competitive procurement contracts have been identified as a source of concern for reasons of transparency, democratic oversight, value for money and corruption risks.

Procurement officials authorised to make single-source decisions have great power over which companies receive the most lucrative contracts. Without evaluative guidance and oversight, individual preference can easily become part of their decision. Receiving lucrative contracts without facing competition is highly desirable from the vendor’s point of view. Companies can see the benefit of cutting out the risk of losing a bid by influencing and/or bribing key officials to obtain a non-competitive contract. Ongoing, long-term relations between a vendor and a procurement official may provide for the continual award of such contracts in exchange for personal gain.

Framework contracts are standing agreements used as a basis for goods and services purchases as needs arise. Such agreements can save time and money by eliminating numerous bidding processes. However, some experts are concerned that they may represent “a huge growing wedge of contract dollars” that lack transparency and are unaccountable regarding competition. Prices are often not fixed before frameworks are drawn up, leaving the agreements open to corruption risk. However, it was noted that electronic reverse auctions based on price may only cure problems that framework agreements are supposed to address.

Competitive bidding or restrictive competitive bidding involve prequalification of vendors and are considered to offer fewer chances to favour a company seeking to influence the right people. Usually, competitive processes also include various levels of supervision, with expert bodies evaluating bids for quality, specificity and value for money. Furthermore, companies that are not awarded a contract theoretically have the opportunity to call public and judicial attention to their concerns about potential irregularities. Due to the different layers of appraisal, corruption is considered more difficult to conceal. However, diverse sets of corruption risk remain at the various stages of the procurement process and integrity depends on the application and objectivity of the selection criteria. Furthermore, this does not prevent accomplices within the procuring entity calling for tenders. Nor can agreements between the different bidders, with a view to reciprocating benefits in the framework of the public works, be excluded either.

Experts shared the view that competitiveness, notably by means of advertising and opening markets, as well as transparency through clear and foreseeable contract conditions, should be promoted as best practice and a means of achieving value for money. However, they suggested that further