

4. Evaluation phase

The participants were invited to fill in a questionnaire, evaluating the workshop.

They evaluated the workshop 4.5 on average on a scale between 1 and 5 (1= insufficient - 5= excellent).¹ The workshop satisfied their expectations² and was very useful for their work and for exchanging information in an international context.³

The majority of the participants declared that the workshop was not too complex⁴ and the time devoted to the presentations of the project and to the interaction with the portal was adequate.⁵

¹ Q2. What is your overall assessment of the event? (1= insufficient - 5= excellent)

² Q3. Do you agree with the sentences below? The workshops met my expectations → 50% answered 'Strongly Agree'; 33.3% 'Agree' and 16.7% 'Neither agree nor disagree'

³ Q3. Do you agree with the sentences below? This workshop will be useful/applicable in my work → 16.7% answered 'Strongly Agree'; 66.7% 'Agree' and 16.7% 'Neither agree nor disagree'

Q3. Do you agree with the sentences below? I benefited of meeting colleagues/exchanging information in an international context → 50% answered 'Strongly Agree'; 50% 'Agree'

⁴ Q3. Do you agree with the sentences below? The workshop was too complex → 83.3% answered 'Disagree', 16.7% answered 'Strongly Disagree'

⁵ Q3. Do you agree with the sentences below? The time devoted to case studies and other interactive activities was too much → 50% 'Disagree'; 16.7% 'Strongly Disagree' and 33.3% 'Neither agree nor disagree'

Q3. Do you agree with the sentences below? The time devoted to presentations of the project was too much → 50% answered 'Strongly Disagree', 33.3% 'Disagree', 16.7% 'Neither agree nor disagree',





DIGIWHIST: an introduction

Bence Tóth
bt339@cam.ac.uk

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 645852



Outline: DIGIWHIST key outputs

I. Legislation mapping - EUROPAM

II. Public procurement data & indicators (Opentender)

III. Analytical tools: watchdog portal & software

I. Public procurement regulation in the EU - EUROPAM (disclaimer: preliminary data!)

EUROPAM

- Public procurement
- Political financing
- Financial disclosure
- Conflict of interest
- Freedom of information

2016-01-24



3



EUROPAM

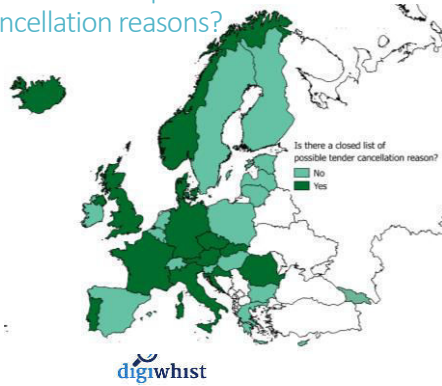


EUROPAM - Public Procurement regulation

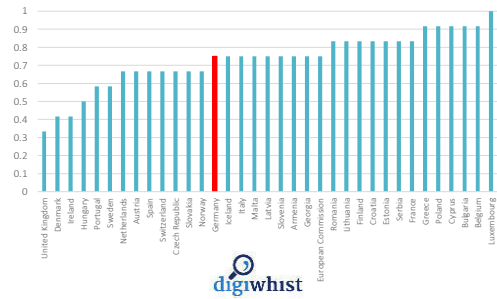
- Scope – e.g. publication thresholds
- Information availability – e.g. publication requirements
- Evaluation – e.g. whether there are conflict of interest rules for the awarding committee composition / automatic bid exclusion
- Openness – minimum number of bidder in case of restricted procedures / minimum bidding period length
- Institutional arrangements – e.g. whether there is a separate arbitration court



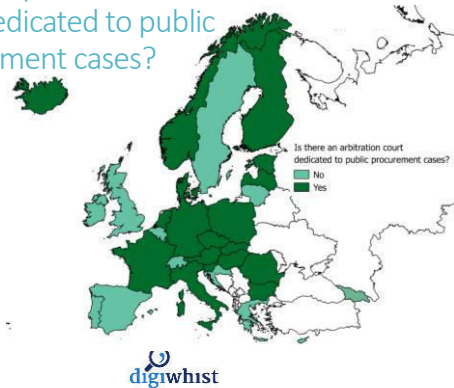
Is there a closed list of possible tender cancellation reasons?



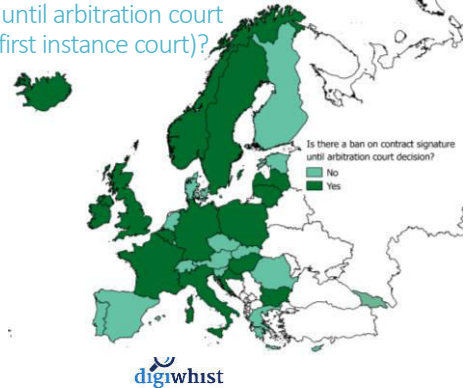
Europam ranking – „evaluation”



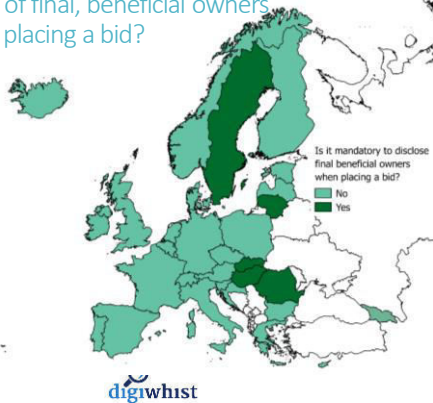
Is there a procurement arbitration court dedicated to public procurement cases?



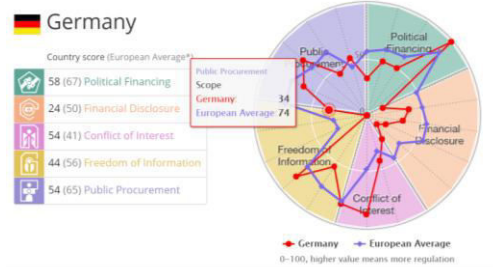
Is there a ban on contract signature until arbitration court decision (first instance court)?



Is disclosure of final, beneficial owners required for placing a bid?



EUROPAM – overview



EUROPAM – country summaries

Overview | **About** | **Country Profiles** | **Legislation** | **Datasets**

Political Financing (54) | **Financial Disclosure (24)** | **Conflict of Interest (14)** | **Freedom of Information (14)** | **Public Procurement (54)**

The German public procurement system is regulated by the legislation on Public Procurement and separate laws contain specific regulations on works, supplies and services. The public procurement body is the Procurement Agency which is an organization under the Ministry of the Interior.

There is no **minimum threshold** at the national level for conducting a public procurement tender, hence the effective thresholds come from the EU regulation:

- EUR 134000 for goods
- EUR 538000 for works
- EUR 134000 for services

The **minimum number of bidders** is 5 for restricted procedures and 3 for negotiated procedures and competitive dialogue, but these criteria refer to the above EU threshold tenders. The **minimum submission period** is 32 days for open procedures, 40 days for restricted procedures and 37 for negotiated procedures from dispatch date. These periods can be shortened to 15 or 30 days in case of prior notification is issued. The **final beneficial owners** do not have to be disclosed when placing a bid.

There is a possibility for **preferential treatment**: SMEs have to be considered and there are separate rules on green/sustainable procurement.

There are options for **bid exclusion**: bankruptcy, liquidation, outstanding tax or other fee liabilities, reasonable doubt in expertise, capability or reliability. Bids with abnormally low offer prices can be also disqualified.

In the **bid evaluation** phase, there are conflict of interest restrictions on the composition of the evaluation committee. As a result, the entire evaluation committee must be independent of the contracting authority.

EUROPAM – overall scores

Overview | **About** | **Country Profiles** | **Legislation** | **Datasets**

Quantitative Data | **Qualitative Data** | **Links**

Primary Metric	2012	2015
Scope	34	34
Information availability	62	62
Evaluation	75	75
Open competition	44	44
Institutional arrangements	53	53

Values lie in range between 0 and 100. Higher values implying higher regulation comprehensiveness.

European Research Centre for Anti-Corruption and State Transitions | Legal Notice | Privacy Policy | digiwhist | EUROPAM

EUROPAM – individual measures

Overview | **About** | **Country Profiles** | **Legislation** | **Datasets**

Quantitative Data | **Qualitative Data** | **Links**

Preferential treatment

Is there a ban on mentioning specific companies or products in tender specifications (all for tender)?

yes, yes, unless no alternative

Are there restrictions on allowable grounds for tender exclusion?

yes, later also if the tenderer in question is bankrupt, is being liquidated, has not paid taxes or other fees, if there is any explanation reason to doubt his expertise, capability or reliability

Is there a preferential treatment for small-to-medium enterprises (SMEs)?

yes, but only general provisions and the obligation to take SMEs into consideration

Is there a preferential treatment for local/national (vs. compared companies from other EU MS and considered foreign companies) competition?

no

Is there a specific set of rules for green/sustainable procurement?

yes

Are some bids automatically included such as lowest/highest price, unusually low price, etc.

yes, unusually low price

Bid evaluation

Is scoring criteria published and explicit?

yes

Can evaluation decision be made by a single person as opposed to a committee?

yes, may assign the task to the chairman or to the full-time associate member without a hearing by unappealable decision, he then to decide alone, such an assessment shall be possible only if the case involves no major difficulties as to the facts or the legal issues, and the decision will not be of fundamental importance

Are there regulations on evaluation committee?

yes, (only) not specifically but composition is defined

EUROPAM – easy dataset downloads

Overview | **About** | **Country Profiles** | **Legislation** | **Datasets**

Download datasets

EUROPAM data is available for download in excel files, organized by mechanism and year. Both qualitative and quantitative data is included in all data files.

Mechanisms	2012	2015	2016
Political Financing	PF 2012	PF 2015	PF 2016
Financial Disclosure	FD 2012	FD 2015	FD 2016
Conflict of Interest	COI 2012	COI 2015	COI 2016
Freedom of Information	FOI 2012	FOI 2015	FOI 2016
Public Procurement	-	PP 2015	-

EUROPAM – legislation

Overview | **About** | **Country Profiles** | **Legislation** | **Datasets**

European Commission

Armenia

Austria

Belgium

Bulgaria

Croatia

Cyprus

Czech Republic

Denmark

Estonia

Finland

France

Germany

Greece

Hungary

Ireland

Italy

Lithuania

Luxembourg

Latvia

Malta

Netherlands

Norway

Poland

Portugal

Romania

Serbia

Slovenia

Slovakia

Legislation - Germany

Political Financing

Political Parties Act (1994, amended 2009) (English)

Interstate Treaty for Broadcasting and Telemedia (Rundfunkstaatsvertrag - RStV) (1991, amended 2015) (German)

Legal Notice of the DLM to the election and times for Political Parties (German)

Inheritance Tax Act, 1974 (German)

Criminal Code, 1998 (German)

Financial Disclosure

Act on Federal Civil Servants 2009, amended 2015 (German)

Act on Federal Ministers, 1953, amended 2015 (German)

Code of Conduct for Members of the German Bundestag, 2014 (English)

Federal Regulation on Secondary Activities, 1964, amended 2009 (German)

Act on Members of the Bundestag, 1977, amended 2014 (English)

II. DIGIWHIST data

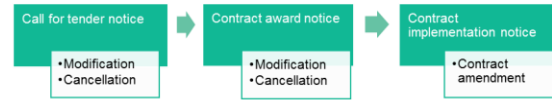
DIGIWHIST

- Building a database including contract level public procurement data from all European countries:
 - Public procurement data
 - Company data: registry, financials, ownership
 - Political officeholder data
 - Treasury accounts of public organisations



25

Data depth: Full tender cycle



26

Data depth: Full tender cycle - Germany

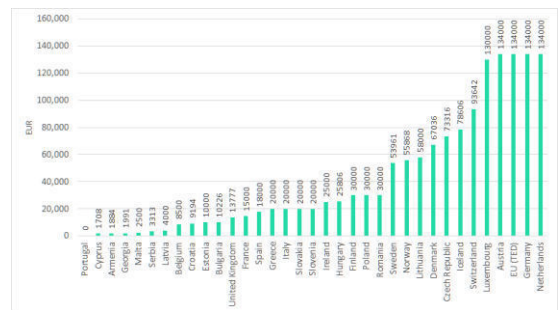


January 24, 2018



27

Data Scope: Reporting thresholds across Europe



January 24, 2018



28

From this

Section II: Object of the contract	
R.1) Description	
R.1.5) Common procurement vocabulary (CPV)	
905113000	
Description	
Sludge disposal services.	
R.2) Total final value of contract(s)	
R.2.3) Total final value of contract(s)	
Value: 1 852 100 EUR	
Including VAT, VAT rate (S) 19	
Section V: Award of contract	
Contract No. 2 Lot No. 2	
V.3) Name and address of economic operator in favour of whom the contract award decision has been taken	
Korn, Werner Aufstallgesellschaft mbH & Co. KG	
Grafstraße 25	
47475 Kamp-Lintfort	
Germany	
Telephone: +49 2842/940-0	
Fax: +49 2842/940-100	
V.4) Information on value of contract	
Total final value of the contract	
Value: 1 852 100 EUR	
Including VAT, VAT rate (S) 19	

The published final price

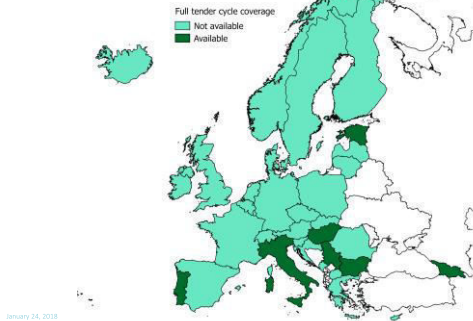
The winner company

Into this

ID	NOTICE	CAN	YEAR	CAN	NAME	BUYER	TOWN	BUYER	POINTE	VALUE	EUR	VAL	2) WINNER	NAME
1	2008111	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
2	2008112	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
3	2008113	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
4	2008114	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
5	2008115	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
6	2008116	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
7	2008117	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
8	2008118	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
9	2008119	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
10	2008120	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
11	2008121	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
12	2008122	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
13	2008123	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
14	2008124	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
15	2008125	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
16	2008126	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
17	2008127	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
18	2008128	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
19	2008129	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
20	2008130	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
21	2008131	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
22	2008132	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
23	2008133	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
24	2008134	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
25	2008135	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
26	2008136	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
27	2008137	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
28	2008138	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
29	2008139	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
30	2008140	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
31	2008141	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
32	2008142	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
33	2008143	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
34	2008144	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
35	2008145	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
36	2008146	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
37	2008147	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
38	2008148	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
39	2008149	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
40	2008150	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
41	2008151	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
42	2008152	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
43	2008153	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
44	2008154	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
45	2008155	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
46	2008156	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
47	2008157	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
48	2008158	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
49	2008159	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000
50	2008160	2008	1188	2008	Landeshauptstadt Mannheim, Dezernat 2, Amt für Gebäude- und Lage-Planung	Mannheim	1188	2008	1188	1000000	1000000	1000000	1000000	1000000



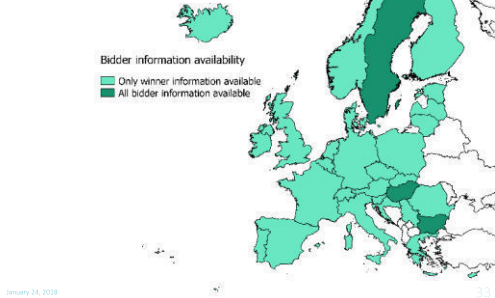
Data depth: Full tender cycle



Data depth: Organisational IDs



Data depth: Bidder information



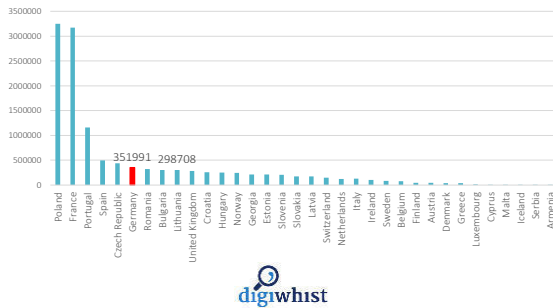
Minimum data scope for a risk assessment framework

Variable group	Variable
Buyer	Buyer's name
	Buyer's unique ID
	Buyer's address
Bidder/ bids	Bidder's name
	Bidder's unique ID/tax ID
	Bidder's address
	Number of bids submitted
	Number of bids excluded
	Bid price (details on total and unit prices)
	Exact time of bid submission
	Bid type (winner/loser bid)
Tender/ contract	Beneficial owners
	Procedure type
	Framework agreement (1st/2nd stage)
	Estimated price (details on total or unit prices)
	Final price at completion (details on total or unit prices)
	Procurement type (service, supply, work)
	CPV codes (by product type weight)
	NUTS code(s) of contract implementation
Dates	Status (cancelled, pending, etc.)
	Call for tender publication date
	Bid submission deadline
	Contract start and end dates
Subcontracting	Publication date of contract award
	Date of contract completion
Consortium	Subcontractor's name and unique ID (tax ID)
	Subcontractor's share
Consortium	Consortium members' name and unique ID (tax ID)
	Consortium members' share

DIGIWHIST variable mapping

Contract related items	Dates	Requirements	Documentation	Funding	Buyer	Bidder	Bid	Price	Cancellation or correction	Other	
Austria	100%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Belgium	88%	80%	100%	25%	33%	64%	31%	40%	67%	67%	29%
Bulgaria	88%	70%	100%	75%	50%	64%	62%	20%	50%	67%	43%
Croatia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Czechia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Denmark	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Estonia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Finland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
France	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Germany	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Greece	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Hungary	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Ireland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Italy	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Latvia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Lithuania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Malta	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Netherlands	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Poland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Portugal	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Romania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Slovakia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Slovenia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Spain	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Sweden	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Switzerland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
United Kingdom	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Norway	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Finland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Ireland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Latvia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Lithuania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Malta	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Netherlands	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Poland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Portugal	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Romania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
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Slovenia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Spain	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Sweden	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
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United Kingdom	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Norway	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Finland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Ireland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Latvia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Lithuania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Malta	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Netherlands	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Poland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Portugal	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Romania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Slovakia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Slovenia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Spain	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Sweden	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Switzerland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
United Kingdom	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Norway	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Finland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Ireland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Latvia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Lithuania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Malta	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Netherlands	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
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Sweden	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Switzerland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
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Finland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Ireland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
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Ireland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Latvia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Lithuania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Malta	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Netherlands	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Poland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Portugal	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Romania	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Slovakia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Slovenia	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Spain	88%	80%	100%	100%	50%	64%					

Number of tenders processed by DIGIWHIST per country (TED+national)

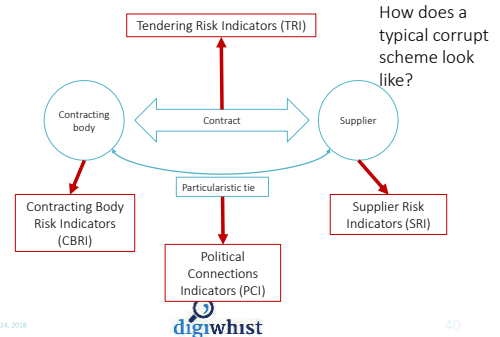


III. Indicators

Indicator groups

- Corruption risk indicators
- Administrative capacity
- Transparency

Conceptualizing public procurement corruption indicators



Indicator framework for measuring corruption

- 1) Tendering Risk Indicators (TRI): restricted access to contracts
 - e.g. tailored tender conditions
- 2) Political Connections Indicators (PCI): direct/indirect political connections of contractors
 - e.g. same person owning the supplier and evaluating the tenders
- 3) Supplier Risk Indicators (SRI): award to risky businesses
 - e.g. supplier tax haven registration, or politics- dependent market success (PII)
- 4) Contracting Body Risk Indicators (CBRI): political control of the bureaucracy
 - e.g. political appointments

Corruption risk indicators – published by DIGIWHIST

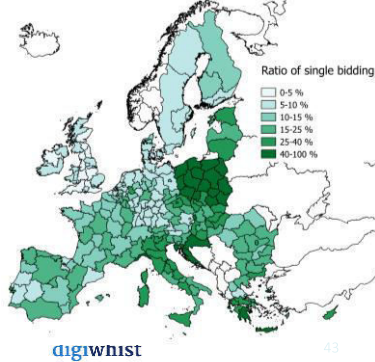
- Company:
 - Winner is registered in a tax haven
 - Winner is established less than 1 year before winning a public contract
- Tender
 - No call for tender was published
 - Procedure type
 - Eligibility criteria length
 - Evaluation criteria
 - Decision period length
 - Etc.

Examples of elementary indicators I

Single bidder ratio

TED, EU, 2009-2015

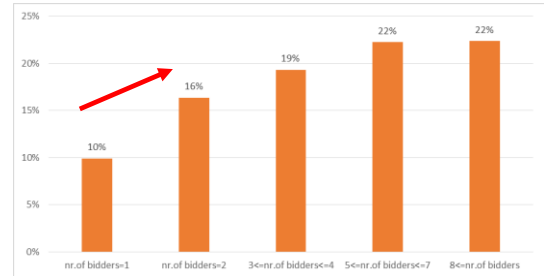
N=2.36 m



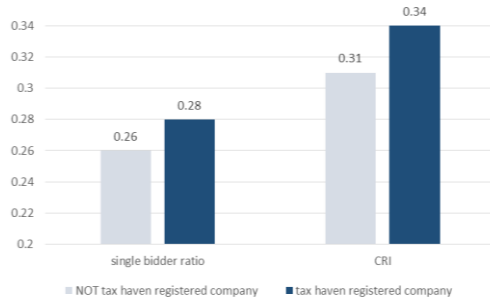
Micro validity:

Number of bidders & prices

- Price savings by the number of bidders
- 543,705 contracts, EU27, 2009-2014

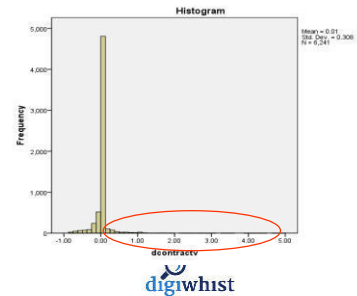


Micro validity: Tax havens & procurement corruption



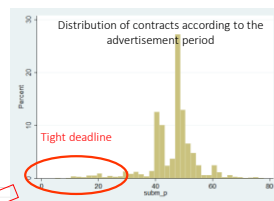
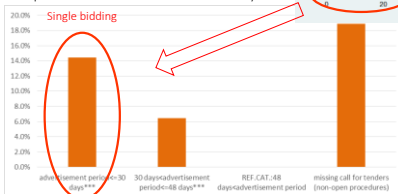
Examples of elementary indicators II

Contract value increase during delivery in Hungary (2009-2012)



Modelling corrupt contracting: single bidding

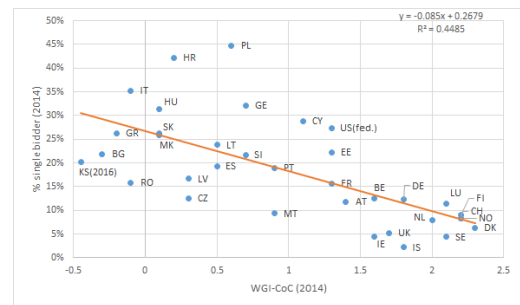
Probability of single bid submitted for contracts compared with the market norm of 48+ days



Source: EU's Tenders Electronic Daily (TED), Portugal, 2009-2014

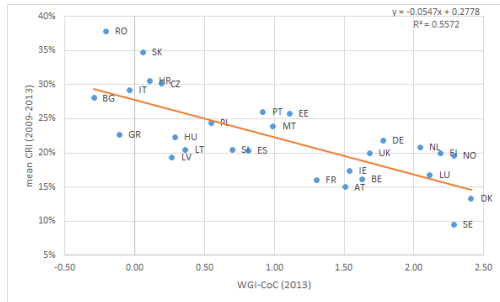
TRI: Macro validity

- Single bidding correlates with subjective indicators of corruption
- WGI-CoC (2014) vs single bidder ratio (2014, TED+national data)



TRI: Macro validity

- CRI correlates with subjective indicators of corruption
- WGI-CoC (2013) vs CRI (2009-2013, TED)



Political Connections Indicators

Political connections come in a variety:

- Direct connections:
 - revolving door,
 - identical person in public/private roles
- Indirect connections:
 - kinship, friendship
 - professional associations
 - political donations
 - lobbying

2016. 01. 24.



52

Supplier risk indicators

Registry attributes

Indicator name	Indicator definition
Companies on the same address ¹	1=Many companies are registered at the same address 0=Only one company is registered
Company located in corrupt region ²	1=The company is located in a corrupt region 0=The company is not located in a corrupt region
Local winner company	1=The winner company is local (e.g. same town) 0=The winner company is not local
Company's age	Number of months or years the company is in operation at the time of winning the public procurement contract (young companies are more risky)
Company incorporation around government change	Number of months between supplier incorporation and government change
Company is under non-standard dissolution	1=The company faced a non-standard dissolution after performing PP contracts 0=The company remains active

2016. 01. 24.



53

Supplier risk indicators

Financial performance

Indicator name	Indicator definition
Extreme growth of public procurement income	Company's public procurement income growth/industry average public procurement income growth
Extreme growth of public procurement income share	Growth in public procurement income within total income per year (outliers are risky)
Extreme growth of public procurement income after ownership change ¹	Growth in company's public procurement income after ownership change
Change in public procurement income after political change	Growth in the company's public procurement income after a political regime change (outliers are risky)
Company winning probability	The company's number of awarded contracts divided by the number of its submitted bids.
Extreme growth in return on assets	Growth in return on assets (outliers are risky)
Extreme profit growth	Profit growth (outliers are risky)
Extreme reliance on public procurement income	Share of public procurement-income within total company turnover in a period (outliers are risky)
Extreme concentration of public procurement income	Share of largest buyer within the company's public procurement income (outliers are risky)
Large contract size compared to company size	Public procurement contract size is disproportionately high compared to company size (i.e. average yearly turnover)

2016. 01. 24.



54

Supplier risk indicators

Ownership & management information

Indicator name	Indicator definition
Company is located in a tax haven (or a financially secretive country)	1=The company or its parent company is located in a tax haven or high FSI country 0=The company is not located in a tax haven or high FSI country
Company fails to report owners	1=The company does not report ownership in official records 0=The company does report ownership in official records
Company has a complex ownership structure	1=The company has a complex ownership structure 0=The company does not have a complex ownership structure
Change in ownership before winning PP contracts	1=There is a change in ownership before winning PP contracts 0=No ownership change before winning PP contracts
Manager represents several companies	Number of companies a manager represents compared to the industry average (outliers are risky)
Odd age/gender/educational profile of ownership or management	1=The age, gender and education profile of company ownership and management is an outlier compared to industry average 0=No unusual age, gender and educational characteristics of the company's ownership and management structure

2016. 01. 24.



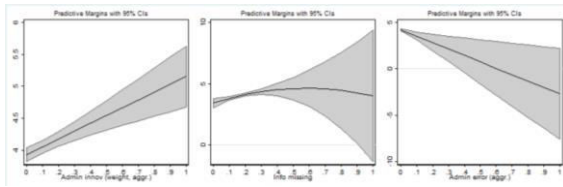
55

Administrative capacity indicators

- Joint or centralized procurement
- Use of WTO agreement
- Use of framework agreements
- Electronic procurement
- Accepting bids in English
- Discrepancies between call for tender and contract award notices



Administrative capacity and number of bidders



Transparency indicators

- Number of key missing fields from the form
- Publication rate (of a buyer)



Data quality: transparency scores

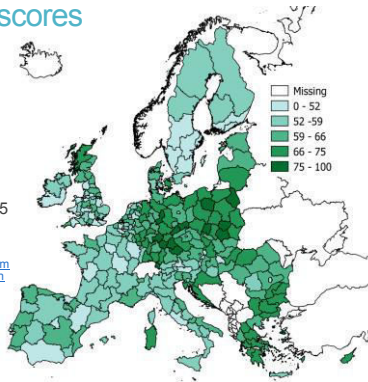
procurement transparency score:

- Cft publication
- open procedures
- reporting completeness
- voluntary reporting

NUTS2, TED, 2006-2015

Interactive map accessible at <https://public.tableau.com/profile/mihaly.fazekas#1/vizhome/regionof/uts2>

2017.09.14.



Thank you!

Questions?



General readings

DIGIWHIST: digiwhist.eu

- Charron, N., Dahlström, C., Fazekas, M., & Lapuente, V. (2017). *Careers, Connections, and Corruption Risks: Investigating the impact of bureaucratic meritocracy on public procurement processes*. *Journal of Politics*, 79(1), p. 89–103.
- Fazekas, M. & Cingolani, L. (2017). *Breaking the cycle? How (not) to use political finance regulations to counter public procurement corruption*. *Slavonic & East European Review*, 95(1).
- Fazekas, M. & Tóth, B. (2017). *Infrastructure for whom? Corruption risks in infrastructure provision across Europe*. In Hammerschmid, G., Kocsis, G. & Wegrich, K. (Eds.), *The Governance Report 2016*. Oxford University Press, ch. 11.
- Fazekas, M., & Tóth, I. J. (2017). *Corruption in EU Funds? Europe-wide evidence on the corruption effect of EU-funded public contracting*. In J. Bachtler, P. Berkowitz, S. Hardy, & T. Muravska (Eds.), *EU Cohesion Policy: Reassessing performance and direction*. London: Routledge, ch. 13.
- Rasmus Bröms, Carl Dahlström and Mihály Fazekas (2017). *Entrenched parties and control of public procurement in Sweden*. University of Gothenburg-Quality of Government Institute, manuscript.
- Fazekas, M. and Tóth, I. J. (2016). *From corruption to state capture: A new analytical framework with empirical applications from Hungary*. *Political Research Quarterly*, 69(2), p. 320-334.
- Fazekas, M., Tóth, I. J., & King, L. P. (2016). *Anatomy of grand corruption: A composite corruption risk index based on objective data*. *Eu. Journal of Criminal Policy and Research*, 22(3), 369–397.
- Fazekas, M. (2015). *The Cost of One-Party Councils: Lack of Electoral Accountability and Public Procurement Corruption*. London: Electoral Reform Society.
- Fazekas, M., & Kocsis, G. (2015). *Uncovering High-Level Corruption: Cross-National Corruption Proxies Using Government Contracting Data*. GTI-WP/2015-02, Government Transparency Institute, Budapest.
- Fazekas, M., Lukács, P. A., & Tóth, I. J. (2015). *The Political Economy of Grand Corruption in Public Procurement in the Construction Sector of Hungary*. In A. Mungiu-Pippidi (Ed.), *Government Favouritism in Europe The Anticorruption Report 3* (pp. 33–68). Berlin: Barbara Budrich Publishers.
- Fazekas, M., Tóth, I. J., & King, L. P. (2013). *Corruption manual for beginners: inventory of elementary "corruption techniques" in public procurement using the case of Hungary*. GTI-WP/2013-01, Government Transparency Institute, Budapest.

Selected examples

1. Suspicious incorporation date: just before government change
2. Suspicious profit ratio

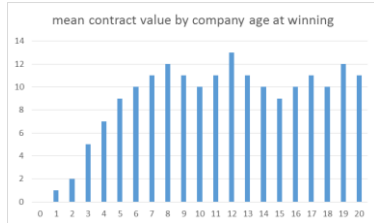
2018. 01. 24.



62

SRI: *Expected* success of companies by age

1. Gradual build-up of contracts
2. Natural fluctuation over time



2018.01.24.

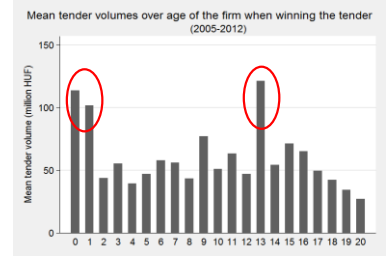
digiwhist

63

SRI: *Observed* success of companies at 'specific' ages

1. 'Just' founded companies
2. Companies founded under party last in power

Hungary, 2010

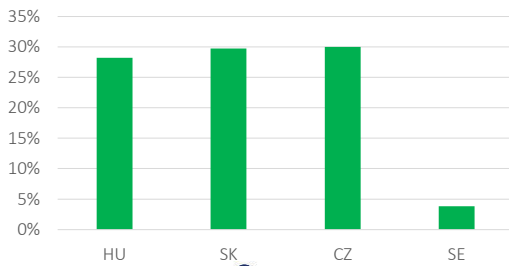


2018.01.24.

digiwhist

64

Marginal effect of yearly profit rate on single bidder contract probability



2018.01.24.

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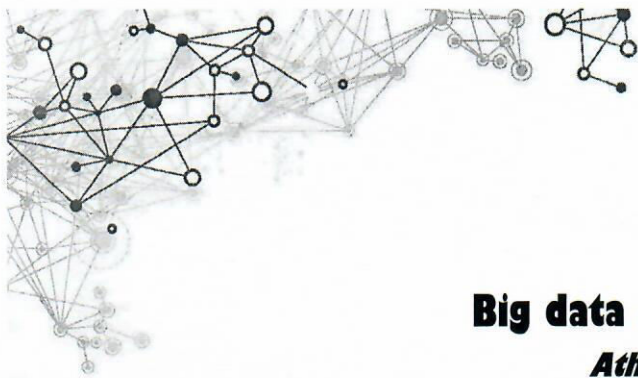
65



Dissemination Workshop

Athens, Greece

20 October 2017



DIGIWHIST

Big data on public procurement

Athens, 20 October 2017

Introduction

The main goal of the DIGIWHIST is the systematic collection, structuring, analysis, and broad dissemination of information on public procurement in all EU, and some neighbouring, countries.¹

To achieve its main goal, DIGIWHIST created the **Opentender.eu** portal, that gathers the available data on public procurement at national level for 35 jurisdictions (28 EU member states, Armenia, Norway, the European Commission, Iceland, Switzerland, Serbia, and Georgia). Beyond the possibility of download the databases, the portal will also include some indicators of transparency and administrative quality.

What is the goal of the workshop?

The goals of this workshop will be:

- to introduce the large amounts of public procurement data unlocked by Opentender.eu;
- to explore ways through which it can be use in improving transparency in public administrations.

The workshop includes also user feedback by end-users (e.g. public officials, journalists, developers and civil society). Participants will have the chance:

- to improve their knowledge on transparency and public procurement data;
- to work with big data on public procurement;
- to create a network among different experts on anticorruption and transparency.

How is the workshop organised?

- Welcome - Greetings
- The public policy of open data: myth or reality – Nikos Michalopoulos, Director General for Reform and E-Government of the Ministry of Administrative Reconstruction
- Presentation of the European project YourDataStories - Giorgos Petasis, ΕΚΕΦΕ Democritus
- Coffee break
- Presentation of the European project DIGIWHIST - Daniel Tanis
- Lunch break
- How to use Opentender.eu. - Francesco Calderoni
- Coffee break
- Evaluation phase and Workshop closure

The contact persons are Prof. Francesco Calderoni (francesco.calderoni@unicatt.it) and Martina Rotondi (martina.rotondi@unicatt.it).

¹ Further details on DIGIWHIST can be found at <http://digiwhist.eu>



DIGIWHIST Workshop – Athens, Greece

20 October 2017

Notes of workshop

This workshop was **live streamed** on the website of INNOVATHENS Innovation and Entrepreneurship Network of the Municipality of Athens.

1. Welcome & Greetings – Despoina Mitropoulou, E/AAK

Despoina Mitropoulou welcomed the participants to Athens and to the YourDataStories/DIGIWHIST Workshop.

2. The public policy of open data: myth or reality – Nikos Michalopoulos, Director General for Reform and E-Government of the Ministry of Administrative Reconstruction

Nikos Michalopoulos described the public policy of open data and its implication.

3. Presentation of the European project YourDataStories - Giorgos Petasis, EKEΦE Democritus

Giorgos Petasis presented the European project YourDataStories, its goals and the work done so far.

4. Presentation of the European project DIGIWHIST - Daniel Tanis, UCAM-SOC (UC-SOC)

Daniel Tanis introduced the project DIGIWHIST and its main goals. He described the legislation mapping made in WP1 and showed the EUROPAM portal.

Then, he introduced the data used in the project and their reliability and the indicators published by DIGIWHIST. He also showed some tests conducted on the data.

5. How to use Opentender.eu – Francesco Calderoni, UCSC-Transcrime (TRC)

Francesco Calderoni described the portal and showed to the participants all the functions present in the portal, going with them along the different parts of the portal. The participants seemed very interested in the portal and asked many questions about the different functions

The workshop was very interactive and the participants asked many questions about the use of the data in public entities.

6. Evaluation phase

The participants were invited to fill in a questionnaire, evaluating the workshop.

They evaluated the workshop 4 on average on a scale between 1 and 5 (1= insufficient - 5= excellent).¹ The workshop satisfied their expectations² and was very useful for their work and for exchanging information in an international context.³

The majority of the participants declared that the workshop was not too complex⁴ and the time devoted to the presentations of the project and to the interaction with the portal was adequate.⁵

¹ Q2. *What is your overall assessment of the event? (1= insufficient - 5= excellent)*

² Q3. *Do you agree with the sentences below? The workshops met my expectations* → 50.0% answered 'Strongly Agree'; 50.0% 'Agree'

³ Q3. *Do you agree with the sentences below? This workshop will be useful/applicable in my work* → 50.0% answered 'Agree' and 50.0% 'Neither agree nor disagree'

Q3. *Do you agree with the sentences below? I benefited of meeting colleagues/exchanging information in an international context* → 50.0% answered 'Strongly Agree'; 50.0% 'Agree'

⁴ Q3. *Do you agree with the sentences below? The workshop was too complex* → 100.0% answered 'Disagree',

⁵ Q3. *Do you agree with the sentences below? The time devoted to case studies and other interactive activities was too much* → 50.0% answered 'Strongly Disagree' and 50.0% 'Neither agree nor disagree'

Q3. *Do you agree with the sentences below? The time devoted to presentations of the project was too much* → 100% answered 'Neither agree nor disagree',



DIGIWHIST: an introduction

Daniel Tanis
dt444@cam.ac.uk

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 644952



Outline: DIGIWHIST key outputs

- I. Legislation mapping - EUROPAM
- II. Public procurement data & indicators (Opentender)
- III. Analytical tools: watchdog portal & software

I. Public procurement regulation in the EU - EUROPAM (disclaimer: preliminary data!)

EUROPAM

- Public procurement
- Political financing
- Financial disclosure
- Conflict of interest
- Freedom of information

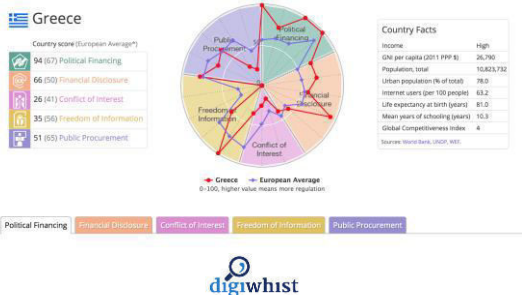
2017-10-10



3



EUROPAM

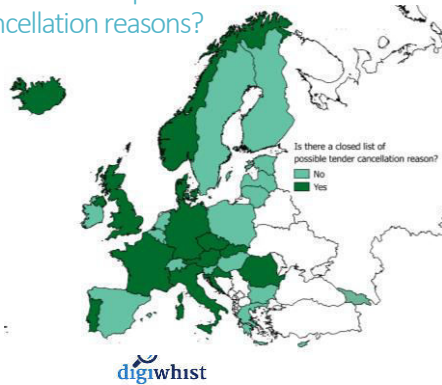


EUROPAM - Public Procurement regulation

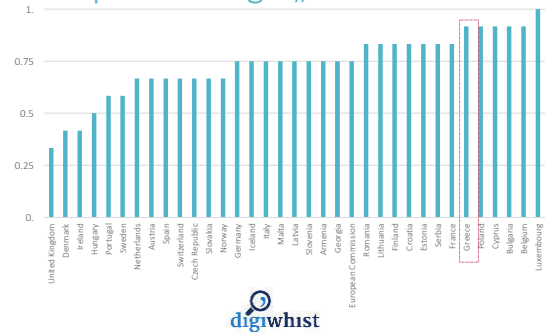
- Scope – e.g. publication thresholds
- Information availability – e.g. publication requirements
- Evaluation – e.g. whether there are conflict of interest rules for the awarding committee composition / automatic bid exclusion
- Openness – minimum number of bidder in case of restricted procedures / minimum bidding period length
- Institutional arrangements – e.g. whether there is a separate arbitration court



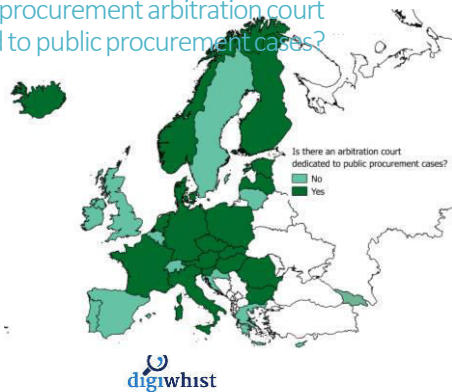
Is there a closed list of possible tender cancellation reasons?



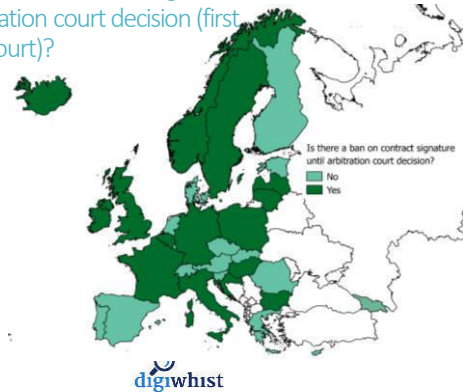
Europam ranking – „evaluation”



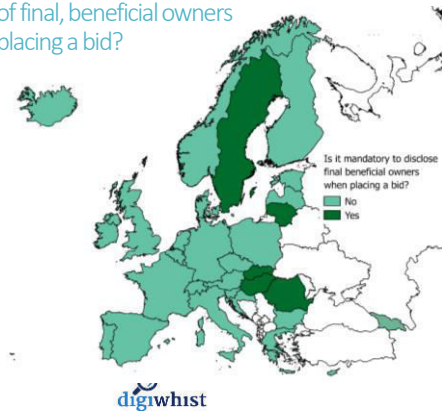
Is there a procurement arbitration court dedicated to public procurement cases?



Is there a ban on contract signature until arbitration court decision (first instance court)?



Is disclosure of final, beneficial owners required for placing a bid?



EUROPAM – easy dataset downloads



II. DIGIWHIST data

DIGIWHIST

- Building a database including contract level public procurement data from all European countries:
 - Public procurement data
 - Company data: registry, financials, ownership
 - Political officeholder data
 - Treasury accounts of public organisations

2017.10.10



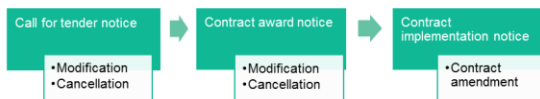
19

2017.10.10



20

Data depth: Full tender cycle



October 10, 2017



21

Data depth: Full tender cycle - Greece

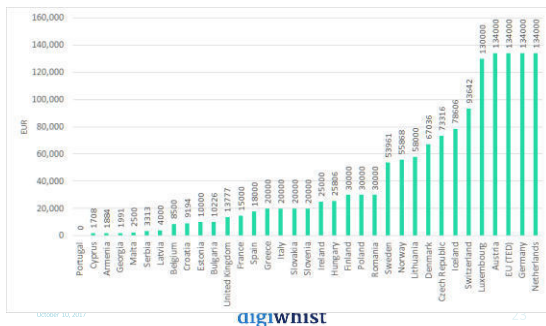


October 10, 2017



22

Data Scope: Reporting thresholds across Europe



October 10, 2017



23

From this

Section II. Object of the contract

R.1) Description

R.1.5) Common procurement vocabulary (CPV)

90513900

Description

Sludge disposal services.

R.2) Total final value of contract(s)

R.2.1) Total final value of contract(s)
Value: 1 892 100 (EUR)
Including VAT, VAT rate (N) 19

The published final price

Section V. Award of contract

Contract No. 2 Lot No: 2

V.3) Name and address of economic operator in favour of whom the contract award decision has been taken

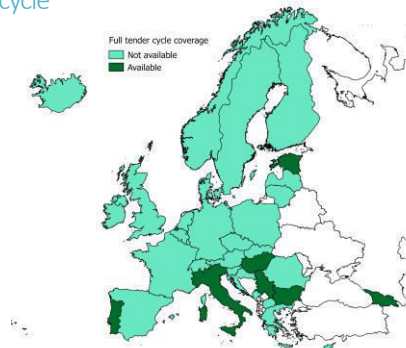
Kreis Weiter AG-Gesellschaft mbH & Co. KG
Grafstraße 25
47475 Kamp-Lintfort
Germany
Telephone: +49 2842/940-0
Fax: +49 2842/940-100

The winner company

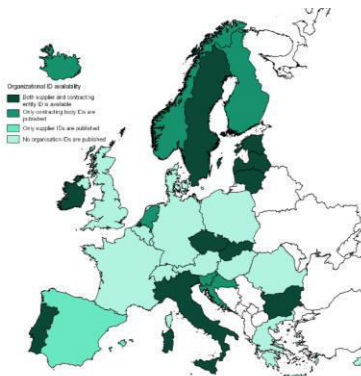
V.4) Information on value of contract

Total final value of the contract:
Value: 1 892 100 (EUR)
Including VAT, VAT rate (N) 19

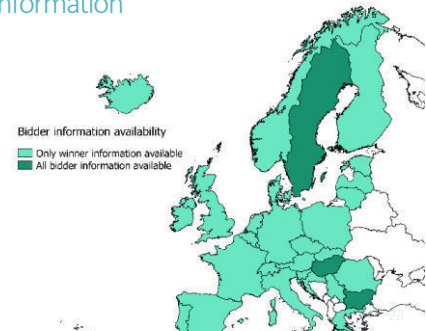
Data depth:
Full tender cycle

[illegible]

Data depth:
Organisational IDs



Data depth:
Bidder information



Minimum data scope for a risk assessment framework

Variable group	Variable
Buyer	Buyer's name
	Buyer's unique ID
	Buyer's address
	Bidder's name
	Bidder's unique ID/tax ID
Bidder / bids	Bidder's address
	Number of bids submitted
	Number of bids excluded
	Bid price (details on total and unit prices)
	Exact time of bid submission
	Bid type (winner/loser bid)
	Beneficial owners
	Procedure type
	Framework agreement (1/2 nd stage)
	Estimated price (details on total or unit prices)
Tender / contract	Final price of completion (details on total or unit prices)
	Procurement type (service, supply, work)
	CPV codes (by product type weight)
	NUTS codes) of contract implementation
	Status (cancelled, pending, etc.)
Dates	Call for tender publication date
	Bid submission deadline
	Contract start and end dates
Subcontracting	Publication date of contract award
	Date of contract completion
	Subcontractor's name and unique ID (tax ID)
Consortium	Subcontractor's share
	Consortium members' name and unique ID (tax ID)
	Consortium members' share

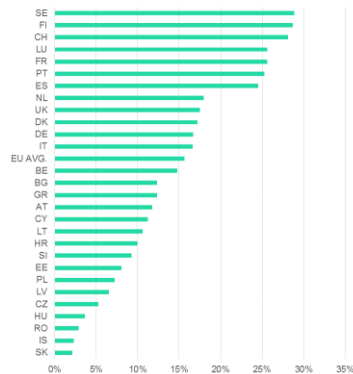
DIGIWHIST variable
mapping[illegible]

Data quality

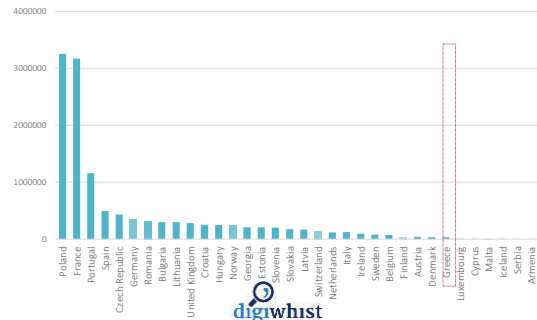
Administrative error: missing information

Average % missing information (13 mandatory fields), 2009-2015, TED data

October 10, 2017



Number of tenders processed by DIGIWHIST per country (TED+national)



Indicator groups

- Corruption risk indicators
- Administrative capacity
- Transparency

III. Indicators

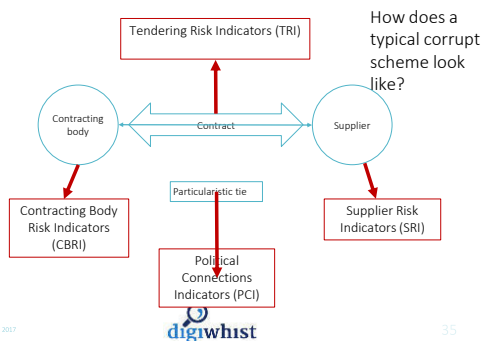
2017.10.10



33



Conceptualizing public procurement corruption indicators



October 10, 2017



35

Indicator framework for measuring corruption

- 1) Tendering Risk Indicators (TRI): restricted access to contracts
 - e.g. tailored tender conditions
- 2) Political Connections Indicators (PCI): direct/indirect political connections of contractors
 - e.g. same person owning the supplier and evaluating the tenders
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 - e.g. supplier tax haven registration, or politics- dependent market success (PII)
- 4) Contracting Body Risk Indicators (CBRI): political control of the bureaucracy
 - e.g. political appointments

2017.10.10



36

Corruption risk indicators – published by DIGIWHIST

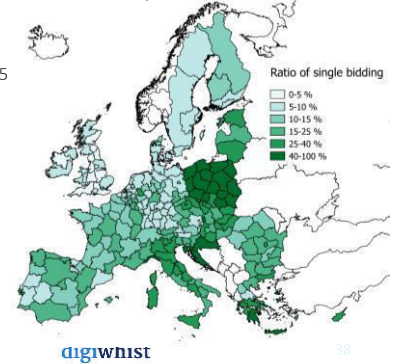
- Company:
 - Winner is registered in a tax haven
 - Winner is established less than 1 year before winning a public contract
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 - No call for tender was published
 - Procedure type
 - Eligibility criteria length
 - Evaluation criteria
 - Decision period length
 - Etc.



Examples of elementary indicators I

Single bidder ratio
TED, EU, 2009-2015

N=2.36 m



2017.10.10

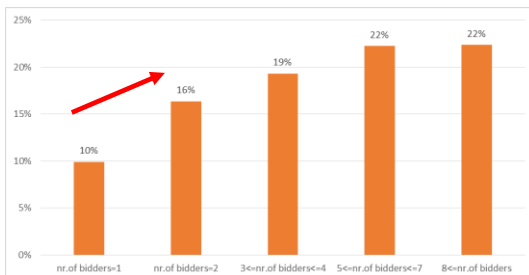
digiwhist

38

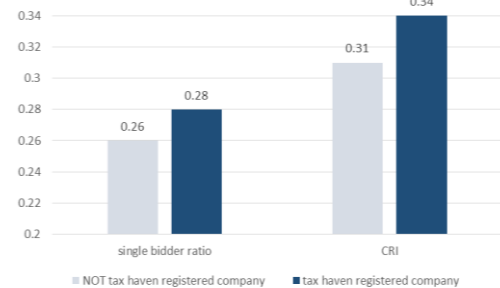
Micro validity:

Number of bidders & prices

- Price savings by the number of bidders
- 543,705 contracts, EU27, 2009-2014

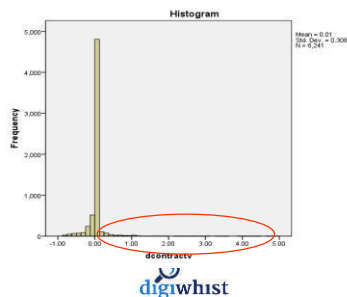


Micro validity: Tax havens & procurement corruption



Examples of elementary indicators II

Contract value increase during delivery in Hungary (2009-2012)



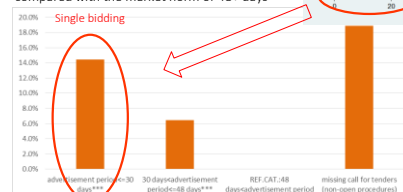
2017.10.10

digiwhist

41

Modelling corrupt contracting: single bidding

Probability of single bid submitted for contracts compared with the market norm of 48+ days

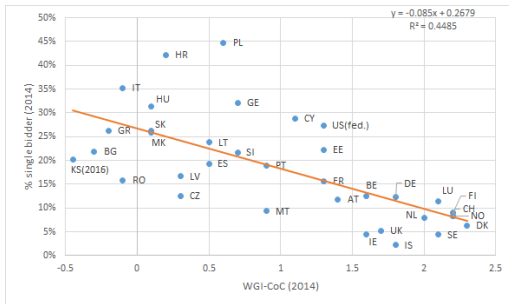


Source: EU's Tenders Electronic Daily (TED), Portugal, 2009-2014

42

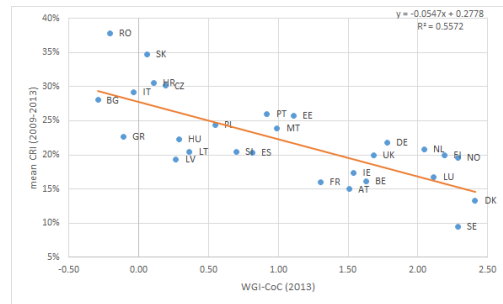
TRI: Macro validity

- Single bidding correlates with subjective indicators of corruption
- WGI-CoC (2014) vs single bidder ratio (2014, TED+national data)



TRI: Macro validity

- CRI correlates with subjective indicators of corruption
- WGI-CoC (2013) vs CRI (2009-2013, TED)



Political Connections Indicators

Political connections come in a variety:

- Direct connections:
 - revolving door,
 - identical person in public/private roles
- Indirect connections:
 - kinship, friendship
 - professional associations
 - political donations
 - lobbying

Supplier risk indicators

Registry attributes

Indicator name	Indicator definition
Companies on the same address ¹	1=Many companies are registered at the same address 0=Only one company is registered
Company located in corrupt region ²	1=The company is located in a corrupt region 0=The company is not located in a corrupt region
Local winner company	1=The winner company is local (e.g. same town) 0=The winner company is not local
Company's age	Number of months or years the company is in operation at the time of winning the public procurement contract (young companies are more risky)
Company incorporation around government change	Number of months between supplier incorporation and government change
Company is under non-standard dissolution	1=The company faced a non-standard dissolution after performing PP contracts 0=The company remains active

2017.10.10



47

2017.10.10



48

Supplier risk indicators

Financial performance

Indicator name	Indicator definition
Extreme growth of public procurement income	Company's public procurement income growth/industry average public procurement income growth
Extreme growth of public procurement income share	Growth in public procurement income within total income per year (outliers are risky)
Extreme growth of public procurement income after ownership change ¹	Growth in company's public procurement income after ownership change
Change in public procurement income after political change	Growth in the company's public procurement income after a political regime change (outliers are risky)
Company winning probability	The company's number of awarded contracts divided by the number of its submitted bids.
Extreme growth in return on assets	Growth in return on assets (outliers are risky)
Extreme profit growth	Profit growth (outliers are risky)
Extreme reliance on public procurement income	Share of public procurement income within total company turnover in a period (outliers are risky)
Extreme concentration of public procurement income	Share of largest buyer within the company's public procurement income (outliers are risky)
Large contract size compared to company size	Public procurement contract size is disproportionately high compared to company size (i.e. average yearly turnover)

2017.10.10



49

2017.10.10



50

Supplier risk indicators

Ownership & management information

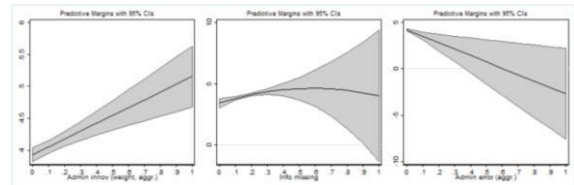
Indicator name	Indicator definition
Company is located in a tax haven (or a financially secretive country)	1=The company or its parent company is located in a tax haven or high R3 country 0=The company is not located in a tax haven or high R3 country
Company fails to report owners	1=The company does not report ownership in official records 0=The company does report ownership in official records
Company has a complex ownership structure	1=The company has a complex ownership structure 0=The company does not have a complex ownership structure
Change in ownership before winning PP contracts	1=There is a change in ownership before winning PP contracts 0=No ownership change before winning PP contracts
Manager represents several companies	Number of companies a manager represents compared to the industry average (outliers are risky)
Odd age/gender/educational profile of ownership or management	1=The age, gender and education profile of company ownership and management is an outlier compared to industry average 0=No unusual age, gender and educational characteristics of the company's ownership and management structure

Administrative capacity indicators

- Joint or centralized procurement
- Use of WTO agreement
- Use of framework agreements
- Electronic procurement
- Accepting bids in English
- Discrepancies between call for tender and contract award notices



Administrative capacity and number of bidders



Transparency indicators

- Number of key missing fields from the form
- Publication rate (of a buyer)



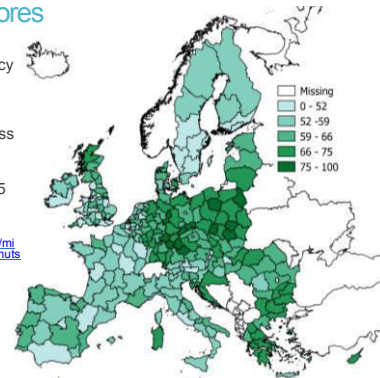
Data quality: transparency scores

procurement transparency score:

- Cft publication
- open procedures
- reporting completeness
- voluntary reporting

NUTS2, TED, 2006-2015

Interactive map accessible at <https://public.tableau.com/profile/mihaly.fazekas#/viz/home/regiopp/nuts2>



2017.09.14.

General readings

DIGIWHIST: digiwhist.eu

- Charron, N., Dahlström, C., Fazekas, M., & Lapuente, V. (2017). *Careers, Connections, and Corruption Risks: Investigating the impact of bureaucratic meritocracy on public procurement processes*. *Journal of Politics*, 79(1), p. 89-103.
- Fazekas, M. & Cingolani, L. (2017). *Breaking the cycle? How (not) to use political finance regulations to counter public procurement corruption*. *Slavonic & East European Review*, 95(1).
- Fazekas, M. & Tóth, B. (2017). *Infrastructure for whom? Corruption risks in infrastructure provision across Europe*. In Hammerschmid, G., Kostka, G. & Wegrich, K. (Eds.), *The Governance Report 2016*. Oxford University Press, ch. 11.
- Fazekas, M. & Tóth, I. J. (2017). *Corruption in EU Funds? Europe-wide evidence on the corruption effect of EU-funded public contracting*. In J. Bachtler, P. Berkowitz, S. Hardy, & T. Muravska (Eds.), *EU Cohesion Policy: Reassessing performance and direction*. London: Routledge, ch. 13.
- Rasmus Boms, Carl Dahlström and Mihály Fazekas (2017). *Entrenched parties and control of public procurement in Sweden*. University of Gothenburg-Quality of Government Institute, manuscript
- Fazekas, M. and Tóth, I. J. (2016). *From corruption to state capture: A new analytical framework with empirical applications from Hungary*. *Political Research Quarterly*, 69(2), p. 320-334
- Fazekas, M., Tóth, I. J., & King, L. P. (2016). *Anatomy of grand corruption: A composite corruption risk index based on objective data*. *Eu Journal of Criminal Policy and Research*, 22(3), 369-397.
- Fazekas, M. (2015). *The Cost of One-Party Councils: Lack of Electoral Accountability and Public Procurement Corruption*. London: Electoral Reform society.
- Fazekas, M., & Kocsis, G. (2015). *Uncovering High-Level Corruption: Cross-National Corruption Proxies Using Government Contracting Data*. GTI-WP/2015-02, Government Transparency Institute, Budapest.
- Fazekas, M., Lukács, P. A., & Tóth, I. J. (2015). *The Political Economy of Grand Corruption in Public Procurement in the Construction Sector of Hungary*. In A. Mungiu-Pippadi (Ed.), *Government Favouritism in Europe The Anticorruption Report 3* (pp. 53-68). Berlin: Barbara Budrich Publishers.
- Fazekas, M., Tóth, I. J., & King, L. P. (2013). *Corruption manual for beginners: Inventory of elementary "corruption techniques" in public procurement using the case of Hungary*. GTI-WP/2013-01, Government Transparency Institute, Budapest.

Selected examples

1. Suspicious incorporation date: just before government change
2. Suspicious profit ratio

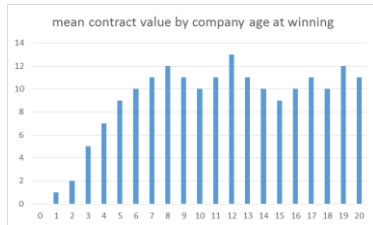


2017.10.10.

56

SRI: *Expected* success of companies by age

1. Gradual build-up of contracts
2. Natural fluctuation over time



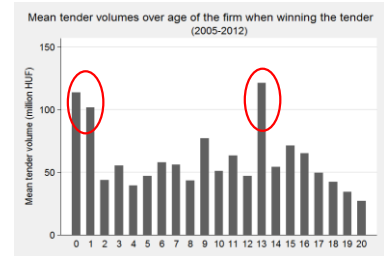
57

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SRI: *Observed* success of companies at ,specific' ages

1. „Just' founded companies
2. Companies founded under party last in power

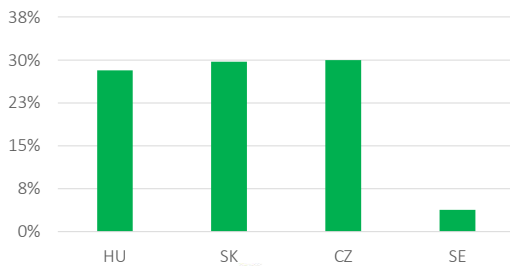
Hungary, 2010



58

2017.10.10

Marginal effect of yearly profit rate on single bidder contract probability



59

2017.10.10



Dissemination Workshop

Milan, Italy

10 November 2017



Big data e appalti pubblici

Workshop Italia, Milano

Università Cattolica del Sacro Cuore, 10 Novembre 2017

1. Introduzione

Lo scopo principale del progetto DIGIWHIST è la sistematica raccolta, analisi e disseminazione delle informazioni sugli appalti pubblici in tutta l'Europa e in alcuni paesi circostanti.¹

Per raggiungere il suo scopo principale, DIGIWHIST ha creato il portale **Opentender.eu**, che riunisce i dati disponibili sugli appalti pubblici a livello nazionale in 35 giurisdizioni (i 28 paesi membri dell'UE, la Commissione Europea, Armenia, Islanda, Norvegia, Svizzera, Serbia, e Georgia). Oltre alla possibilità di scaricare i database, il portale prevedrà anche di associare ai diversi appalti alcuni indicatori di trasparenza e di qualità dell'amministrazione.

2. Quando si svolgerà il workshop?

Il workshop si svolgerà **presso l'Università Cattolica di Milano il 10 novembre 2017, tra le 10 e le 17**. A seguire, per chi vorrà partecipare, ci sarà un aperitivo informale.

1. Per ulteriori dettagli su DIGIWHIST, consultare il sito <http://digiwhist.eu>

3. Qual è lo scopo del workshop?

Lo scopo principale del workshop sarà:

- mostrare i dati sugli appalti pubblici resi disponibili dal portale Opentender.eu;
- esplorare nuovi modi attraverso cui questi dati possono essere usati nel contrasto alla corruzione e nel miglioramento della trasparenza nell'amministrazione pubblica.

4. Chi sono i partecipanti?

I partecipanti a cui il workshop si rivolge sono: pubblici ufficiali, giornalisti (soprattutto investigativi), sviluppatori, membri di organizzazioni non-governative.

5. Cosa faranno i partecipanti?

I partecipanti avranno la possibilità di:

- Migliorare le loro conoscenze sulla trasparenza e sui dati sugli appalti pubblici;
- Lavorare con grandi database sugli appalti pubblici (*big data*);
- Creare un network che discuta di trasparenza e contrasto alla corruzione, condividendo idee e interessi comuni con uno sguardo verso il futuro.

6. Come sarà strutturato?²

- 10-10.15: Registrazione dei partecipanti
- 10.15-11.30: Presentazione di DIGIWHIST
 - Scopo del progetto DIGIWHIST, tipo di dati e loro raccolta, pulizia e condivisione
 - Presentazione delle principali *red flag* di inefficienza e opacità
 - Presentazione del portale opentender.eu.
- 11.30-11.45: Coffee break
- 11.45-13.30: Utilizzo del portale Opentender.eu.
 - I partecipanti saranno guidati nell'utilizzo del portale: download, analisi e valutazione dei dati sugli appalti pubblici presenti sul portale. I dati potranno essere usati per semplici analisi o analisi di casi specifici.
- 13.30-14.30: Pranzo
- 14.30-16.15: Brainstorming e commenti dei partecipanti
- 16.45-17.00: Chiusura del workshop

Per informazioni è possibile contattare il Prof. Francesco Calderoni (francesco.calderoni@unicatt.it) e Martina Rotondi (martina.rotondi@unicatt.it).

2. NB: L'agenda potrà subire modifiche, che verranno prontamente comunicate.

DIGIWHIST Workshop - Milan, Italy

10 November 2017

Notes of workshop

1. Welcome – Francesco Calderoni, UCSC-TRANSCRIME (TRC)

Francesco Calderoni welcomed the participants to Milan and to the DIGIWHIST Workshop. He introduced the topics of the day and opened the workshop.

2. Presentation of DIGIWHIST – Martina Rotondi, UCSC-TRANSCRIME (TRC)

Martina Rotondi introduced the project DIGIWHIST and its main goals and products. She described the legislation mapping made in WP1 and showed the EUROPAM portal.

3. Presentation of indicators & data on Italy – Riccardo Milani, UCSC-TRANSCRIME (TRC)

Riccardo Milani introduced the data used in the project and their reliability and the indicators published by DIGIWHIST. He also showed some tests conducted on the Italian case. This part of the workshop was very interactive, since the participants asked questions about the reliability of the data and the problem of missing data.

4. How to use Opentender.eu – Carlotta Carbone, UCSC-TRANSCRIME (TRC)

Carlotta Carbone described the portal and showed to the participants all the functions present in the portal, going with them along the different parts of the portal. The participants seemed very interested in the portal and asked many questions about the different functions.

At the end of the interaction with the portal, the participants added some inputs for the portal:

- Possibility to view the contracts with the same indicators: to implement a filter for individual indicators, instead of aggregating them as they are now;
- Possibility to filter by sector;
- Not clear if the display is by lot or by tender.

All these inputs will be taken into consideration while updating the portal.

5. Brainstorming

The afternoon was dedicated to the exchange of ideas on corruption: all the participants were invited to work in groups to discuss the main problems affecting corruption and data on corruption in Italy. **The brainstorming produced some ideas and increase the interaction among participants.**

6. Evaluation phase

The participants were invited to fill in a questionnaire, evaluating the workshop.

They evaluated the workshop 4.1 on average on a scale between 1 and 5 (1= insufficient - 5= excellent).¹ The workshop satisfied their expectations² and was very useful for their work and for exchanging information in an international context.³

The majority of the participants declared that the workshop was not too complex⁴ and the time devoted to the presentations of the project and to the interaction with the portal was adequate.⁵

¹ Q2. What is your overall assessment of the event? (1= insufficient - 5= excellent)

² Q3. Do you agree with the sentences below? The workshops met my expectations → 14.3% answered 'Strongly Agree'; 71.4% 'Agree' and 14.3% 'Neither agree nor disagree'

³ Q3. Do you agree with the sentences below? This workshop will be useful/applicable in my work → 35.7% answered 'Strongly Agree'; 50.0% 'Agree' and 14.3% 'Neither agree nor disagree'

Q3. Do you agree with the sentences below? I benefited of meeting colleagues/exchanging information in an international context → 42.9% answered 'Strongly Agree'; 42.9% 'Agree' and 14.3% 'Neither agree nor disagree'

⁴ Q3. Do you agree with the sentences below? The workshop was too complex → 57.1% answered 'Disagree', 28.6% answered 'Strongly Disagree' and 14.3% 'Neither agree nor disagree'

⁵ Q3. Do you agree with the sentences below? The time devoted to case studies and other interactive activities was too much → 78.6% 'Disagree'; 14.3% 'Strongly Disagree' and 7.1% 'Neither agree nor disagree'

Q3. Do you agree with the sentences below? The time devoted to presentations of the project was too much → 7.1% answered 'Strongly Disagree', 78.6% 'Disagree', 14.3% 'Neither agree nor disagree',



DIGIWHIST: un'introduzione

Martina Rotondi (martina.rotondi@unicatt.it)
Riccardo Milani (riccardo.milani@unicatt.it)

This project has received funding from the European Union's Horizon 2020 research and innovation Programme under grant agreement No 645852



digiwhist



2

Cosa ha prodotto DIGIWHIST?

- I. Mappatura della legislazione - EUROPAM
- II. Dati sugli appalti pubblici e indicatori (Opentender)
- III. Strumenti analitici: portale *watchdog* & software

I. Regolamentazione sugli appalti pubblici nel EU - EUROPAM (disclaimer: dati preliminari!)

EUROPAM

- Appalti pubblici
- Finanziamento politico
- Trasparenza finanziaria
- Conflitto di interessi
- Libertà di informazione

2017-10-10



digiwhist

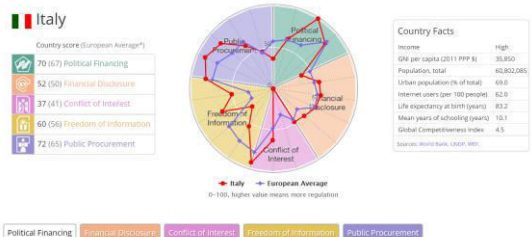
3



digiwhist

4

EUROPAM



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5



digiwhist

6

EUROPAM – Regolamentazione sugli appalti pubblici

- Scopo – ad es. pubblicazione delle soglie
- Disponibilità delle informazioni – ad es. requisiti di pubblicazione
- Valutazione – ad es. Se ci sono regole sui conflitti d'interesse per la composizione del comitato di assegnazione / esclusione automatica delle offerte
- Apertura – ad es. numero minimo di offerente in caso di procedure limitate/durata minima dell'offerta
- Disposizioni istituzionali - ad es. se esiste un tribunale arbitrale distinto

[illegible]

EUROPAM

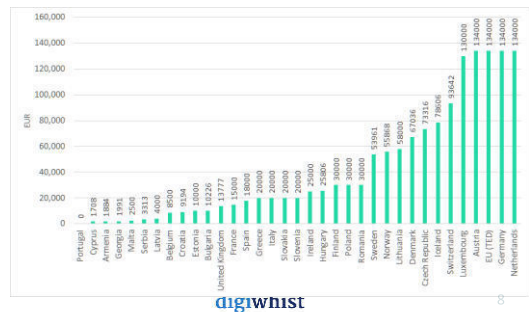
<http://europam.eu/>



II. I dati di DIGIWHIST



Soglie al di sotto della regolamentazione europea – forniture e servizi



digivhist

8

EUROPAM – download delle informazioni



European Public Accountancy Mechanisms

European Public Accountability Mechanisms

[Overview](#)
[About](#)
[Country Profiles](#)
[Legislation](#)
[Datasets](#)

Download datasets

EuropAM data is available for download in excel files, organized by mechanism and year. Both qualitative and quantitative data is included in all data files.

Mechanisms	2012	2015	2016
 Political Financing	 PF 2012	 PF 2015	 PF 2016
 Financial Disclosure	 FD 2012	 FD 2015	 FD 2016
 Conflict of Interest	 COI 2012	 COI 2015	 COI 2016
 Freedom of Information	 FOI 2012	 FOI 2015	 FOI 2016
 Public Procurement	-	 PP 2015	

DIGIWHIST

- Costruzione di un database che includa tutti i dati sugli appalti pubblici a livello di contratto per tutti i paesi europei:
 - Dati sugli appalti pubblici
 - Dati sull'azienda vincitrice
 - Dati sulla stazione appaltante
- Doppia fonte (TED + Autorità nazionali)



Componenti del Procurement Integrity Index (in TED)

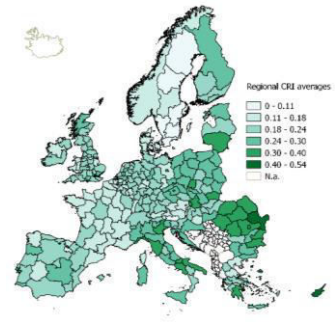
1. Offerente unico
2. Bando gara non pubblicato
3. Tipo di procedura
4. Durata del periodo di comunicazione/pubblicità della gara
5. Peso dei criteri di aggiudicazione per le offerte economicamente più vantaggiose
6. Durata del periodo decisionale



25

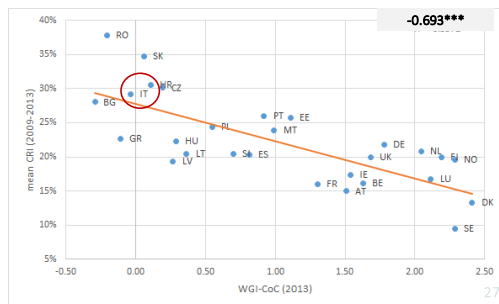
Rischio opacità a livello regionale EU

- Rischio opacità > rischio corruzione EU/EEA
- TED (2009-2014)



Procurement integrity: Validità macro

- è correlato con gli indicatori soggettivi della corruzione
- WGI-CoC (2013) vs Procurement Integrity (2009-2013, TED)

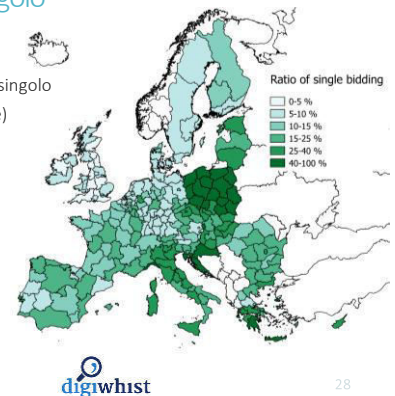


27

Offerente singolo

Rapporto offerente singolo
(> rischio corruzione)

TED, EU, 2009-2015

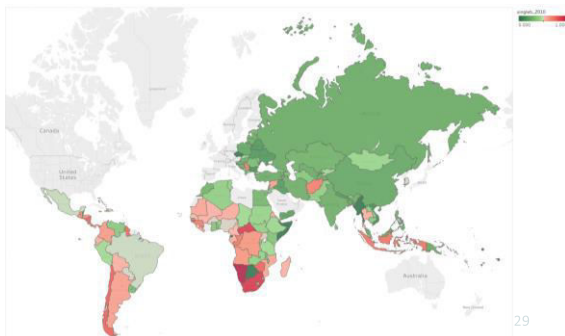


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28

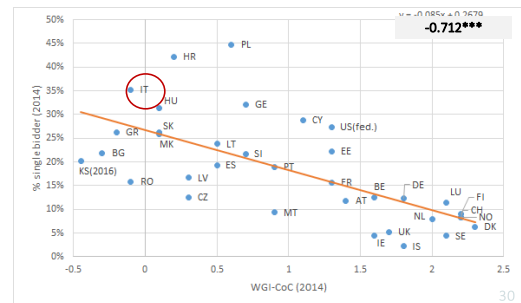
Offerente singolo (Progetti finanziati dalla Banca Mondiale, 1998-2010)



29

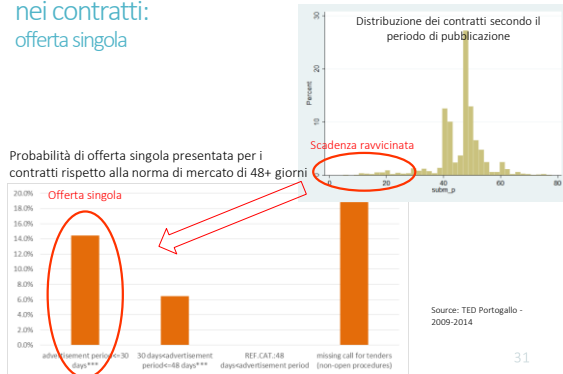
Offerente singolo: Validità macro

- L'offerta singola è correlata a indicatori soggettivi di corruzione
- WGI-CoC (2014) vs rapporto singolo offerente (2014, dati nazionali+TED)



30

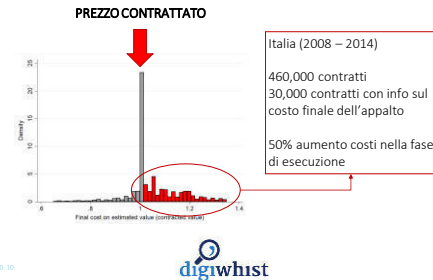
Modello di corruzione nei contratti: offerta singola



31

Esempi di indicatori elementari II

Aumento del valore del contratto durante la consegna
Italia (2008-2014)



32

Indicatori di rischio corruzione – pubblicati da DIGIWHIST

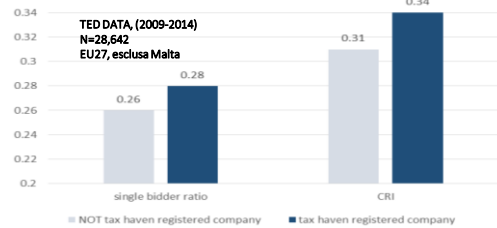
- **Gara (ok)**
- **Azienda:**
 - L'azienda vincitrice è registrata in un paradiso fiscale
 - L'azienda vincitrice è stata stabilita meno di un anno prima di vincere un contratto pubblico



33

Paradisi fiscali e corruzione negli appalti

Paradisi Fiscali (Financial Secrecy Index)



Differenze significative 0.001 livello



34

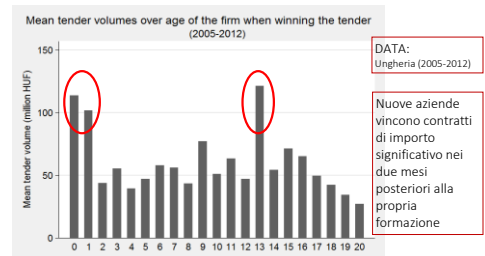
Il successo *previsto* delle aziende per età

1. Graduale aggiudicazione dei contratti
2. Fluttuazione naturale nel tempo



35

Il successo *osservato* delle aziende ad un'età specifica



36

Indicatori di capacità amministrativa

- Appalti congiunti (*joint procurement*)
- Uso di accordi quadro o accordi WTO
- Appalti elettronici
- Accettazione delle offerte in inglese



37

Lecture

DIGIWHIST: digiwhist.eu

- Charron, N., Dahlström, C., Fazekas, M., & Lapuente, V. (2017). *Careers, Connections, and Corruption Risks: Investigating the impact of bureaucratic mentorship on public procurement processes*. *Journal of Politics*, 79(1), p. 89–103.
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- Fazekas, M., Tóth, I. J., & King, L. P. (2013). *Corruption manual for beginners: Inventory of elementary "corruption techniques" in public procurement using the case of Hungary*. GTI-WP/2013.01, Government Transparency Institute, Budapest.

38

CONTACTS

Martina Rotondi
(martina.rotondi@unicatt.it)

Riccardo Milani
(riccardo.milani@unicatt.it)



1



Dissemination Workshop

Barcelona, Spain

18 January 2018

AGENDA - January 18-19th, 2018 – Barcelona

Organisers: XNet and Digiwhist
Host: Barcelona City Council,

Thursday, January 18: at Pati Llimona (Carrer Regomir n° 3, Barcelona)

(<https://patillimona.net/>).

4pm-8pm: Workshop with the following agenda:

4pm-5pm: Presentation of the projects of the different participating institutions (7 minutes approx for the participants that wish it, it is not mandatory)

5pm-7pm: Workshop on the functionalities and protocols of the Digiwhist tool +Q&A

7pm-8pm: Possible collaboration agreements between the institutions involved and Digiwhist

Friday, January 19: at Sala Conservas (Carrer Sant Pau 58, baixos)

Public presentation to the press of the project

11am-13am: Press conference in which the Digiwhist project will be presented.

The participation of the institutions to this press conference will be decided on the day held the previous day, depending on the collaboration agreements.

CONTACT POINT:

Simona Levi (XNET): +34 639025865

DIGIWHIST Workshop – Barcelona, Spain

18 January 2018

Notes of workshop

1. Welcome & Greetings – Simona Levi, XNET

Simona Levi welcomed the participants to Barcelona and to the DIGIWHIST Workshop. She introduced XNET organization, its goal and she introduced to the audience the daily Agenda.

2. Presentation of DIGIWHIST - Aram Khaghaghordyan

Aram Khaghaghordyan introduced the project DIGIWHIST and its main goals. He described the data collection from online public sources and the development of the OPENTENDER platform. He then described some data, focused on the coverage of the information collected and on their reliability and he described the indicators published by DIGIWHIST. Then, he briefly showed the EUROPAM portal too.

The participants asked some questions about the data collecting and the elaboration made on the data.

3. Presentation of the DIGIWHIST MET - Riccardo Milani, UCSC-TRANSCRIME

Riccardo Milani presented the DIGIWHIST WebApp, called Monitoring European Tenders (MET). He focused on the design of the software and on the different exploration modes to view details on tenders and actors involved in the process of public contracting. Then, he ran a live demonstration of the software.

The participants asked some questions about some of the functionalities provided in MET.

4. How to use Opentender.eu – Mihaly Fazekas, UCAM-SOC

Mihaly Fazekas described the portal and showed to the participants all the functions present in the portal, going with them along the different parts of the portal. He described the way data should be collected and he put the attention on the added values of this project (i.e. cooperation among civil societies associations).

The participants seemed very interested in the portal and asked many questions about the different functions. Some of the inputs/considerations/questions received for the portal:

- Participants (especially from the public sector) are interested in the possibility to upload new data. Mihaly Fazekas showed the guideline written by the DIGIWHIST consortium on how to collect and structure data in order to be integrated to OPENTENDER. He opened for collaboration with institutions and civil society associations to work on this.
- Participants asked about how to structure procurement data in their national/regional/local portals in order to be in line with OPENTENDER guidelines.
- Participants are interested in which additional data might be linked with OPENTENDER data. Mihaly Fazekas, Aram Khaghaghordyan and Riccardo Milani discussed about potential data of interest (company data, data on politician and contracting authorities, etc.). They discussed about potential collaboration with public institutions and associations.

5. Evaluation phase

The participants were invited to fill in a questionnaire, evaluating the workshop.

They evaluated the workshop 4.1 on average on a scale between 1 and 5 (1= insufficient - 5= excellent).¹ The workshop satisfied their expectations² and was very useful for their work and for exchanging information in an international context.³

The majority of the participants declared that the workshop was not too complex⁴ and the time devoted to the presentations of the project and to the interaction with the portal was adequate.⁵

¹ Q2. *What is your overall assessment of the event? (1= insufficient - 5= excellent)*

² Q3. *Do you agree with the sentences below? The workshops met my expectations* → 41.7% answered 'Strongly Agree'; 41.7% 'Agree' and 16.7% 'Neither agree nor disagree'

³ Q3. *Do you agree with the sentences below? This workshop will be useful/applicable in my work* → 50.0% answered 'Strongly Agree', 41.7% 'Agree' and 8.3% 'Disagree'

Q3. *Do you agree with the sentences below? I benefited of meeting colleagues/exchanging information in an international context* → 41.7% answered 'Strongly Agree'; 50.0% 'Agree', and 8.3% 'Neither agree nor disagree'

⁴ Q3. *Do you agree with the sentences below? The workshop was too complex* → 16.7% answered 'Agree', 8.3% 'Neither agree nor disagree', 41.7% 'Disagree' and 33.3% 'Strongly disagree'

⁵ Q3. *Do you agree with the sentences below? The time devoted to case studies and other interactive activities was too much* → 8.3% answered 'Strongly Agree', 16.7% 'Agree', 8.3% 'Neither agree nor disagree', 25.0% 'Disagree' and 41.7% 'Strongly Disagree'

Q3. *Do you agree with the sentences below? The time devoted to presentations of the project was too much* → 8.3% answered 'Strongly Agree', 16.7% 'Agree', 8.3% 'Neither agree nor disagree', 16.7% 'Disagree' and 50.0% 'Strongly Disagree'



DIGIWHIST: an introduction

Aram Khaghaghordyan, Hertie School of Governance.
khaghaghordyan@hertie-school.org

This project has received funding from the European Union's Horizon 2020 research and innovation Programme under grant agreement No 645852



About DIGIWHIST

- 3-year project, Horizon2020 funding (EU). 2015-2018
- Main output: opentender.eu → big data on procurement transparency in Europe
- Consortium with 6 partners, with Cambridge University leading
- Interdisciplinary: academics, programmers and policy analysts
- Ultimate Objective: ↑ trust in governments and improve spending and make public procurement more efficient and transparent



Introduction

- Approximately **20% of the EU's GDP** every year is spent on procuring public goods and there are estimates that the costs added to government contracts due to **corruption amount to around 20-25%**.
- In the Fall 2016 in Spain **37** businessmen and former politicians, including members of the ruling Popular Party (PP), went on trial on charges of fixing the government procurement system to steer construction contracts to their buddies (costs to the public estimated at **€120m**).
- According to the Tenders Electronic Daily (TED) during the past decade, **17%** of calls for tender in 2006 received only one bid. By 2015 that figure had risen to **30%**. The median number of offers per tender fell from **five** to **three**.

How? I – Data compilation

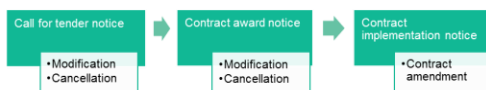
- We map **national sources** of procurement information in 35 jurisdictions (EU 28 + Armenia, Georgia, Serbia, Switzerland, Norway, Iceland + EU institutions) and have made a thorough assessment of data availability
- We map **relevant variables** on individual contracts in each country
- We program the **automatized extraction** of the information
- We compile, clean and structure a **comparative database**



This project has received funding from the European Union's Horizon 2020 research and innovation Programme under grant agreement No 645852



Data depth: Full tender cycle



How? II – Data analysis

- We **automatically** analyze each contract announcement using expert-informed **'red flags'** at two levels:

Announcement level	Systemic level
→ Single bidders	→ Unusually high market concentration;
→ Publicity of tender	→ Suppliers' political connections
→ Award procedure type	→ Use of tax havens (among others)
→ Length of eligibility criteria	
→ Submission period (among others)	

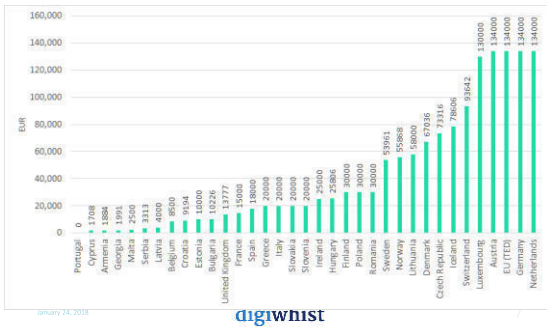
And we produce **validated** indicators of procurement irregularities, historical and real-time.



This project has received funding from the European Union's Horizon 2020 research and innovation Programme under grant agreement No 645852



Data Scope: Reporting thresholds across Europe



Minimum data scope
for a risk assessment
framework

Variable group	Variable
Buyer	Buyer's name
	Buyer's unique ID
Bidder/ bids	Buyer's address
	Bidder's name
	Bidder's unique ID/tax ID
	Bidder's address
	Number of bids submitted
	Number of bids excluded
	Bid price (details on total and unit prices)
	Exact time of bid submission
Tender/ contract	Bid type (winner/loser bid)
	Beneficial owners
	Procedure type
	Framework agreement (1st/2nd stage)
	Estimated price (details on total or unit prices)
	Final price at completion (details on total or unit prices)
	Procurement type (service, supply, work)
Dates	CPV codes (by product type weight)
	NUTS code(s) of contract implementation
	Status (cancelled, pending, etc.)
	Call for tender publication date
Subcontracting	Bid submission deadline
	Contract start and end dates
	Publication date of contract award
Consortium	Date of contract completion
	Subcontractor's name and unique ID (tax ID)
	Subcontractor's share
Consortium	Consortium members' name and unique ID (tax ID)
	Consortium members' share

DIGIWHIST variable mapping

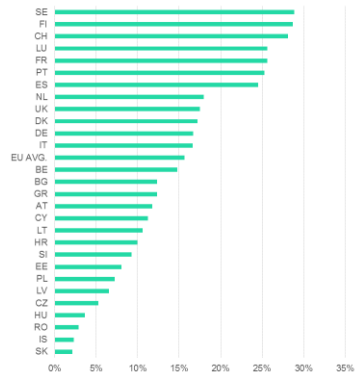
	Contract related items	Dates	Require ments	Documen tation	Funding	Buyer	Bidder	Bid	Price	Cancelled on/correc tion	Other
Austria	100%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Belgium	88%	80%	100%	25%	33%	31%	40%	67%	67%	29%	26%
Bulgaria	88%	80%	100%	75%	50%	64%	62%	20%	50%	67%	43%
Cyprus	84%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Czech Rep.	88%	80%	100%	50%	67%	43%	23%	40%	67%	67%	14%
Denmark	88%	40%	100%	100%	50%	64%	23%	0%	17%	0%	14%
Estonia	83%	80%	0%	50%	17%	43%	0%	0%	33%	33%	14%
France	81%	80%	100%	100%	50%	64%	43%	23%	33%	67%	14%
Germany	81%	80%	100%	100%	50%	64%	23%	20%	67%	100%	14%
Greece	88%	80%	0%	25%	0%	38%	0%	0%	0%	67%	0%
Hungary	88%	80%	100%	0%	33%	43%	40%	40%	17%	67%	43%
Ireland	88%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%
Italy	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Lithuania	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Malta	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Netherlands	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Norway	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Poland	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Portugal	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Romania	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Slovakia	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Slovenia	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Spain	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Sweden	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
Switzerland	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
United Kingdom	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
United States	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%
EU AVG.	88%	80%	100%	100%	50%	64%	62%	20%	50%	67%	43%

Data quality

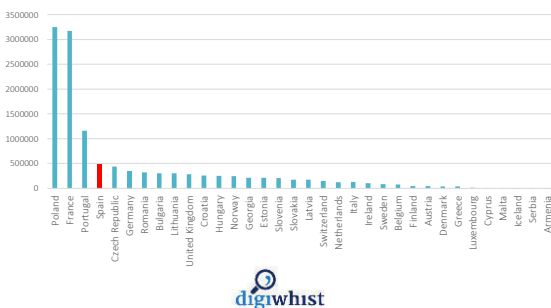
Administrative
error: missing
information

Average % missing
information (13 mandatory
fields), 2009-2015, TED data

January 24, 2018



Number of tenders processed by DIGIWHIST per country (TED+national)



Indicators

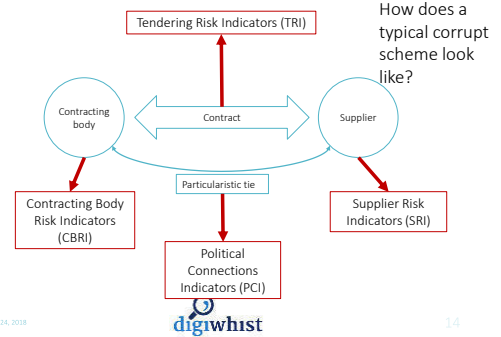
2018. 01. 24

Indicator groups

- Corruption risk indicators
- Administrative capacity
- Transparency



Conceptualizing public procurement corruption indicators



Indicator framework for measuring corruption

- 1) Tendering Risk Indicators (TRI): restricted access to contracts
 - e.g. tailored tender conditions
- 2) Political Connections Indicators (PCI): direct/indirect political connections of contractors
 - e.g. same person owning the supplier and evaluating the tenders
- 3) Supplier Risk Indicators (SRI): award to risky businesses
 - e.g. supplier tax haven registration, or politics- dependent market success (PII)
- 4) Contracting Body Risk Indicators (CBRI): political control of the bureaucracy
 - e.g. political appointments

2018-01-24



15

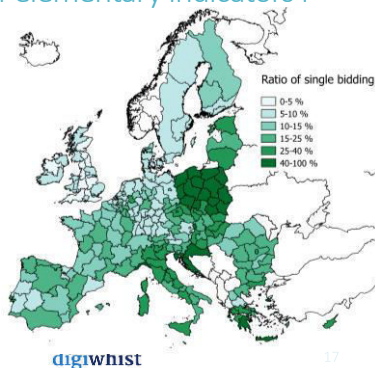
Corruption risk indicators – published by DIGIWHIST

- Company:
 - Winner is registered in a tax haven
 - Winner is established less than 1 year before winning a public contract
- Tender
 - No call for tender was published
 - Procedure type
 - Eligibility criteria length
 - Evaluation criteria
 - Decision period length
 - Etc.



Examples of elementary indicators I

Single bidder ratio
TED, EU, 2009-2015
N=2.36 m



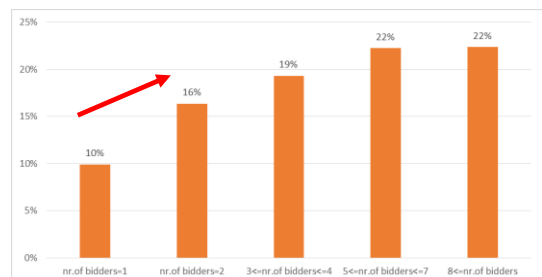
2018-01-24

17

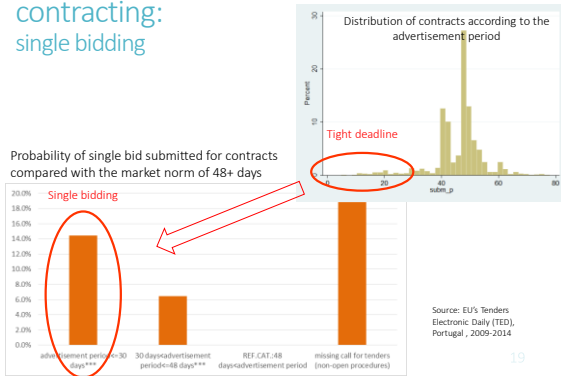
Micro validity:

Number of bidders & prices

- Price savings by the number of bidders
- 543,705 contracts, EU27, 2009-2014



Modelling corrupt contracting: single bidding



19

Political Connections Indicators

Political connections come in a variety:

- Direct connections:
 - revolving door,
 - identical person in public/private roles
- Indirect connections:
 - kinship, friendship
 - professional associations
 - political donations
 - lobbying

2018. 01. 24.



20

Supplier risk indicators

Registry attributes

Indicator name	Indicator definition
Companies on the same address ¹	1=Many companies are registered at the same address 0=Only one company is registered
Company located in corrupt region ²	1=The company is located in a corrupt region 0=The company is not located in a corrupt region
Local winner company	1=The winner company is local (e.g. same town) 0=The winner company is not local
Company's age	Number of months or years the company is in operation at the time of winning the public procurement contract (young companies are more risky)
Company incorporation around government change	Number of months between supplier incorporation and government change
Company is under non-standard dissolution	1=The company faced a non-standard dissolution after performing PP contracts 0=The company remains active

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21

Supplier risk indicators

Financial performance

Indicator name	Indicator definition
Extreme growth of public procurement income	Company's public procurement income growth/industry average public procurement income growth
Extreme growth of public procurement income share	Growth in public procurement income within total income per year (outliers are risky)
Extreme growth of public procurement income after ownership change ¹	Growth in company's public procurement income after ownership change
Change in public procurement income after political change	Growth in the company's public procurement income after a political regime change (outliers are risky)
Company winning probability	The company's number of awarded contracts divided by the number of its submitted bids.
Extreme growth in return on assets	Growth in return on assets (outliers are risky)
Extreme profit growth	Profit growth (outliers are risky)
Extreme reliance on public procurement income	Share of public procurement-income within total company turnover in a period (outliers are risky)
Extreme concentration of public procurement income	Share of largest buyer within the company's public procurement income (outliers are risky)
Large contract size compared to company size	Public procurement contract size is disproportionately high compared to company size (i.e. average yearly turnover)

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22

Supplier risk indicators

Ownership & management information

Indicator name	Indicator definition
Company is located in a tax haven (or a financially secretive country)	1=The company or its parent company is located in a tax haven or high FSI country 0=The company is not located in a tax haven or high FSI country
Company fails to report owners	1=The company does not report ownership in official records 0=The company does report ownership in official records
Company has a complex ownership structure	1=The company has a complex ownership structure 0=The company does not have a complex ownership structure
Change in ownership before winning PP contracts	1=There is a change in ownership before winning PP contracts 0=No ownership change before winning PP contracts
Manager represents several companies	Number of companies a manager represents compared to the industry average (outliers are risky)
Odd age/gender/educational profile of ownership or management	1=The age, gender and education profile of company ownership and management is an outlier compared to industry average 0=No unusual age, gender and educational characteristics of the company's ownership and management structure

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23

Administrative capacity indicators

- Joint or centralized procurement
- Use of WTO agreement
- Use of framework agreements
- Electronic procurement
- Accepting bids in English
- Discrepancies between call for tender and contract award notices

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Transparency indicators

- Number of key missing fields from the form
- Publication rate (of a buyer)



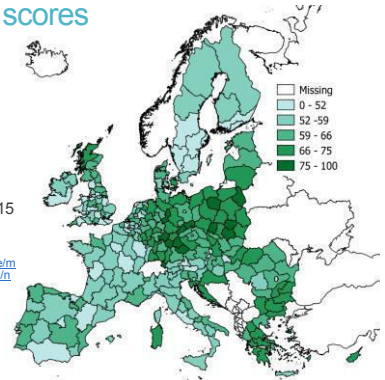
Data quality: transparency scores

- procurement transparency score:
- Cft publication
 - open procedures
 - reporting completeness
 - voluntary reporting

NUTS2, TED, 2006-2015

Interactive map accessible at <https://public.tableau.com/profile/mihaly.fazekas#i/vizhome/regiopp/nuts2>

2017.09.14.



General readings

DIGIWHIST: digiwhist.eu

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- Fazekas, M. & Cingolani, L. (2017). *Breaking the cycle? How (not) to use political finance regulations to counter public procurement corruption*. *Slavonic & East European Review*, 95(1)
- Fazekas, M. & Tóth, B. (2017). *Infrastructure for whom? Corruption risks in infrastructure provision across Europe*. In Hammerschmid, G., Koska, G. & Wegrich, K. (Eds.), *The Governance Report 2016*. Oxford University Press, ch 11.
- Fazekas, M., & Tóth, I. J. (2017). *Corruption in EU Funds? Europe-wide evidence on the corruption effect of EU-funded public contracting*. In J. Bachtler, P. Berkowitz, S. Hardy, & T. Muravska (Eds.), *EU Cohesion Policy. Reassessing performance and direction*. London: Routledge, ch. 13.
- Rasmus Broms, Carl Dahlström and Mihaly Fazekas (2017). *Entrenched parties and control of public procurement in Sweden*. University of Gothenburg-Quality of Government Institute, manuscript
- Fazekas, M. and Tóth, I. J. (2016). *From corruption to state capture: A new analytical framework with empirical applications from Hungary*. *Political Research Quarterly*, 69(2), p. 320–334
- Fazekas, M., Tóth, I. J., & King, L. P. (2016). *Anatomy of grand corruption: A composite corruption risk index based on objective data*. *Eu. Journal of Criminal Policy and Research*, 22(3), 369–397.
- Fazekas, M. (2015). *The Cost of One-Party Councils: Lack of Electoral Accountability and Public Procurement Corruption*. London: Electoral Reform Society.
- Fazekas, M., & Kocsis, G. (2015). *Uncovering High-Level Corruption: Cross-National Corruption Proxies Using Government Contracting Data*. G11-WP 2015-02. Government Transparency Institute, Budapest.
- Fazekas, M., Lukács, P. A., & Tóth, I. J. (2015). *The Political Economy of Grand Corruption in Public Procurement in the Construction Sector of Hungary*. In A. Mungiu-Pippidi (Ed.), *Government Favouritism in Europe The Anticorruption Report 3* (pp. 53–68). Berlin: Barbara Budrich Publishers.
- Fazekas, M., Tóth, I. J., & King, L. P. (2013). *Corruption manual for beginners: Inventory of elementary "corruption techniques" in public procurement using the case of Hungary*. G11-WP 2013-01, Government Transparency Institute, Budapest.

Thank you!

Questions?



Selected examples

1. Suspicious incorporation date: just before government change
2. Suspicious profit ratio



2018.01.24.

29

SRI: Expected success of companies by age

1. Gradual build-up of contracts
2. Natural fluctuation over time



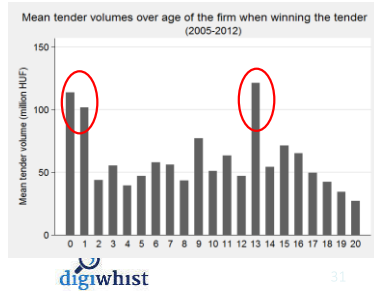
2018.01.24.

30

SRI: *Observed* success of companies at ‚specific’ ages

1. ‚Just’ founded companies
2. Companies founded under party last in power

Hungary, 2010



Marginal effect of yearly profit rate on single bidder contract probability





MONITORING EUROPEAN TENDERS (MET)

Digiwhist risk assessment software for public authorities

Barcelona, 18th January 2018

Riccardo Milani
Riccardo.milani@unicatt.it

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 101019180



FOCUS

Monitoring European Tenders (MET) is a risk assessment software for public authorities that helps at monitoring the integrity of public contracts

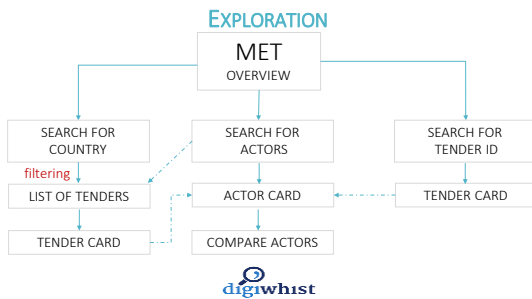
DATA: TED (2011-2017) +

Indicators:

- Procurement integrity
- Administrative capacity
- Company integrity

Customise the risk

Download and combine with personal data



FILTERING

VIEW BY COUNTRY

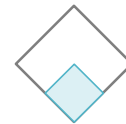
✓ Spain

SECTOR AND DIVISION

- ✓ Construction
- ☐ Real estate
- ☐ ...

PROCEDURE TYPE

- ✓ Open
- ☐ Negotiated
- ☐ ...



OPEN
n° obs./total
Avg. PI Index



DETAILS

PUBLIC TENDERS: CONTRACTS — LOTS



MET

<https://transcrime-cri.firebaseio.com/>

SURVEY END WORKSHOP

<https://it.surveymonkey.com/t/F9L3337>



number of lots: 5

lot 1 @

lot 2 @ Company

B.Braun Medical, SA

bidder country: undefined

contract number: undefined

lot number: undefined

lot title: Suministro de jeringas, agujas y catéteres I.V. periféricos.

cpvs:

estimated value:

final value:

address of performance:

award decision date:

completion date:

electronic auction used:

framework agreement:

award criteria:

bids count: undefined

funding:

Complejo Asistencial Universitario de Burgos

country: ES

address: avda. del Cid, nº 96, Burgos

type: REGIONAL_AGENCY

main activities: HEALTH

MET

Change exploration mode

sort by: A-Z Tenders count legend

VIEW BY FACTOR

select a factor >>

Search actor

consulting

Debitte Consulting CVBA

TÜV Rheinland Consulting GmbH

Technopolis Consulting Group Belgium

GHK Consulting Ltd

JVI Consulting SA in consortium with Euro Consultants SA

Progress Consulting S.r.l.

Ramboll Management Consulting A/S

MET

Change exploration mode

VIEW BY FACTOR

European Aviation Safety Agency

select a subdivision

Filter tenders by indicator >

Filter tenders by year >

Number of records to view: 2

Ordered records for selected data: 0/0%

Current view average CRI: 0.7 / 1

Select indicators to customize CRI

Tender

TITLE
Office supplies.

TITLE ENG
Office supplies

GUS
2015/S 142-260085
2015/S 142-260085
2016/S 010-012476

country: EU

main object: 30000000

Supply type: SUPPLIES

publication date: 2015-07-25

2015-07-25

2016-01-15

estimated start date: undefined

estimated completion date: undefined

estimated value: undefined

final value: undefined

Funding: undefined

Funding source:

Funding amount:

CORRUPTION RISK INDICATORS

CRI
0.6 / 1

0.0 1.0

ADMINISTRATIVE CAPACITY INDICATORS

Procedure type: OPEN

Covered by GPA: false

Framework Agreement: true

Electronic Auction: false

Company

name: XY

country: LOREM IPSUM

address: Lorem Ipsum (XX, 2345690,

BVD NUMBER/VAT 98457639847598_3459687543

Tenders 311

Lots 328

Bids 598

Bids awarded 320

TENDERS AVERAGE CRI

CRI
0.2 / 1

0.0 1.0

CORRUPTION RISK INDICATORS

Tax Haven

New Company

Political connection of suppliers

Search company to compare

Suggested companies to compare
(based on number of tender awarded)

Company A

Company B

Company C



, Barcelona, 18/1/2018



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University of Cambridge and
Government Transparency Institute
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This project has received funding
from the European Union's
Horizon 2020 research and
innovation Programme under
grant agreement No. 645852



Part III. Hands-on contract-level data analysis

2018. 01. 24.



2

Online tool: DIGIWHIST

Go to page:

<https://preview.opentender.eu/>

Credentials:

User: workshop

Password: indicator

2018. 01. 24.



3

Main added value

- Drilling down to organisational & contract levels
- More flexible analytical tools
- Lot of data: TED+national

Still some work in progress, suggestions are welcome!

2018. 01. 24.



4

Main functionalities

- Dashboards:
 - Integrity/corruption
 - Administrative capacity
 - Transparency
 - Market analytics
- Full search functionality
- Download your data

2018. 01. 24.



5

Explore each dashboard

- Market analysis
 - Electricity market → largest supplier
- Integrity:
 - Single bidding
- Capacity
 - Use of WTO framework
- Transparency:
 - Missing fields

2018. 01. 24.



6

How to improve the site?

- Bug fixes, yes😊
- Additional visuals? Less complexity?
- Any ideas?

Further work

Opentender.eu portal final on the **29th of January 2018**

If you are interested, get in touch, happy to share data and collaborate:

msi.fazekas@gmail.com

2018. 01. 24.



7

2018. 01. 24.



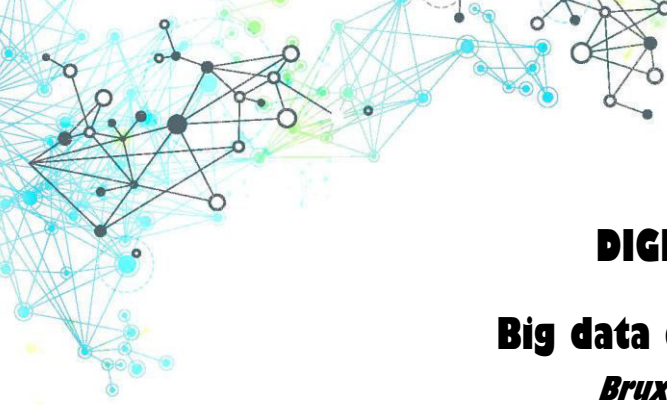
8



Dissemination Workshop

Brussels, Belgium

29 January 2018



DIGIWHIST Workshop

Big data on public procurement

Bruxelles, 29 January 2018

Introduction

The main goal of the DIGIWHIST is the systematic collection, structuring, analysis, and broad dissemination of information on public procurement in all EU, and some neighbouring, countries.¹

To achieve its main goal, DIGIWHIST created the **Opentender.eu** portal, that gathers the available data on public procurement at national level for 35 jurisdictions (28 EU member states, Armenia, Norway, the European Commission, Iceland, Switzerland, Serbia, and Georgia). Beyond the possibility of download the databases, the portal will also include some indicators of transparency and administrative quality.

What is the goal of the workshop?

The goals of this workshop will be:

- to introduce the large amounts of public procurement data unlocked by Opentender.eu;
- to explore ways through which it can be use in improving transparency in public administrations.

The workshop includes also user feedback by end-users (e.g. public officials, journalists, developers and civil society). Participants will have the chance:

- to improve their knowledge on transparency and public procurement data;
- to work with big data on public procurement;
- to create a network among different experts on anticorruption and transparency.

How is the workshop organised?

- 09.45-10.00: Participants registration
- 10.00-10.45: Presentation of DIGIWHIST
 - DIGIWHIST goals, data type and their collection, cleaning and sharing
 - Red flags of inefficiency and opacity
 - Presentation of opentender.eu.
- 10:45-11.30: How to use Opentender.eu.
 - Participants will be guided through the use of the portal: download, analysis and evaluation of the public procurement data on the portal. The data can be used for simple analysis or analysis of specific cases.
- 11.30-12.00: Evaluation phase and workshop closure

The contact persons are Prof. Francesco Calderoni (francesco.calderoni@unicatt.it) and Martina Rotondi (martina.rotondi@unicatt.it).

¹ Further details on DIGIWHIST can be found at <http://digiwhist.eu>



DIGIWHIST Workshop – Brussels, Belgium

29 January 2018

Notes of workshop

1. Welcome & Greetings – Carl Dolan, Transparency International Europe

Carl Dolan welcomed the participants to Brussels and to the DIGIWHIST Workshop. He introduced Transparency International, its goal and the daily Agenda.

2. Presentation of DIGIWHIST - Jiří Skuhrovec, Datlab

Jiří Skuhrovec introduced the project DIGIWHIST and its main goals. He described the data collection from online public sources. He then described some data, focused on the coverage of the information collected and on their reliability. Then, he briefly showed the EUROPAM portal too.

The participants asked some questions about the data collecting on TED and national portals and the elaboration made on the data.

3. Indicators description and Opentender.eu demonstration – Bence Tóth, UCAM-SOC

Bence Tóth described the indicators included in the portal. The creation and calculation of the indicators produced many questions from the audience, especially on their reliability across the countries.

At the end, he showed to the participants the functions present in the portal, demonstrating all the different functionalities of the portal.

The participants were very interested in the portal and asked many questions about the different functions and the calculation made to obtain the indicators shown in the portal.

Participants were especially interested in the additional data that might be linked with Opentender data. Their main interests were the addition of company data, and PEPs data. They discussed about this option.

4. Evaluation phase

The participants were invited to fill in a questionnaire, evaluating the workshop.

They evaluated the workshop 3.9 on average on a scale between 1 and 5 (1= insufficient - 5= excellent).¹ The workshop satisfied their expectations² and was very useful for their work and for exchanging information in an international context.³

The majority of the participants declared that the workshop was not too complex⁴ and the time devoted to the presentations of the project and to the interaction with the portal was adequate.⁵

¹ Q2. What is your overall assessment of the event? (1= insufficient - 5= excellent)

² Q3. Do you agree with the sentences below? The workshops met my expectations → 125.0% answered 'Strongly Agree' and 75.0% 'Agree'

³ Q3. Do you agree with the sentences below? This workshop will be useful/applicable in my work → 50.0% answered 'Strongly Agree', 37.5% 'Agree' and 12.5% 'Neither agree nor disagree'

Q3. Do you agree with the sentences below? I benefited of meeting colleagues/exchanging information in an international context → 37.5% answered 'Strongly Agree' and 62.5% 'Agree'

⁴ Q3. Do you agree with the sentences below? The workshop was too complex → 12.5% answered 'Agree', 25.0% 'Neither agree nor disagree', 50.0% 'Disagree' and 12.5% 'Strongly Disagree'

⁵ Q3. Do you agree with the sentences below? The time devoted to case studies and other interactive activities was too much → 37.5% 'Neither agree nor disagree', 50.0% 'Disagree', and 12.5% 'Strongly Disagree'

Q3. Do you agree with the sentences below? The time devoted to presentations of the project was too much → 62.5% answered 'Neither agree nor disagree', 25.0% 'Disagree', and 12.5% 'Strongly Disagree'



DIGIWHIST: an introduction

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Outline: DIGIWHIST key outputs

I. Legislation mapping - EUROPAM

II. Public procurement data & indicators (Opentender)

III. Analytical tools: watchdog portal & software

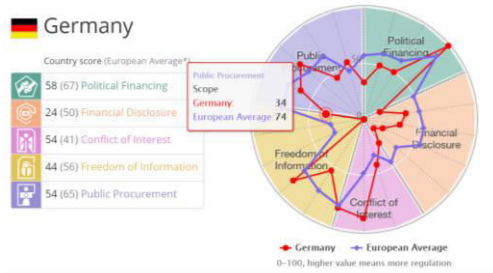
I. Public procurement regulation in the EU - EUROPAM (disclaimer: preliminary data!)

EUROPAM

- Public procurement
- Political financing
- Financial disclosure
- Conflict of interest
- Freedom of information



EUROPAM – overview

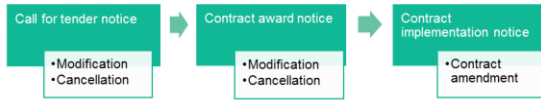


EUROPAM - Public Procurement regulation

- Scope – e.g. publication thresholds
- Information availability – e.g. publication requirements
- Evaluation – e.g. whether there are conflict of interest rules for the awarding committee composition / automatic bid exclusion
- Openness – minimum number of bidder in case of restricted procedures / minimum bidding period length
- Institutional arrangements – e.g. whether there is a separate arbitration court



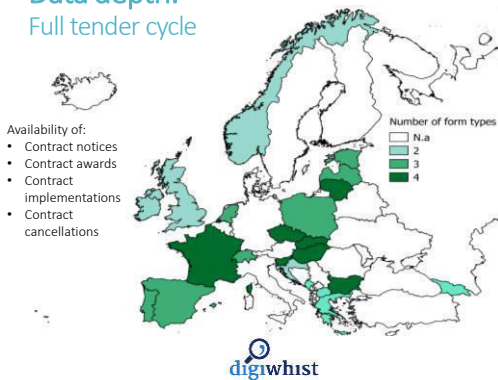
Data depth: Full tender cycle



Data depth: Full tender cycle - Germany



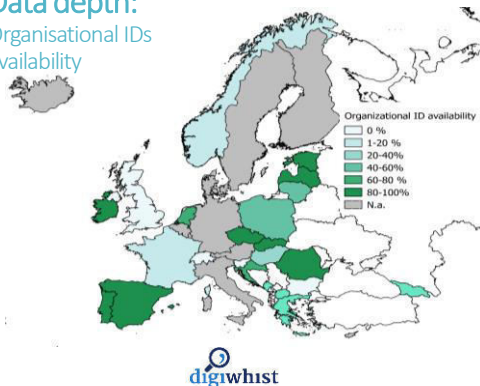
Data depth: Full tender cycle



DATA COMPLETENESS what we check?

Variable group	Variable
Buyer	Buyer's name
	Buyer's unique ID
	Buyer's address
Bidder / bids	Bidder's name
	Bidder's unique ID/tax ID
	Bidder's address
	Number of bids submitted
	Number of bids excluded
	Bid price (details on total and unit prices)
	Exact time of bid submission
	Bid type (winner/loser bid)
Tender / contract	Beneficial owners
	Procedure type
	Framework agreement (1st/2nd stage)
	Estimated price (details on total or unit prices)
	Final price at completion (details on total or unit prices)
	Procurement type (service, supply, work)
	CPV codes (by product type weight)
	NUTS code(s) of contract implementation
Dates	Status (cancelled, pending, etc.)
	Call for tender publication date
	Bid submission deadline
	Contract start and end dates
	Publication date of contract award
Subcontracting	Date of contract completion
	Subcontractor's name and unique ID (tax ID)
Consortium	Subcontractor's share
	Consortium members' name and unique ID (tax ID)
	Consortium members' share

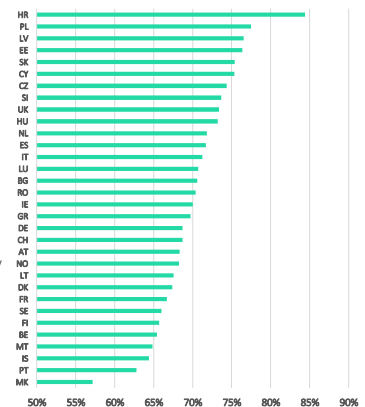
Data depth: Organisational IDs availability



Data quality: TED

Administrative
error: missing
information

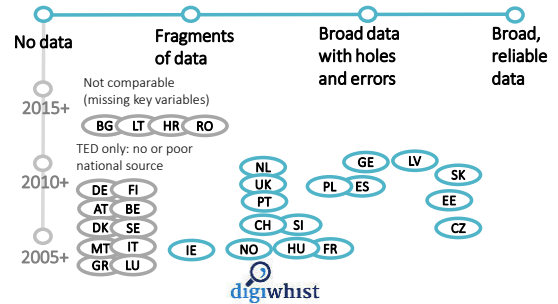
Average % missing
information (12 mandatory
fields), 2016, TED data



DIGIWHIST variable mapping

	Contract related items	Dates	Require ments	Documenta tion	Funding	Buyer	Bidder	Bid	Price	Cancellati on/correct ion	Other	
Austria	100%	80%	100%	100%	50%	64%	23%	20%	17%	100%	14%	14%
Belgium	88%	80%	100%	25%	33%	64%	31%	40%	67%	67%	29%	28%
Bulgaria	88%	70%	100%	75%	50%	64%	62%	20%	50%	67%	43%	14%
Cyprus	81%	80%	100%	50%	33%	58%	10%	20%	33%	67%	14%	14%
Croatia	58%	20%	0%	0%	0%	0%	45%	0%	0%	0%	0%	0%
Czech	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Denmark	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Estonia	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Finland	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
France	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Germany	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Greece	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Hungary	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Ireland	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Italy	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Latvia	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Lithuania	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Luxembourg	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Malta	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Netherlands	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Poland	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Portugal	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Romania	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Slovakia	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Slovenia	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Spain	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Sweden	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Switzerland	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
United Kingdom	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Norway	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Belarus	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Ukraine	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Armenia	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Georgia	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
EC	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Rough country results



Questions, comments?

- Detailed validation results (work in progress): https://github.com/digiwhist/wp2_document/blob/master/validation_reports/
- Data available today at <https://opentender.eu>
- Contact me at Jiri.Skuhrovec@datlab.eu



DIGIWHIST: risk indicators

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DIGIWHIST indicators

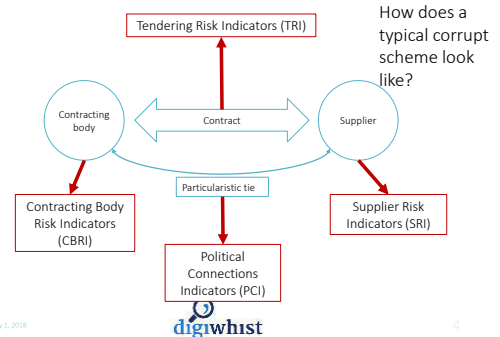
- I. Integrity indicators
 - I. Framework
 - II. Selected examples
- II. Administrative capacity
- III. Transparency

Indicator groups

- Corruption risk indicators
- Administrative capacity
- Transparency



Conceptualizing public procurement corruption indicators



Indicator framework for measuring corruption

- 1) Tendering Risk Indicators (TRI): restricted access to contracts
 - e.g. tailored tender conditions
- 2) Political Connections Indicators (PCI): direct/indirect political connections of contractors
 - e.g. same person owning the supplier and evaluating the tenders
- 3) Supplier Risk Indicators (SRI): award to risky businesses
 - e.g. supplier tax haven registration, or politics- dependent market success (PII)
- 4) Contracting Body Risk Indicators (CBRI): political control of the bureaucracy
 - e.g. political appointments

2018-02-01



5

Corruption risk indicators – published by DIGIWHIST

- Company:
 - Winner is registered in a tax haven
 - Winner is established less than 1 year before winning a public contract
- Tender
 - No call for tender was published
 - Procedure type
 - Eligibility criteria length
 - Evaluation criteria
 - Decision period length
 - Etc.

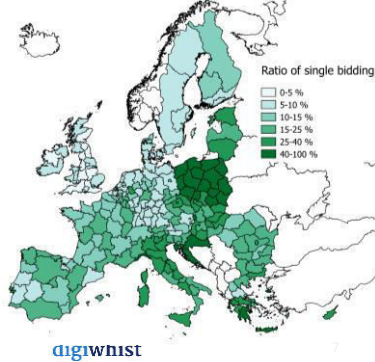


Examples of elementary indicators I

Single bidder ratio

TED, EU, 2009-2015

N=2.36 m

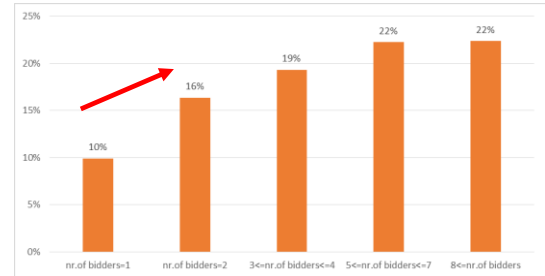


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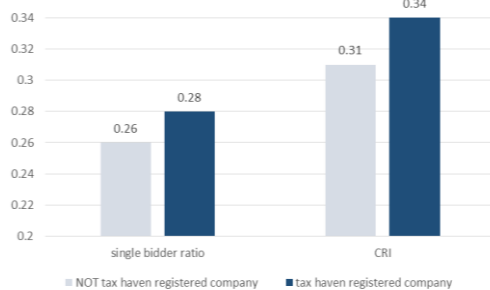
Micro validity:

Number of bidders & prices

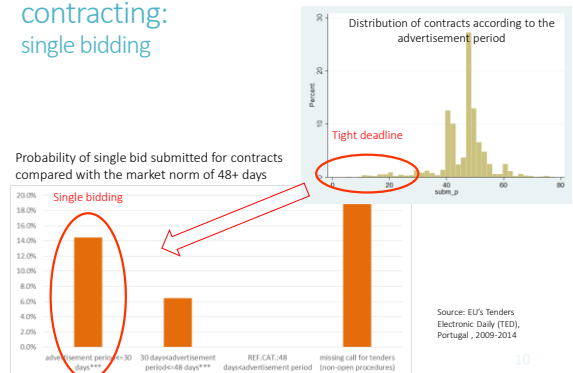
- Price savings by the number of bidders
- 543,705 contracts, EU27, 2009-2014



Micro validity: Tax havens & procurement corruption

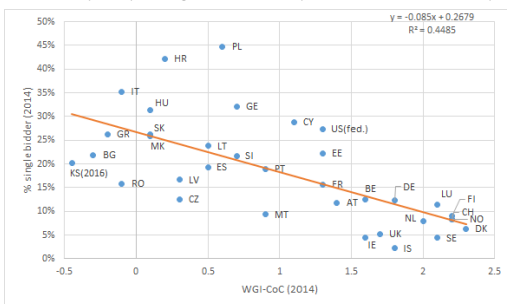


Modelling corrupt contracting: single bidding



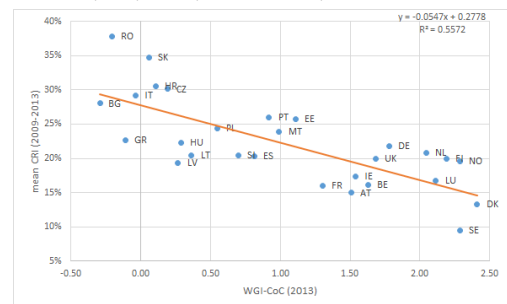
TRI: Macro validity

- Single bidding correlates with subjective indicators of corruption
- WGI-CoC (2014) vs single bidder ratio (2014, TED+national data)



TRI: Macro validity

- CRI correlates with subjective indicators of corruption
- WGI-CoC (2013) vs CRI (2009-2013, TED)



Political Connections Indicators

Political connections come in a variety:

- Direct connections:
 - revolving door,
 - identical person in public/private roles
- Indirect connections:
 - kinship, friendship
 - professional associations
 - political donations
 - lobbying

2018.02.01.



15

Supplier risk indicators

Registry attributes

Indicator name	Indicator definition
Companies on the same address ¹	1=Many companies are registered at the same address 0=Only one company is registered
Company located in corrupt region ²	1=The company is located in a corrupt region 0=The company is not located in a corrupt region
Local winner company	1=The winner company is local (e.g. same town) 0=The winner company is not local
Company's age	Number of months or years the company is in operation at the time of winning the public procurement contract (young companies are more risky)
Company incorporation around government change	Number of months between supplier incorporation and government change
Company is under non-standard dissolution	1=The company faced a non-standard dissolution after performing PP contracts 0=The company remains active

2018.02.01.



16

Supplier risk indicators

Financial performance

Indicator name	Indicator definition
Extreme growth of public procurement income	Company's public procurement income growth/industry average public procurement income growth
Extreme growth of public procurement income share	Growth in public procurement income within total income per year (outliers are risky)
Extreme growth of public procurement income after ownership change ¹	Growth in company's public procurement income after ownership change
Change in public procurement income after political change	Growth in the company's public procurement income after a political regime change (outliers are risky)
Company winning probability	The company's number of awarded contracts divided by the number of its submitted bids
Extreme growth in return on assets	Growth in return on assets (outliers are risky)
Extreme profit growth	Profit growth (outliers are risky)
Extreme reliance on public procurement income	Share of public procurement-income within total company turnover in a period (outliers are risky)
Extreme concentration of public procurement income	Share of largest buyer within the company's public procurement income (outliers are risky)
Large contract size compared to company size	Public procurement contract size is disproportionately high compared to company size (i.e. average yearly turnover)

2018.02.01.



17

Supplier risk indicators

Ownership & management information

Indicator name	Indicator definition
Company is located in a tax haven (or a financially secretive country)	1=The company or its parent company is located in a tax haven or high FSI ¹ country 0=The company is not located in a tax haven or high FSI country
Company fails to report owners	1=The company does not report ownership in official records 0=The company does report ownership in official records
Company has a complex ownership structure	1=The company has a complex ownership structure 0=The company does not have a complex ownership structure
Change in ownership before winning PP contracts	1=There is a change in ownership before winning PP contracts 0=No ownership change before winning PP contracts
Manager represents several companies	Number of companies a manager represents compared to the industry average (outliers are risky)
Odd age/gender/educational profile of ownership or management	1=The age, gender and education profile of company ownership and management is an outlier compared to industry average 0=No unusual age, gender and educational characteristics of the company's ownership and management structure

2018.02.01.



18

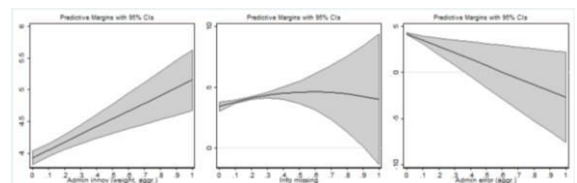
Administrative capacity indicators

- Joint or centralized procurement
- Use of WTO agreement
- Use of framework agreements
- Electronic procurement
- Accepting bids in English
- Discrepancies between call for tender and contract award notices

2018.02.01.



Administrative capacity and number of bidders



2018.02.01.



19

Transparency indicators

- Number of key missing fields from the form
- Publication rate (of a buyer)

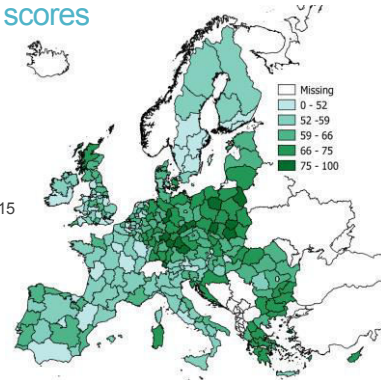


Data quality: transparency scores

procurement
transparency score:
• Cft publication
• open procedures
• reporting
completeness
• voluntary reporting

NUTS2, TED, 2006-2015

2017.09.14.



Thank you!

Questions?



General readings

DIGIWHIST: digiwhist.eu

- Charron, N., Dahlström, C., Fazekas, M., & Lapuente, V. (2017). *Careers, Connections, and Corruption Risks: Investigating the impact of bureaucratic meritocracy on public procurement processes*. *Journal of Politics*, 79(1), p. 89–103.
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- Fazekas, M., Tóth, I. J., & King, L. P. (2013). *Corruption manual for beginners: Inventory of elementary "corruption techniques" in public procurement using the case of Hungary*. G11-WP/2013-01, Government Transparency Institute, Budapest.