

International Seminar of 3rd June 2015 in St. Petersburg

« Audit of public procurement at regional and local level »

Session 1 : Public sector procurement audit in EURORAI member countries – approach and practical experiences

CONCLUSION / SUMMARY

In fact, the fundamental principle in the public procurement procedure relates to transparency. That one has to be given throughout the whole tendering process. It has to allow proper competition thanks to the advertisement aimed at attracting bidders. It must allow bidders to know which basis they will be rated on, in order to, if necessary, defend their rights and interests.

Another consequence of the transparency principle is the obligation made to the contracting authority to establish accurate policies linked to each particular market put in competition. Throughout the whole process, these policies must not be changed. From this perspective, the contracting authority provides the bidders with all necessary information allowing them to submit a valid bid meeting its requirements and expectations. Moreover, the contracting authority should be able to provide at all time with all the documentation allowing the traceability of decisions and the explanation of results.

That transparency might be lacking. And the contracting authority might be sentenced to pay compensation amounting tens or hundreds of thousands of EUROS to companies that would have been cheated in the awarding of contracts.

But that transparency might also be lacking at bidders level, in particular when they try to distort the competition using unfair business arrangements such as cartel agreements. In Switzerland, a federal commission fight against these abuses and severely punishes cartels.

It's a bit of a cat and mouse game between the public authorities seeking for a delivery on best obtainable terms and conditions, and the suppliers wanting to get the highest price for them.

To conclude, I believe that public procurement is one of the best anti-corruption instruments.

In any event, I would like to warmly thank all of the speakers for the quality of their presentation and remind you, as Emile-Auguste Chartier said, that *"Any power without control drives mad"*.

Moderator

Christian Melly,

Former President of EURORAI

Head of the Financial Inspectorate of the Valais Canton (Switzerland)