



Single Market Scoreboard

The United Kingdom withdrew from the EU on 31 January, 2020. The 2020 edition of the Single Market Scoreboard refers to time periods preceding the withdrawal of the UK, and the UK is therefore listed as a Member State.

Public Procurement

Reporting period:
01/2019 – 12/2019

Public procurement is the process by which public authorities, such as government departments or local authorities, purchase work, goods or services from companies. Public procurement accounts for over 14 % of the EU's GDP. It is regulated by law to maximise value for money for the public sector and ensure compliance with three key principles:

- equal treatment
- non-discrimination
- transparency

Public Procurement and the Single Market - why does it matter?

To create a level playing field for businesses across Europe, EU law sets out minimum harmonised public procurement rules. These govern the way public authorities and certain public utility operators purchase goods, works and services. The European Commission's public procurement strategy is designed to improve EU public procurement practices in a collaborative manner by working with public authorities and other stakeholders.

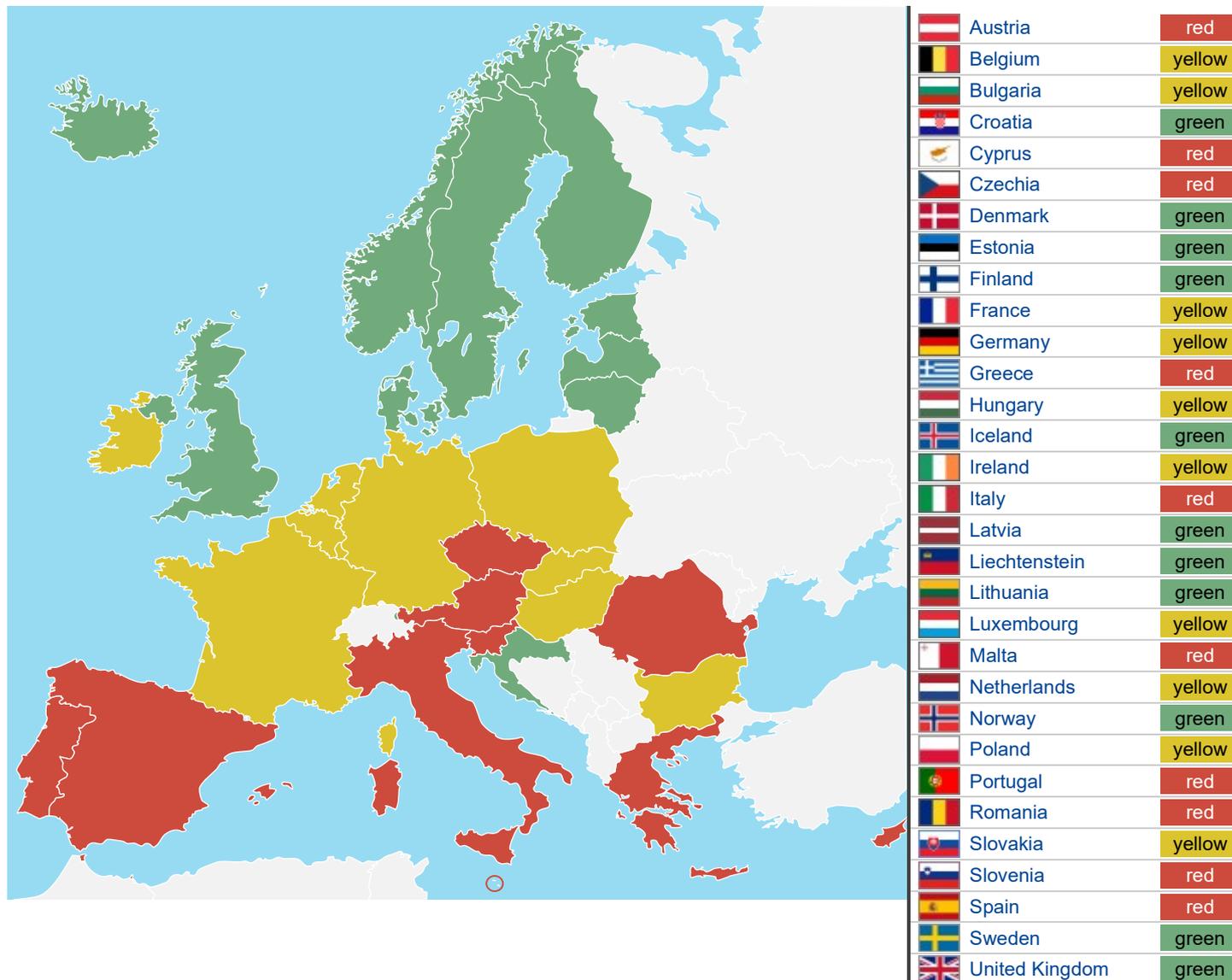
“Performance” measures whether purchasers get good value for money. The indicators below measure key influences on public procurement performance in a way that is transparent and easy to understand and compare.

Like all indicators, however, they simplify reality. They are affected by country-specific factors such as what is actually being bought, the structure of the economies concerned, and the relationships between different tendering options, none of which are taken into account.

Moreover, some aspects of public procurement have been omitted entirely or covered only indirectly, e.g. corruption, the administrative burden and professionalism. So, although the Scoreboard provides useful information, it gives only a partial view of EU countries' public procurement performance.

Overall performance

Overall Performance (all 12 indicators combined)



For Slovenia, “Indicator [1]: Single bidder”, “Indicator [6]: Decision speed” and “Indicator [10]: Missing calls for bids” use 2016 data because, for technical reasons, Slovenian data for 2019 are not reliably available for these 3 indicators.

Overall performance is a sum of scores for all 12 individual indicators. By default, a satisfactory performance in an individual indicator increases the overall score by 1 point, while an unsatisfactory performance reduces it by 1 point.

The 3 most important indicators are triple-weighted (Single bidder, No calls for bids and Publication rate). This is because they are linked with competition, transparency and market access – the core principles of good public procurement.

Indicators 7 to 12 receive a one-third weighting. This is because they measure the same concepts from

different perspectives: participation by small firms (indicators 7 to 9) and data quality (indicators 10 to 12).

- **Green**: above 3
- **Yellow**: between 3 and -3
- **Red**: below -3

[Details of the methodology.](#)

Performance indicators

Overview



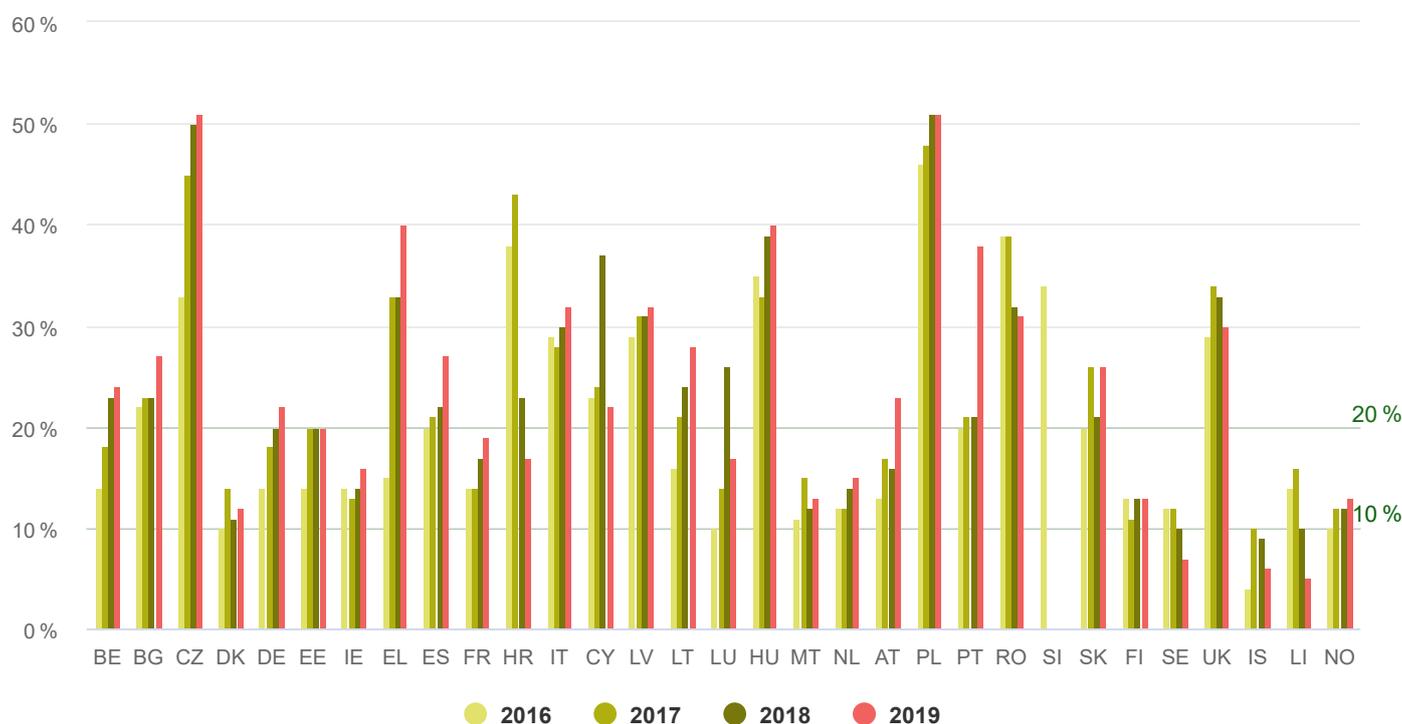
The colour thresholds are based on 2 factors:

- qualitative policy judgment on what constitutes good practice
- recent data for individual countries.

Indicator	Green	Red
[1] Single bidder	≤ 10 %	> 20 %
[2] No calls for bids	≤ 5 %	≥ 10 %
[3] Publication rate	> 5 %	< 2.5 %
[4] Cooperative procurement	≥ 10 %	< 10 %
[5] Award criteria	≤ 80 %	> 80 %
[6] Decision speed	≤ 120 days	> 120 days
[7] SME contractors	> 60 %	< 45 %
[8] SME bids	> 80 %	< 60 %
[9] Procedures divided into lots	> 40 %	< 25 %
[10] Missing calls for bids	≤ 3 %	> 3 %
[11] Missing seller registration numbers	≤ 3 %	> 3 %
[12] Missing buyer registration numbers	≤ 3 %	> 3 %

Indicator [1]: Single bidder

This chart measure the proportion of contracts awarded where there was just a single bidder (excluding framework agreements, as they have different reporting patterns).



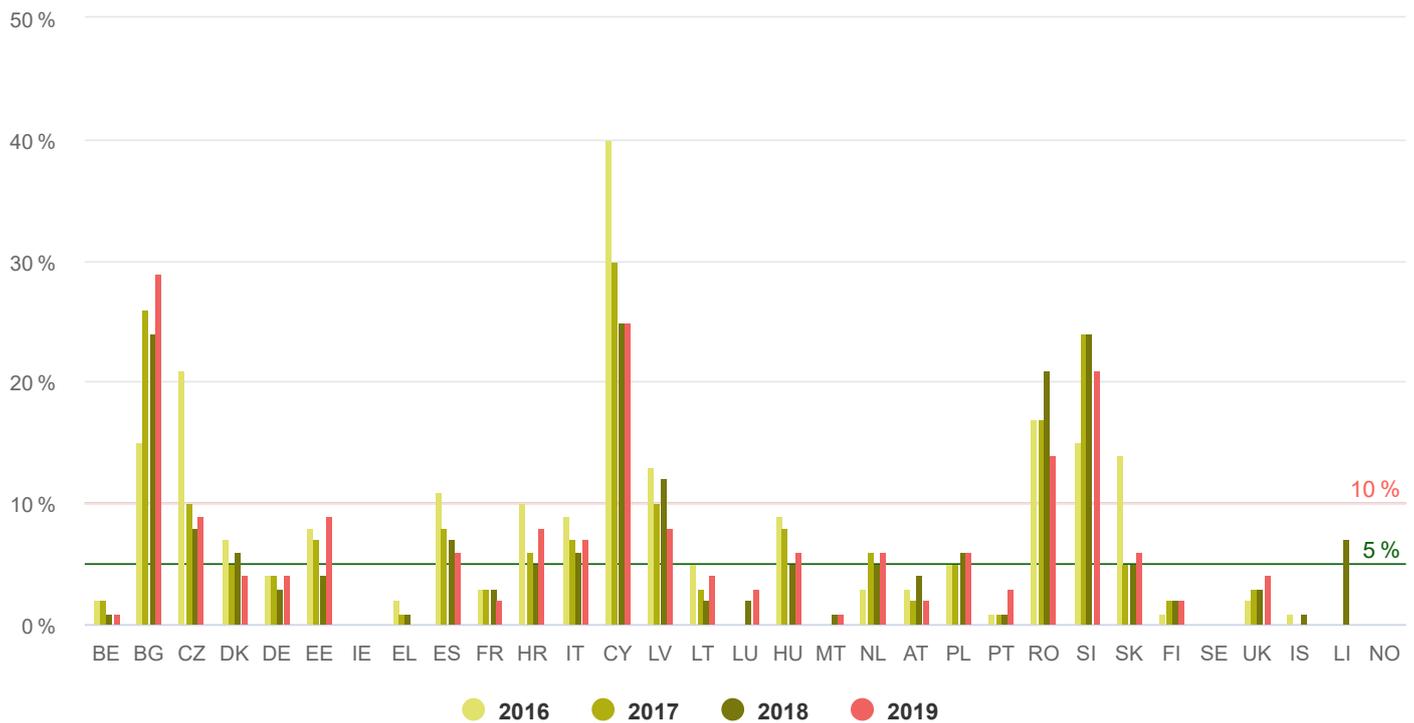
For technical reasons, Slovenian data for 2017, 2018 and 2019 are not reliably available.

The methodology used for “Indicator [1]: Single bidder” has been changed; direct awards are now excluded from the computation of this indicator.

More bidders are better, as this means public buyers have more options, and can get better value for money. The indicator reflects several aspects of procurement, including **competition** and **bureaucracy**.

Indicator [2]: No calls for bids

This chart measures proportion of procurement procedures that were negotiated with a company without any call for bids.

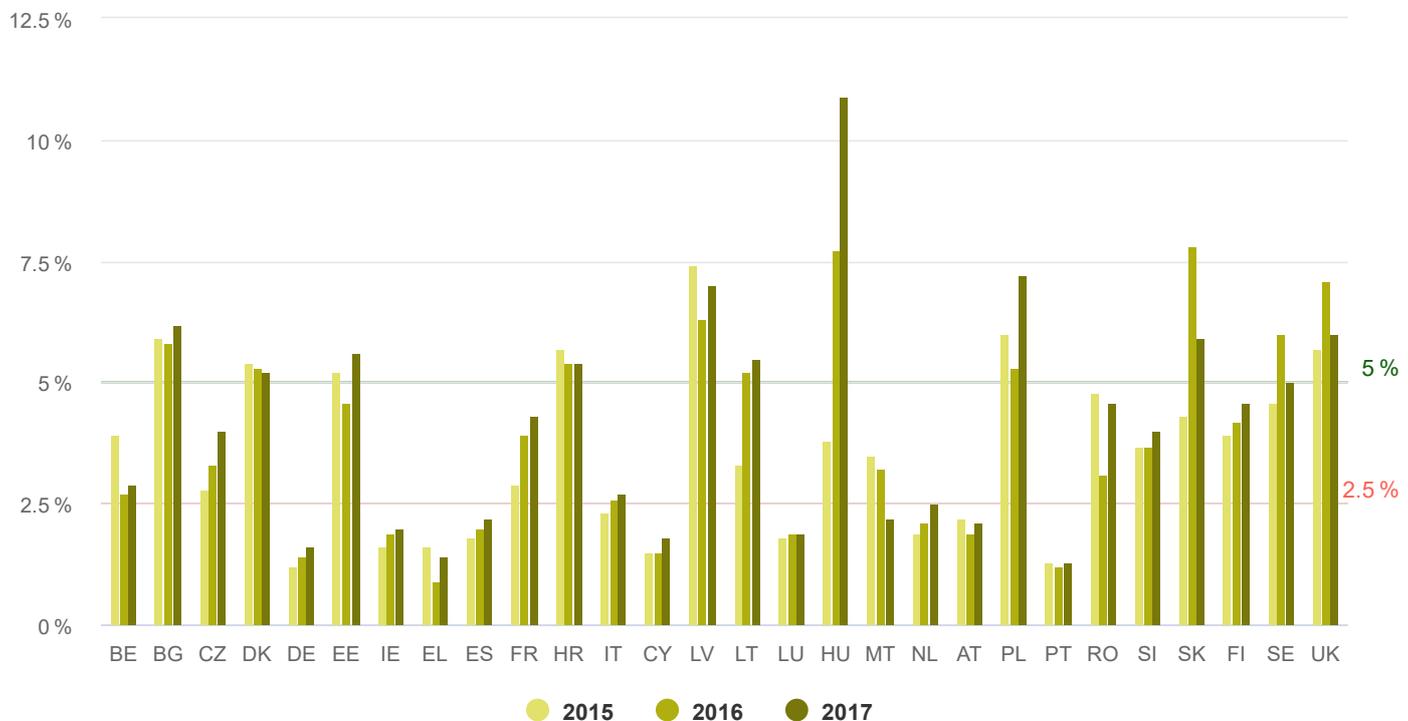


Calling for bids (or “calling for tenders”) before starting procurement negotiations is better, as it makes the bidder selection process more transparent and increases competition. This leads to better value for money. The indicator reflect several aspects of procurement, including **transparency** and **competition**.

Indicator [3]: Publication rate

This chart measures the value of procurement advertised on TED as a proportion of national gross domestic product (GDP).

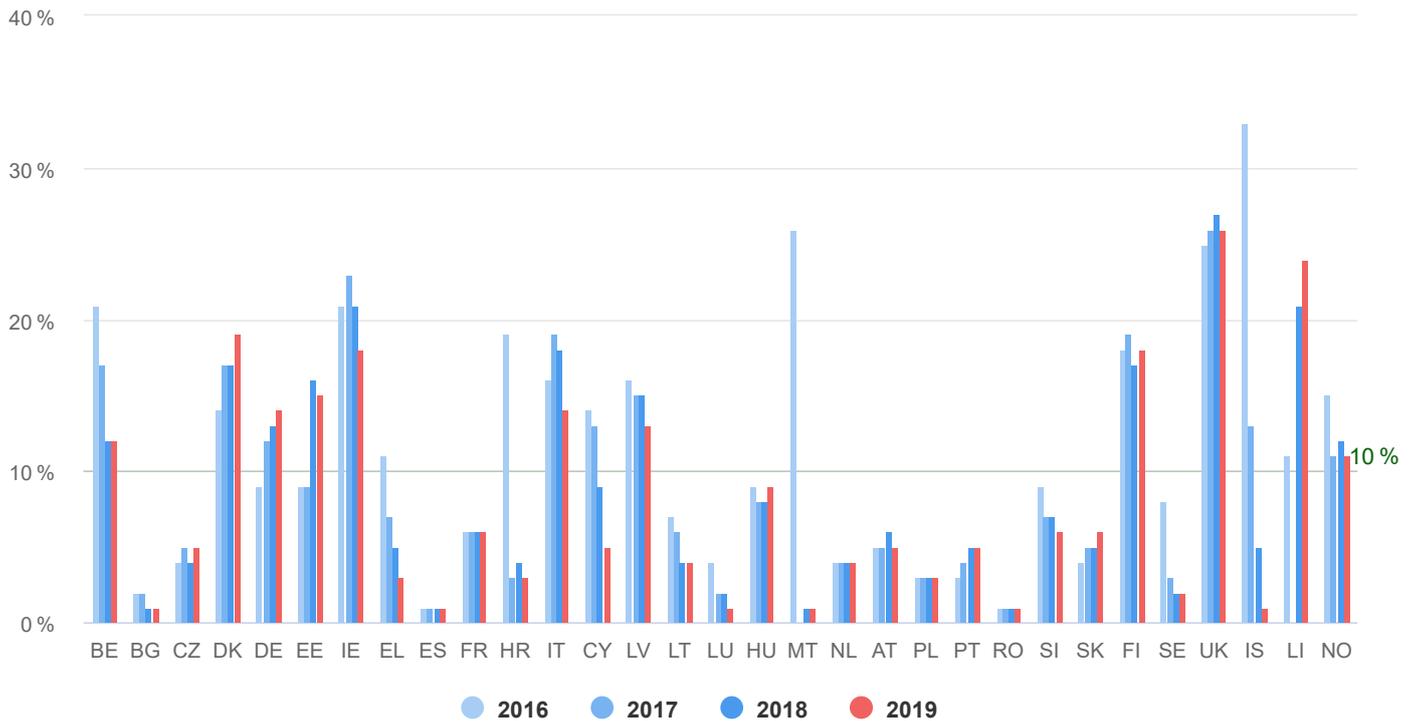
Owing to delays in data availability, these results are based on 2017 data. However, since this indicator is slow to change, the 2017 results are still relevant.



A higher score is better, as it means more companies can bid, bringing better value for money. It also means greater transparency, as more information is available to the public. This indicator reflects the value of national **public procurement advertised to businesses**, i.e. the accessibility and openness of public procurement markets.

Indicator [4]: Cooperative procurement

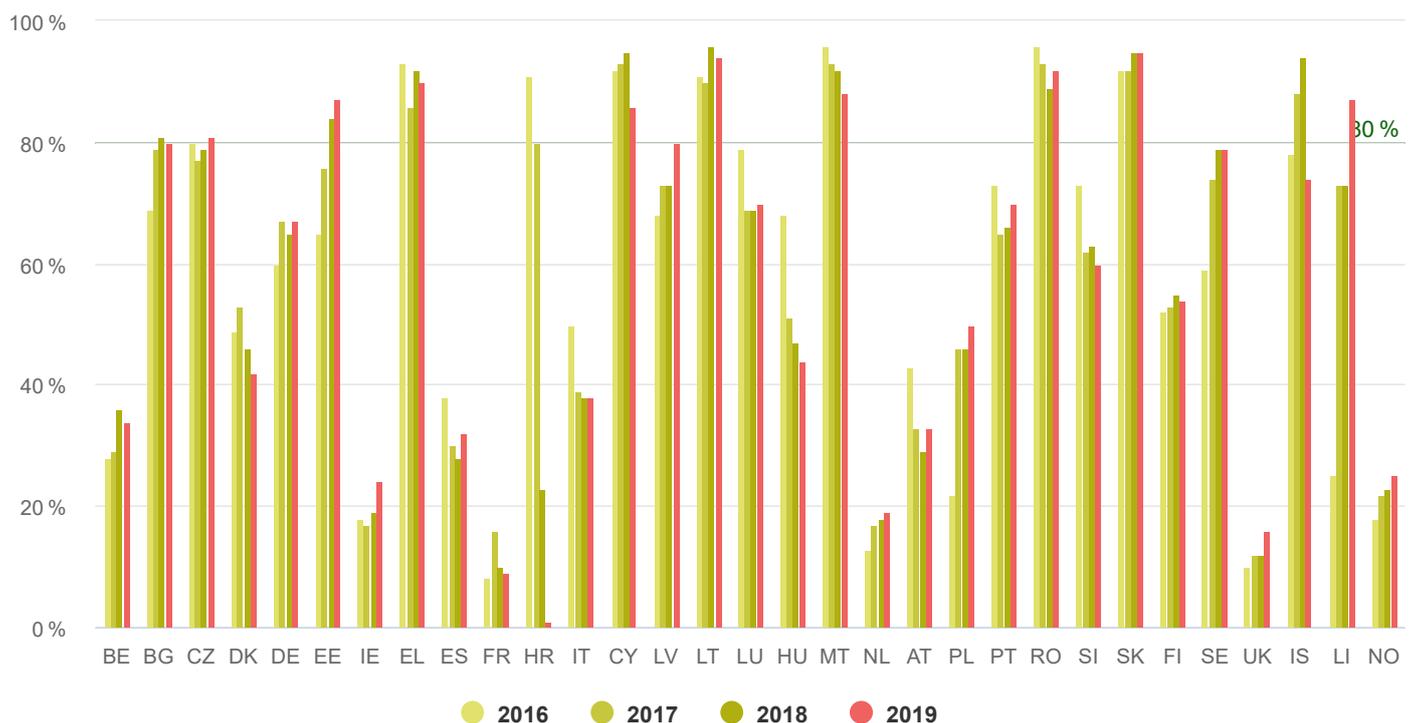
This chart measures the proportion of procurement procedures with more than one public buyer.



Although not all types of purchase are suitable for joint procurement, excessively low rates suggest lost opportunities. This indicator reflects **how often public buyers buy together**. Buying in bulk often leads to better prices and offers an opportunity to share knowledge.

Indicator [5]: Award criteria

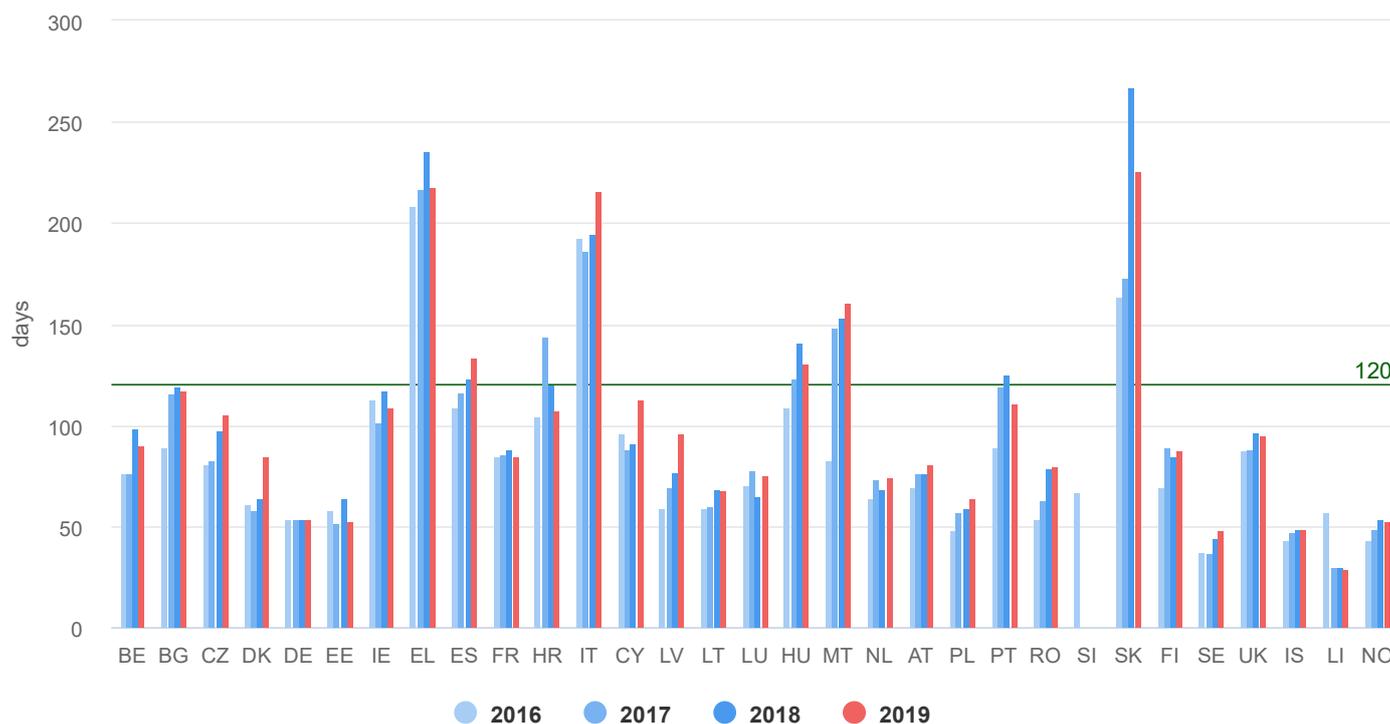
This chart measures the proportion of procedures awarded solely because the offer was the cheapest one available.



While the choice of criteria depends on what is being purchased, over-reliance on price suggests better criteria could have been applied, so a better purchase could have been made. The indicator reflects **how public buyers choose the companies they award contracts to**. Specifically, it shows whether they decide based on price alone, or whether they also take quality into account.

Indicator [6]: Decision speed

This chart measures the mean decision-making period, i.e. the time between the deadline for receiving offers and the date the contract is awarded. To ensure comparability, only notices published under the open procedure, which do not include framework agreements, are considered.

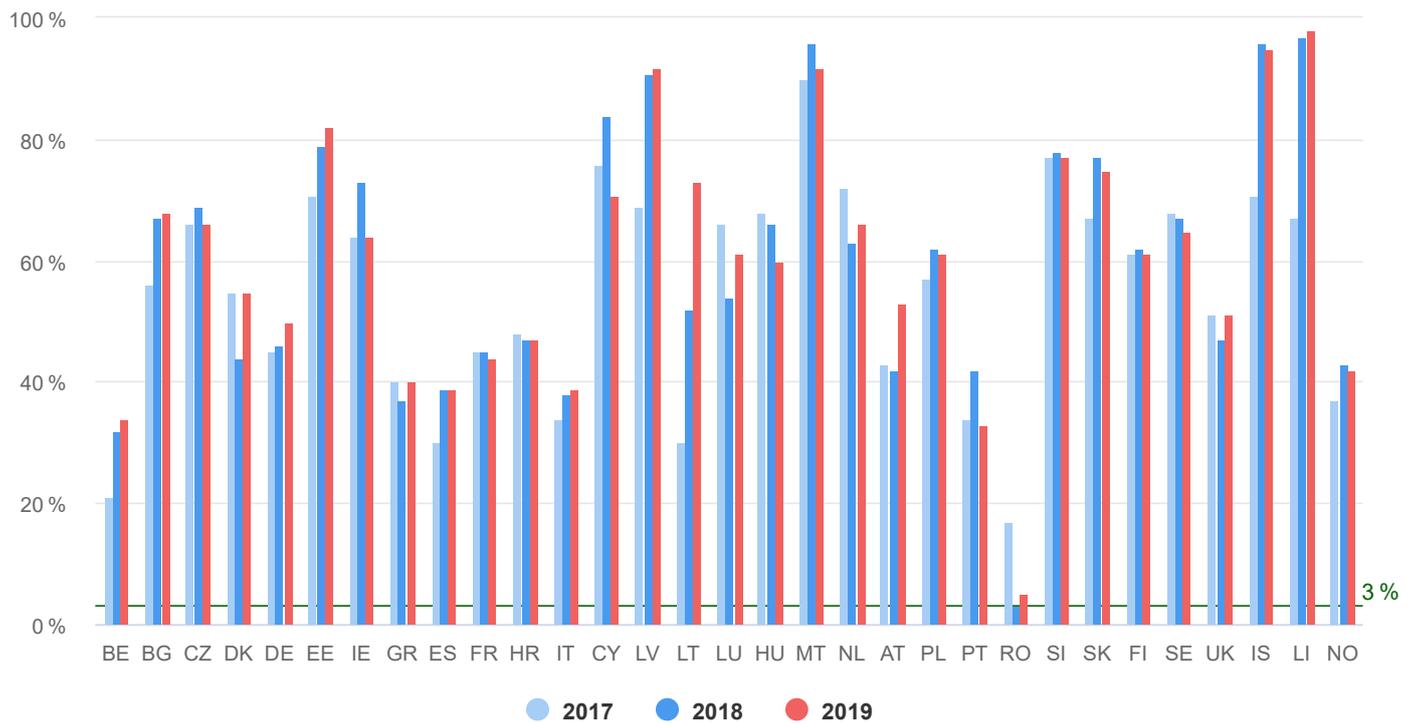


For technical reasons, Slovenian data for 2017, 2018 and 2019 are not reliably available.

Very lengthy procedures are bad because they are expensive and cause uncertainty for both the public buyers and companies. This indicator reflects the **speed of the public buyers' decision-making**.

Indicator [7]: SME contractors

This chart shows **how many contractors are smaller firms** (small and medium-sized enterprises – SMEs).



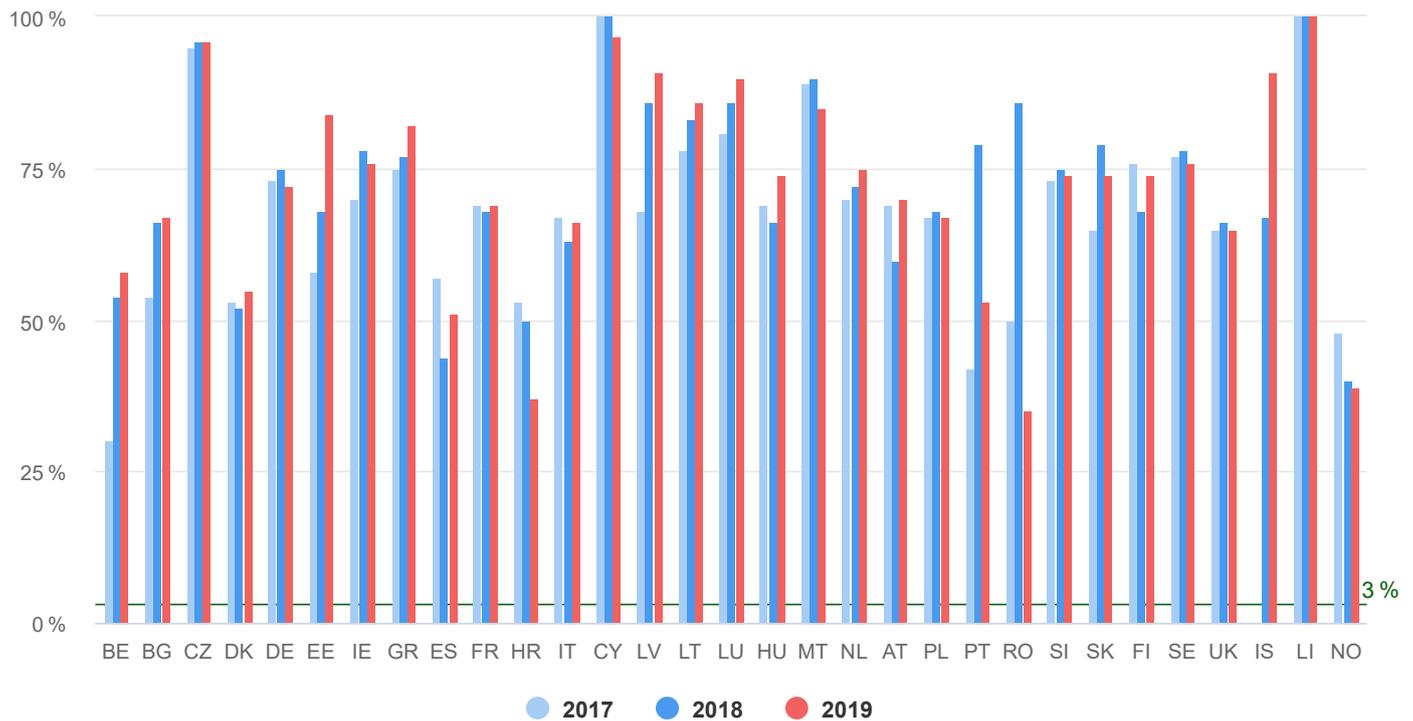
These data have only been available since 2017.

High percentages are desirable, as most companies in the EU fall into this category.

Low percentages could indicate barriers preventing smaller firms from participating in procurement procedures (e.g. red tape, calls for tender that are biased against smaller firms or low capacity among smaller firms to compete).

Indicator [8]: SME bids

This chart measures **proportion of bids from SMEs**.



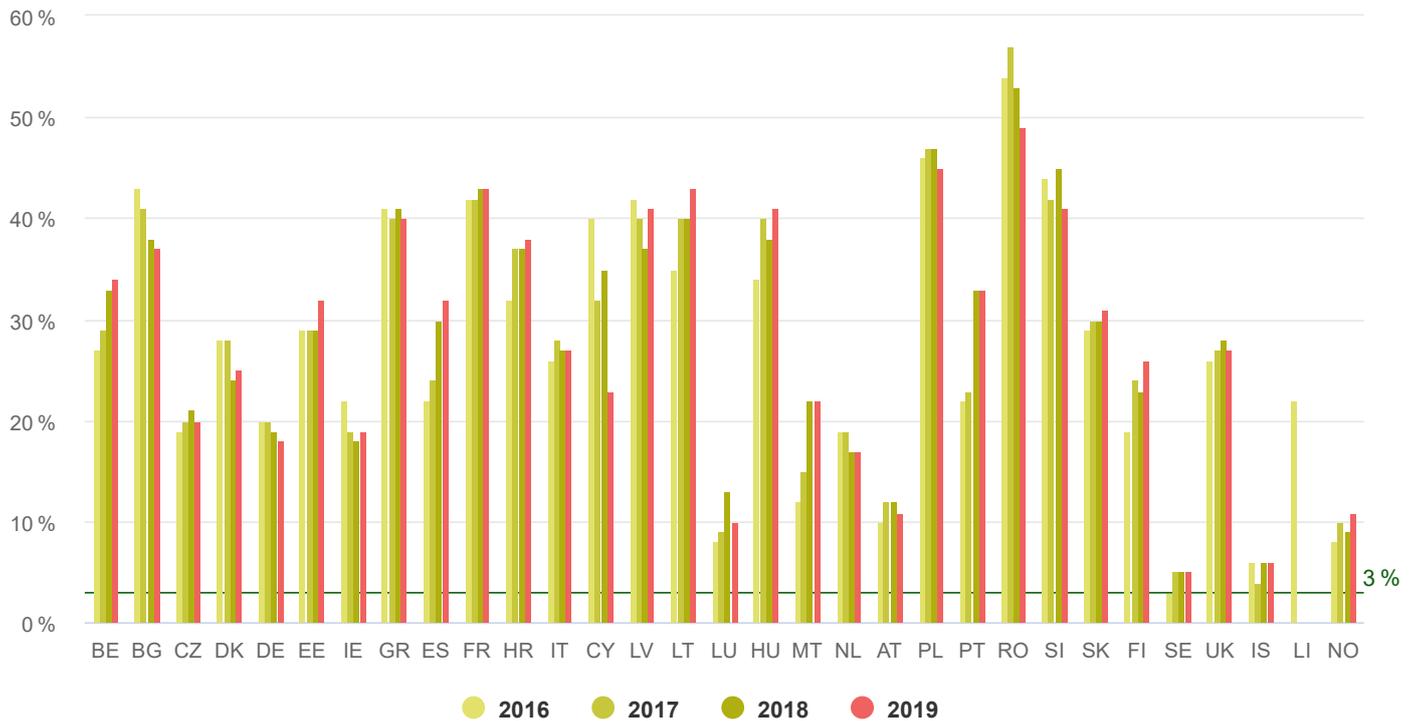
These data have only been available since 2017.

High percentages should be the rule, as most companies in the EU fall into this category.

Low percentages indicate barriers preventing smaller firms from participating in public procurement procedures (e.g. red tape, calls for tender that are biased against smaller firms or low capacity among smaller firms to compete).

Indicator [9]: Procedures divided into lots

This chart measures the **proportion of tenders that have been divided into lots**.

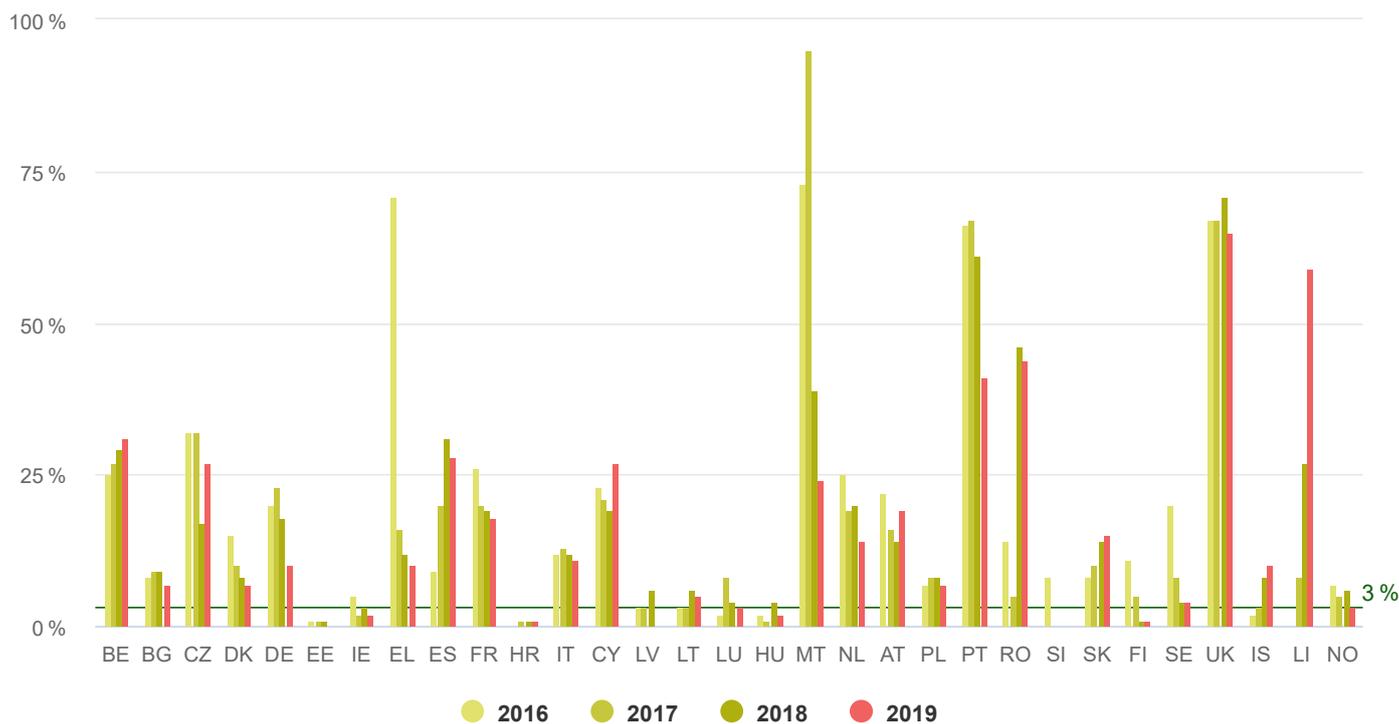


Lots are beneficial, particularly for SMEs, making it easier for them to make an offer.

Low percentages show that large companies are more easily able to bid for public contracts. This means that public buyers are missing the opportunities smaller firms can offer.

Indicator [10]: Missing calls for bids

This chart measures the proportion of contracts awarded after a call for tender whose name and conditions were not clear.

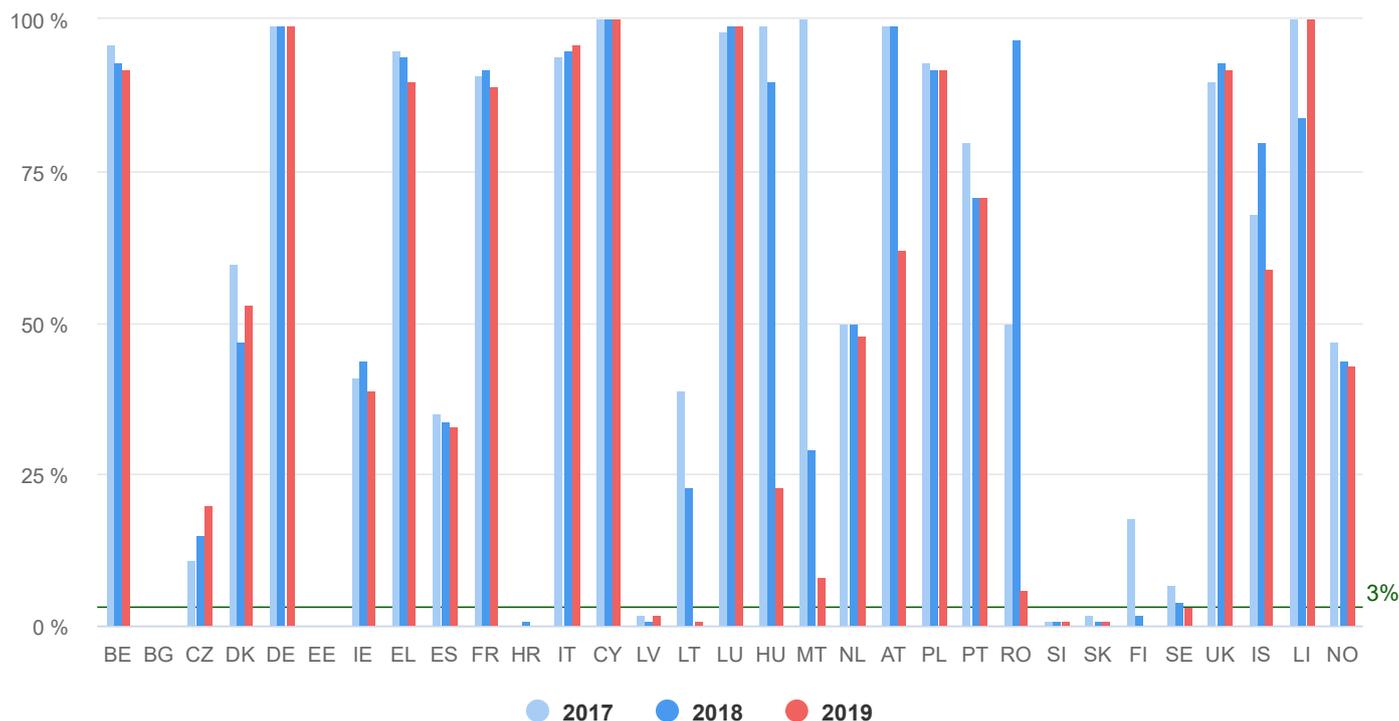


For technical reasons, Slovenian data for 2017, 2018 and 2019 are not reliably available.

A lower score is preferable, because it means businesses and the public can understand how contractors have been selected. However, a higher score suggests that public buyers are failing to provide enough information about their procurement activities, and are therefore in breach of EU law.

Indicator [11]: Missing seller registration numbers

This chart measures the proportion of procedures that did not include the registration number of a seller.

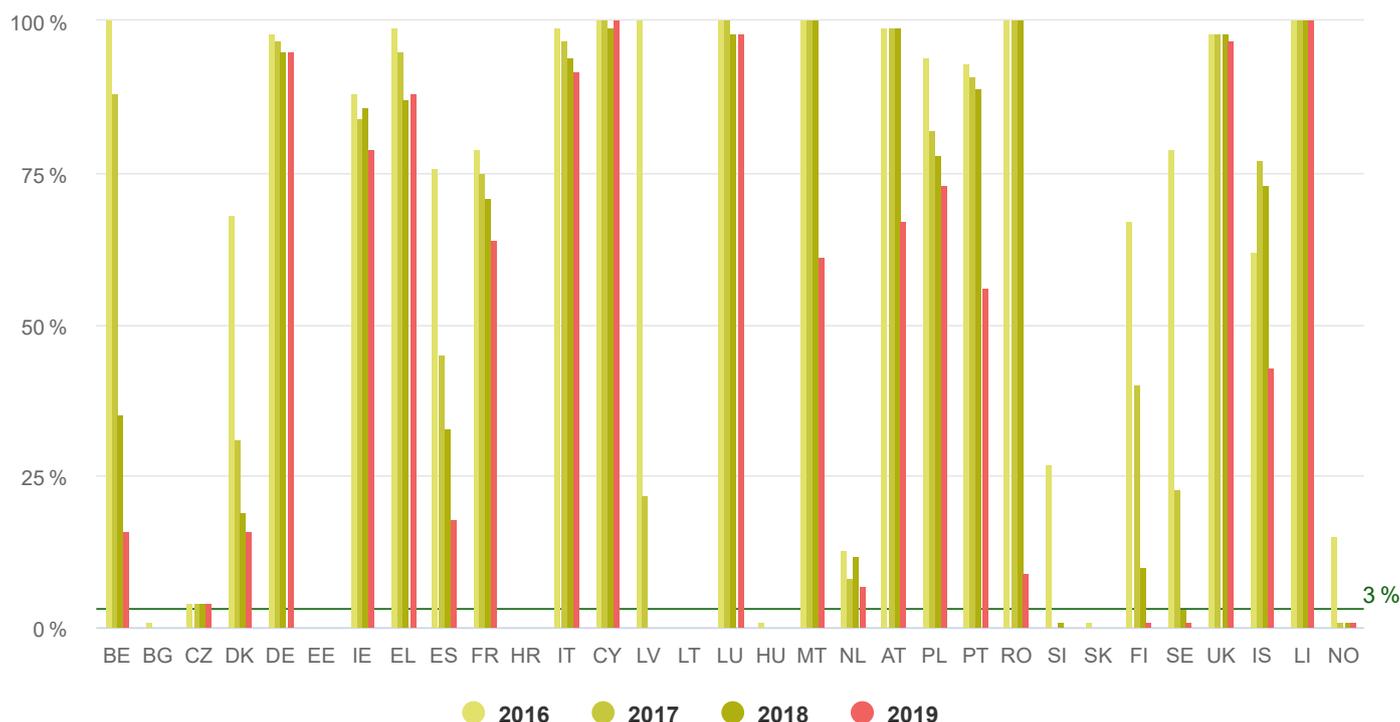


These data have only been available since 2017.

A lower score is preferable. Buyers' and sellers' registration numbers (provided by business registries) are crucial for understanding who is buying from whom across different procurement procedures. A higher score suggests that public buyers are failing to provide **enough information about the party selected, following a procurement procedure, to sell goods, works, or services** selected following a procurement procedure

Indicator [12]: Missing buyer registration numbers

This chart measures the proportion of procedures that did not include the buyer's registration number.



A lower score is preferable. Buyers' and sellers' registration numbers (provided by business registries) are crucial for understanding who is buying from whom across different procurement procedures. A higher score indicates that public buyers are failing to provide **enough information about their procurement activities**.

Priorities

Support the implementation of the 2014 directives

Most EU countries had completed the transition to electronic bid submission by October 2018. The priority now is to complete assessment of compliance with the 2014 directives to ensure that full implementation in the legal order of the 27 Member States produces tangible results in practice. This means simpler procedures, better value for money, and better access to tenders for SMEs.

Increasing transparency, efficiency and accountability in procurement

The aim is to make better use of data to:

- set up an ex-ante evaluation mechanism for large-scale infrastructure projects
- make national review systems more efficient (for details, see the [Single Market strategy](#))
- provide guidance on fighting collusion in public procurement.

Better access to non-EU procurement markets

The priorities are to:

- negotiate international agreements and encourage the reduction of red tape with key partners (e.g. China within the WTO GPA and through regulatory dialogue; Australia, New Zealand, Mercosur,

Chile and Indonesia through FTA negotiations);

- promote regulatory convergence, in particular with Brazil, India, Ukraine, Georgia and Africa;
- ensure consistency between our internal and external rules for public procurement (e.g. International Procurement Instrument proposal, GPA and FTA commitments).

Achievements

Public procurement directives

Significant progress was made in 2019 with assessing the compliance of the measures taken by Member States to transpose the 2014 directives on general, utility and concession contracts. Dialogues on particular issues were launched with several Member States.

External partners

Negotiations with China, North Macedonia, Russia, Kyrgyzstan and Tajikistan on joining the WTO's revised Government Procurement Agreement (GPA) have continued. The GPA Committee took a decision on the accession of the UK in its own right. Australia acceded to the GPA.

An agreement in principle was reached with Mercosur, while an agreement on the revised free trade agreement with Mexico was in the process of being finalised. An ambitious free trade agreement with Japan entered into force in February 2019. Progress was made on free trade negotiations with Chile and Indonesia.

Public procurement legislation compatible with EU rules was adopted in Ukraine, Serbia and North Macedonia.

Public procurement strategy

The ex-ante evaluation mechanism of large infrastructure projects, recently set up, has been used by contracting authorities in several Member States for assistance with projects in areas such as infrastructure, waste management, and transport.

eProcurement

Increasing use of digital procurement provides faster access to procurement opportunities, makes more information available, and improves traceability. Moreover, emerging technologies have the potential to introduce significant changes in the procurement life cycle, with significant benefits for both buyers and suppliers. The e-invoicing Directive improves ease of payment within the EU, both within and between countries.

More information on Public Procurement

The indicators show how different EU countries are performing on key aspects of public procurement.

Although the picture they give is rather simplified, they nonetheless highlight basic aspects of countries' procurement markets.

All indicators are based on notices published in the [Tenders Electronic Daily](#) (TED) database, under four EU Procurement Directives ([general](#), [sectoral](#), [concessions](#) and [defence](#)).

These data are available at the [EU Open Data Portal](#). More data and indicators are also available at [opentender.eu](#), an EU-funded research project.

For more information on public procurements rules, see [Your Europe](#).