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Integrity Watch Red Flags: a new tool to monitor EU public procurement

Janina Berg · Thursday, March 31st, 2022

Each year in the EU, over 250,000 public authorities spend roughly 2 trillion euros buying goods and services for public projects. From schools and hospitals to power plants and dams, this means big budgets and complex plans, providing opportunities for mismanagement and procedural irregularities that can potentially lead to instances of fraud and even corruption.

Contracts to suppliers can be awarded without fair competition. This allows companies with political connections to triumph over their rivals, or companies within the same industry can rig their bids, increasing the cost of goods and services. It estimated that fraud can add as much as 50 per cent to a project's costs. But corruption in public procurement is not merely a financial matter. It also reduces the quality of public services, distorting markets and deterring future investments. At a time when trust in public administration and institutions is fragile at best, it is vital to provide citizens, journalists and civil society and national enforcement authorities with the means to monitor of public procurement in the EU.

This is why Transparency International (TI) has developed Integrity Watch Red Flags: a real-time public procurement monitoring tool that flags EU tendering procedures for potential risks of fraud and corruption. Our new platform is designed to help navigate the hundreds of thousands of procurement documents published on the EU's e-procurement portal since 2020. Key features of the new platform are:

- Nearly 40,000 contracts and contract awards funded by the EU's budget in all EU Member States.
- Over 320,000 contracts and contract award notices funded by national budgets in Bulgaria, Greece, Italy, Lithuania, Latvia, Poland, Portugal, Romania and Slovenia.

- Fully interactive maps, graphs and charts that allow users to filter the data by country, region*, economic sector, authority type, contract type and red flag risk indicator.
- Data is updated in near-real time every day at midnight.
- 20 Risk indicators based on a methodology originally developed by our partners Transparency International Hungary, K-Monitor and Petabyte.

The tool has been developed within the framework of the Integrity Pacts project, which seeks to increase transparency and accountability of public procurement by promoting civic monitoring mechanisms in tendering procedures. As the EU embarks on its single largest funding programme, Integrity Watch Red flags aims to help all those involved in safeguarding public funds by helping to identify which economic sector(s), contracting authorities, funding programmes and tendering

procedures are potentially at risk. The objective being to promote good governance and support a sustainable recovery for millions of citizens across the EU.

*regional level maps are not available in Lithuania and Latvia.

This entry was posted on Thursday, March 31st, 2022 at 9:32 pm