

Information on the overall statistical evaluation of the public procurement in the Slovak Republic in 2006

On a basis of the Resolution of the Slovak Government No. 228 dated on 7 March 2001, task C.2, the Office for Public Procurement (hereinafter referred to as the Office) submitted to the Cabinet Council “*Information on the overall statistical evaluation of the public procurement process in the Slovak Republic in 2006*” (hereinafter referred to as the Information). The Cabinet discussed and noted the submitted document at its 47th session on the 6 June 2007.

An abridged version of the Information has been translated into English.

The Office evaluated the public procurement following unpublished contract award notices and following contract award notices published in the *Slovak Journal of Public Procurement*. Notices were published pursuant to the *Act No. 25/2006 Coll. on public procurement and on modification and amendment of certain acts* (hereinafter referred to as the Act), which came into force since the 1 February 2006, and partly also pursuant to the *Act No. 523/2003 Coll. on public procurement and on amendment of the Act No. 575/2001 Coll. on the organisation of activities of the government and on the organisation of central state administration, as amended*, which had been valid until 31 January 2006, pursuant to the *Commission Regulation No. 1564/2005/EC of 7 September 2005 establishing standard forms for the publication of notices in the framework of public procurement procedures, pursuant to Directives 2004/17/EC and 2004/18/EC of the European Parliament and of the Council* and pursuant to the *Decree of the Office for Public Procurement No. 35/2006 Coll. on notices used in public procurement*.

At requests of contracting authorities and contracting entities, the Office did not publish contract award notices regarding non-priority services (pursuant to the Annex No. 3 of the Act). Unpublished notices represented 17,8 % of the total number of assessed notices.

Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts and *Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors* were fully implemented by the Act.

The Information is divided into next four parts:

1. Evaluation of results of public procurement; which contains an overall assessment of the public procurement and includes summary overviews and data about contracting authorities and contracting entities (hereinafter both referred to as subjects) who are obliged to apply public procurement rules and procedures.

2. Classic sector – evaluation of public procurement; category is divided into two main types of subjects *national authorities* and *regional or local authorities* pursuant to requirements of the European Commission.

In this part, there are also stated data on *other subjects*. This category comprises two groups of subjects; first group are other subjects which are neither contracting authorities nor contracting entities pursuant to the Act, but any contracting authority has provided them with more than 50 % of funds for the supply of supplies, to undertake works or to provide services,

e.g. by the use of EU funds, or on the basis of other provided subsidies, second group are other subjects, so called non-obligatory subjects who voluntarily apply public procurement procedures.

Summing up classic sector are:

National authorities

- ministries or other state authorities including their departments, i.e. the Slovak Republic represented by its authorities – pursuant to the Article 6 (1) a) of the Act;
- national agencies/offices governed by public law – pursuant to the Article 6 (1) d) of the Act;

Regional or local authorities

- municipalities and higher territorial units – pursuant to the Article 6 (1) b) and c) of the Act;
- bodies governed by public law - pursuant to the Article 6 (1) d) of the Act;
- associations of legal persons - pursuant to the Article 6 (1) e) of the Act;

Other subjects

- subjects, which are neither contracting authorities, nor contracting entities and any contracting authority provided them with more than 50 % of funds – pursuant to the Article 7 of the Act;
- subjects voluntarily proceeding pursuant to the Act.

3. Utilities – evaluation of public procurement; contains an assessment of subjects operating in the water, energy, transport and postal services sectors (hereinafter referred to as utilities) pursuant to *the Annexes of Directive 2004/17/EC of the European Parliament and of the Council*, defining activities which are objects of public procurement:

- I Production, transport and distribution of gas and heat.
- II Production, transport and distribution of electricity.
- III Production, transport and distribution of drinking water.
- IV Railway services.
- V Urban transport (railway, tramway, trolleybus and bus).
- VI Postal services.
- VII Exploration and extraction of oil and gas.
- VIII Exploration and extraction of coal and other solid fuels.
- IX Sea and inland port-related activities.
- X Airport-related activities.

4. Enterprises in public procurement; assessment of enterprises which succeeded in public procurement.

Subdivision of entities of classic sector and utilities is being done also in accordance with the ESA 95 (Institutional sub-sectors of System of National Accounts).

Objects of contracts – supplies, services and works - were classified in accordance with the ***Common Procurement Vocabulary (CPV)*** [*Commission Regulation (EC) No 2151/2003 of 16 December 2003, amending Regulation (EC) No 2195/2002 of the European Parliament and of the Council on the Common Procurement Vocabulary (CPV)*].

The Information contains data on the public procurement above and below EU-thresholds. In the overall value of the below EU-thresholds procurement, there are included data on contracts delivered to the Office pursuant to the Act. Therefore Information does not contain data on **small-value contracts**, i.e. procurement of supplies and services of an esti-

mated contract value excluding VAT up to 1 mil. SKK and procurement of works up to 4 mil. SKK excluding VAT, as this data are not available to the Office.

Values of contracts concluded on the basis of framework agreements/ framework contracts (hereinafter referred to as subsequent contracts) were not included into the overall statistical calculations, they were assessed and stated separately.

All contract values are stated in SKK excluding VAT at current prices.

Some data are partially compared with 2005.

1. Evaluation of results of public procurement

The Information was prepared on the basis of data stated in contract award notices. The number of 10 480 notices were processed in total (of which: 13 related to design contests and 1 to works concession), which represented 80.6 % of the 12 997 notices prepared in 2005. In 2006 there were: 511 notices on the cancellation of a tender (including 4 cancelled design contests and 1 cancelled works concession), 5 530 contract award notices (including 1 528 notices on below the national limits contracts) and 4 439 contract award notices on the conclusion of subsequent contracts on the basis of valid framework agreements (9 969 contract award notices in total). There was a decrease in the number of contract award notices by 2 517 (19.4 %). (Table No. 5)

Notices were sent by 1 622 subjects, which is an increase of 26 subjects, compared with 2005.

A summary of active subjects in 2006 in comparison with 2005 is given in the table No. 1 below.

Table No. 1

| Year | 2006 | | 2005 | |
|--|-----------------|--------------|--------------|--------------|
| | Active subjects | | | |
| Subjects | Number | % | Number | % |
| Slovak Republic represented by its authorities | 321 | 19,8 | 426 | 26,7 |
| Bodies governed by public law | 126 | 7,8 | 238* | 14,9* |
| State administration | 447 | 27,6 | 664 | 41,6 |
| Municipalities and higher territorial units (105 subjects) | 794 | 49,0 | 656 | 41,1 |
| Bodies governed by public law | 71 | 4,4 | x | x |
| Associations of legal persons | 46 | 2,8 | 20 | 1,3 |
| Regional or local authorities | 911 | 56,2 | 676 | 42,4 |
| Classic sector | 1358 | 83,7 | 1 340 | 84,0 |
| Utilities | 67 | 4,1 | 108 | 6,7 |
| Total | 1425 | 87,9 | 1448 | 90,7 |
| Subsidies provided by contracting authorities | 189 | 11,7 | 120 | 7,5 |
| Voluntarily proceeded subjects pursuant to the Act | 8 | 0,5 | 28 | 1,8 |
| Other subjects | 197 | 12,1 | 128 | 9,3 |
| Overall total | 1622 | 100,0 | 1 596 | 100,0 |

* Data were not sub-divided in 2005.

A summing-up of data on the public procurement in 2006 for the classic sector, utilities and other subjects is given in Annexes No. 1 to 10.

The total number of contract award notices was 10 466 including subsequent contracts (this number does not involve notices on design contests and concessions, i.e. 14 notices) in 2006. Thereof 5 521 procedures were completed in total. Contracts were concluded pursuant to the *Commercial Code* and the *Civil Code* (the abbreviation CC is used in tables) in 5 037 of these completed procedures, framework agreements/ framework contracts were concluded in 484 completed procedures (the abbreviation FA is used in following tables). Furthermore 4 439 notices on subsequent contracts were sent (the abbreviation SC is used in following tables).

In 2006, subjects of the classic sector and utilities, including other subjects concluded contracts of an overall total value 101 742 mil. SKK, which is 3,0 % less in comparison with the previous year. (Table No. 2 and Annexes No. 5 and 7)

However, this cannot be considered as a decrease as in comparison with the previous year marked increase in the draw-down of structural funds and the Kohesion fund was noticed.

Table No. 2

| Year | 2006 | | 2005 | |
|--|--------------------|--------------|--------------------|--------------|
| | Value | Share | Value | Share |
| | Thousand SKK | % | Thousand SKK | % |
| Slovak Republic represented by its authorities | 18 346 419 | 18,0 | 24 558 040 | 23,4 |
| Bodies governed by public law | 19 608 908 | 19,3 | *24 443 412 | 23,4 |
| <i>State administration</i> | 37 955 327 | 37,3 | 49 001 452 | 46,8 |
| Municipalities and higher territorial units | 20 369 367 | 20,0 | 20 345 131 | 19,4 |
| Bodies governed by public law | 1 266 203 | 1,3 | *x | x |
| Associations of legal persons | 310 797 | 0,3 | 317 306 | 0,3 |
| <i>Local authorities</i> | 21 976 367 | 21,6 | 20 662 437 | 19,7 |
| <i>Classic sector</i> | 59 901 694 | 58,9 | 69 663 889 | 66,5 |
| <i>Utilities</i> | 37 207 362 | 36,6 | 31 521 979 | 30,1 |
| Total | 97 109 056 | 95,5 | 101 185 868 | 96,6 |
| Subsidies provided by contracting authorities | 2 832 435 | 2,8 | 3 447 846 | 3,3 |
| Voluntarily proceeded subjects pursuant to the Act | 1 800 889 | 1,8 | 137 071 | 0,1 |
| <i>Other subjects</i> | 4 633 324 | 4,5 | 3 584 917 | 3,4 |
| Overall total | 101 742 380 | 100,0 | 104 770 785 | 100,0 |

* Data were not sub-divided for 2005.

A value of contracts concluded by above EU-thresholds procedures was 60 233 mil. SKK, which represents 59,2 % of an overall total value of contracts. The 640 above EU-thresholds procedures represent only 11,6 % of a total number of contracts.

A total value of contracts concluded by below EU-thresholds procedures was 41 509 mil. SKK (40,8 %) in 4 881 completed procedures. A total value 7 112 mil. SKK of below EU-thresholds procedures partly includes also results of below national limits procedures without results of small-value contracts, which are not available to the Office. (Table No. 3)

Table No. 3

| Year | 2006 | | | | | |
|-------------------------------|---------------------|-------------|---------------------|-------------|--------------------|--------------|
| | Above EU-thresholds | | Below EU-thresholds | | Total | |
| Public procurement procedures | Value | Share | Value | Share | Value | Share |
| Entities | Thousand SKK | % | Thousand SKK | % | Thousand SKK | % |
| Classic sector | 26 508 733 | 26,0 | 33 392 962 | 32,8 | 59 901 695 | 58,9 |
| Utilities | 31 702 618 | 31,2 | 5 504 742 | 5,4 | 37 207 361 | 36,6 |
| Other subjects | 2 022 301 | 2,0 | 2 611 023 | 2,6 | 4 633 324 | 4,5 |
| Total | 60 233 652 | 59,2 | 41 508 728 | 40,8 | 101 742 380 | 100,0 |

The 506 tenders were cancelled. The most frequent reason of cancellation was a change of circumstances under which the public procurement was announced (44,5 %).

According the number of completed procedures, the most frequent object of public procurement were supplies – 2 055 (37,2 % - 20 969 mil. SKK), whereas according contract values, the highest total contract value was scored by works (29,2 % - 54 751 mil. SKK with 1 615 completed procedures). (Annexes No. 5 and 6 and table No. 4)

Table No. 4

| Year | 2006 | | | | | |
|---------------------|--|--------------------|--------------|-------------|--------------|--|
| | Subject | Value | | Procedures | | |
| | | Thousand SKK | % | Number | % | |
| Above EU-thresholds | supplies | 15 674 041 | 15,4 | 274 | 5,0 | |
| | Services | 21 688 430 | 21,3 | 332 | 6,0 | |
| | Works | 22 871 181 | 22,5 | 34 | 0,6 | |
| | Total | 60 233 652 | 59,2 | 640 | 11,6 | |
| Below EU-thresholds | Supplies | 5 295 105 | 5,2 | 1781 | 32,2 | |
| | Services | 4 334 224 | 4,3 | 1519 | 27,5 | |
| | Work | 31 879 399 | 31,3 | 1581 | 28,7 | |
| | Total | 41 508 728 | 40,8 | 4881 | 88,4 | |
| Total | Supplies | 20 969 146 | 20,6 | 2055 | 37,2 | |
| | Services | 26 022 654 | 25,6 | 1851 | 33,5 | |
| | Of which: | | | | | |
| | Priority services, categories 1 to 16 | 16 594 994 | 16,3 | 1105 | 20,0 | |
| | Non-priority services, categories 17 to 27 | 9 427 660 | 9,3 | 746 | 13,5 | |
| | Works | 54 750 580 | 53,8 | 1615 | 29,3 | |
| | Total | 101 742 380 | 100,0 | 5521 | 100,0 | |

A positive consequence of the Act is a significant fall in the area of application of non-competitive proceeding – the negotiated procedure without publication. A decrease of 56,0 % was registered in a comparison with the previous period. Contracts of a value 20 780 mil. SKK were concluded using this procedure, which represents 22,5 % of a total value of the public procurement. The Act established an obligation to notify the Office on the commencement of the negotiated procedure without publication prior to the conclusion of contract for contracting authorities and contracting entities and this had a favourable impact on the decrease.

Can be stated that the open procedure was the most frequently used public procurement procedure, which was used in 2 680 cases (62,2 %), 2 246 (83,8 %) of them were completed and 434 (16,2 %) were cancelled. (Table No. 5 and Annex No. 8.)

Table No. 5

| Year | 2006 | | | | | | 2005 | |
|--|----------------|--------------|-------------|--------------|------------|-------------|-------------|--------------|
| | Value | | Completed | | Cancelled | Total | | |
| | Thousand SKK | % | Number | % | Number | Number | Number | % |
| Open procedure | 55 365 50 | 59,8 | 2 246 | 59,1 | 434 | 2 680 | 3 862 | 53,8 |
| Restricted procedure | 7 888 511 | 8,5 | 266 | 7,0 | 60 | 326 | 425 | 5,9 |
| Negotiated procedure with publication | 8 518 079 | 9,2 | 46 | 1,2 | 10 | 56 | 67 | 0,9 |
| Negotiated procedure without publication. without SC | 20 779 812 | 22,5 | 1243 | 32,7 | 0 | 1243 | 2 826 | 39,4 |
| Tender dialogue | 26 438 | 0,0 | 1 | 0,0 | 2 | 3 | 0 | 0,0 |
| Total procedures | 92 578 | 100,0 | 3802 | 100,0 | 506 | 4308 | 7180 | 100,0 |
| Below national limits contracts | 7 111 511 | | 1528 | | 0 | 1528 | - | - |
| Non-priority services (only BT procedures*) | 2 052 519 | | 191 | | 0 | 191 | - | - |
| Overall total | 101 742 | | 5521 | | 0 | 6027 | - | - |
| Subsequent contracts | 9 234 806 | | 4439 | | 0 | 4439 | 4862 | |
| Design contract | 4 870 | | 9 | | 4 | 13 | 16 | |
| Concession | 0 | | 0 | | 1 | 1 | | |

* Only BT procedures – procedures below national thresholds only

An assessment of the public procurement with regard to drawings of EU funds on the basis of contract award notices is as follows: 116 cancelled procedures and 1 131 completed procedures, of which the share of the total value was 32 689 mil. SKK (32,1 %), which is an increase in the use of funds by 60,9 % in comparison with 2005 (20 320 mil. SKK). (Annex No. 9)

A number of 223 contracts of a total value 7 498 mil. SKK were concluded with abroad registered tenderers, which represents 7,4 % of a total value of public procurement. The most successful tenderers came from the Czech Republic, in 153 procedures of a total value 3 934 mil. SKK.

The share of 97,4 % of procedures in this category were concluded with tenderers from member states. (Annex No. 10)

2. Classic sector – evaluation of results of public procurement

The public administration is assessed in a detail within subjects of classic sector, where subjects of national authorities and of regional or local authorities are assessed separately. Data on subjects of classic sector are given in Annexes No. 11 to 17.

Other subjects are not described separately as they only represent a small percentage of public procurement. Data are given in Annexes No. 11 to 16.

The number of 4 501 concluded procedures with subjects of classic sector by which contracts were concluded represent 81,5 % of a total number of completed procedures in

2006. Framework agreements were concluded in 267 cases. The 385 procedures were cancelled. (Table No. 6)

Table No. 6

| Year | 2006 | | | | |
|---------------------------------------|--------------|-------------------|--------------|--------------|--------------|
| | Object | Value | | Procedures | |
| | | Thousand SKK | % | Number | % |
| Above EU-thresholds procedures | Supplies | 9 098 320 | 15,2 | 204 | 4,5 |
| | Services | 10 008 353 | 16,7 | 264 | 5,9 |
| | Works | 7 402 060 | 12,4 | 13 | 0,3 |
| | Total | 26 508 733 | 44,3 | 481 | 10,7 |
| Below EU-thresholds procedures | Supplies | 3 862 887 | 6,4 | 1 512 | 33,6 |
| | Services | 2 985 865 | 5,0 | 1 201 | 26,7 |
| | Works | 26 544 210 | 44,3 | 1 307 | 29,0 |
| | Total | 33 392 962 | 55,7 | 4 020 | 89,3 |
| Total | Supplies | 12 961 207 | 21,6 | 1 716 | 38,1 |
| | Services | 12 994 218 | 21,7 | 1 465 | 32,5 |
| | Works | 33 946 270 | 56,7 | 1 320 | 29,3 |
| | Total | 59 901 695 | 100,0 | 4 501 | 100,0 |

Subjects of classic sector concluded contracts of a value 59 902 mil. SKK, which represent 58,9 % of the total value of public procurement. A value of above EU-thresholds procedures 26 509 mil. SKK covers 26,0 % of the total value of assessed public procurement and 44,3% of the total value of contracts concluded by classic sector. Below EU-thresholds procedures including below national limits tenders 33 393 mil. SKK covers 55,7 % of the value of concluded contracts. Below EU-thresholds procedures with a number of 4 020 procedures represent 89,3 %.

The 2 862 subsequent contracts of the value 4 500 mil. SKK were concluded.

With regard to 481 above EU-thresholds procedures were predominantly used by subjects of the classic sector, in 75,2 % of cases. Above EU-thresholds procedures represent only 10,7 % of completed procedures of the classic sector.

Supplies were the most procured object with regard to a number of 1 716 (38,1 %) procedures (12 961 mil. SKK). Works were the most procured objects with regard to a total contract value – 33 946 mil. SKK (56,7 %) with a total number of 1 320 procedures.

Services were procured in 264 cases with a total value of 10 008 mil. SKK in above EU-thresholds procedures.

Subjects of the classic sector concluded contracts with abroad registered tenderers in 122 completed procedures of a total value 3 307 mil. SKK (5,5 %). The most contracts were concluded with tenderers from the Czech Republic in 89 procedures (73,0 %) of a total value 1 496 mil. SKK (45,2 %). (Annexes No. 16 and 17).

2.1 The state administration is represented in the public procurement by two categories of contracting authorities; by the Slovak Republic represented by its authorities and by bodies governed by public law.

The data on the state administration are given in Annexes No. 11 to 16 and in the table No. 7 below.

Table No. 7

| Year | 2006 | | | | |
|--------------------------------|--------------|-------------------|--------------|-------------|--------------|
| Public procurement procedures | Object | Value | | Procedures | |
| | | Thousand SKK | % | Number | % |
| Above EU-thresholds procedures | Supplies | 8 634 725 | 22,7 | 186 | 7,2 |
| | Services | 7 622 842 | 20,1 | 230 | 8,9 |
| | Works | 6 201 918 | 16,3 | 9 | 0,4 |
| | Total | 22 459 484 | 59,1 | 425 | 16,5 |
| Below EU-thresholds procedures | Supplies | 2 646 135 | 7,0 | 1038 | 40,2 |
| | Services | 2 125 328 | 5,6 | 822 | 31,8 |
| | Works | 10 724 379 | 28,3 | 297 | 11,5 |
| | Total | 15 495 843 | 40,9 | 2157 | 83,5 |
| Total | Supplies | 11 280 860 | 29,7 | 1224 | 47,4 |
| | Services | 9 748 170 | 25,7 | 1052 | 40,7 |
| | Works | 16 926 297 | 44,6 | 306 | 11,9 |
| | Total | 37 955 327 | 100,0 | 2582 | 100,0 |

2.1.1 Slovak Republic represented by its authorities concluded 1 614 contracts of a total value 18 346 mil. SKK, which represents 18,0 % of the total public procurement and 30,6 % of the procurement of classic sector. The 143 procedures were cancelled.

The share of above EU-thresholds procedures is 18,3 % (295) of a value 12 850 mil. SKK (70,0 %) of which the most procedures related to services - 178 procedures of a value 5 641 mil. SKK.

The 1 319 contracts of a value 5 497 mil. SKK were concluded by below EU-thresholds procedures.

The Slovak Republic represented by its authorities concluded contracts with abroad registered tenderers by 54 completed procedures of a value 2 239 mil. SKK in 2006.

Most frequently in this category contracts were concluded with tenderers from the Czech Republic, in 59,3 % of cases. Contracts of highest value were concluded with tenderers from the United Kingdom. (Annexes No. 16 and 17).

2.1.2 Organisations governed by public law, which are component part of the state administration, concluded 968 contracts of a value 19 609 mil. SKK, which represents 19,3 % of the total public procurement and 32,7 % of classic sector procurement. A number of 143 procedures were cancelled.

A number of 130 contracts of a value 9 610 mil. SKK (49,0 %) were concluded by above EU-thresholds procedures and contracts of a value 9 999 mil. SKK (51,0 %) were concluded by below EU-thresholds procedures.

Organisations governed by public law concluded contracts with abroad registered tenderers by 36 completed procedures of a value 633 mil. SKK.

2.2 Local authorities are the second assessed category of subjects within the classic sector and are subdivided into three subcategories; municipalities and higher territorial units, organisations governed by public law and associations of legal persons.

This is a significant category of the public sector, which markedly participated in the public procurement process in 2006, which contracts of a total value 21 946 mil. SKK, which

represents 21,6 % of the total public procurement and 36,6 % of the classic sector procurement. (Table No. 8)

Detailed information on the category local authorities is given in Annexes No. 11 to 16.

Table No. 8

| Year | 2006 | | | | |
|---------------------------------------|--------------|-------------------|--------------|-------------|--------------|
| | Object | Value | | Procedures | |
| | | Thousand SKK | % | Number | % |
| Public procurement procedures | Supplies | 463 595 | 2,1 | 18 | 0,9 |
| | Services | 2 385 511 | 10,9 | 34 | 1,8 |
| | Works | 1 200 142 | 5,5 | 4 | 0,2 |
| | Total | 4 049 248 | 18,5 | 56 | 2,9 |
| Above EU-thresholds procedures | Supplies | 1 216 752 | 5,5 | 474 | 24,7 |
| | Services | 860 537 | 3,9 | 379 | 19,7 |
| | Works | 15 819 831 | 72,1 | 1010 | 52,6 |
| | Total | 17 897 119 | 81,5 | 1863 | 97,1 |
| Below EU-thresholds procedures | Supplies | 1 680 347 | 7,6 | 492 | 25,6 |
| | Services | 3 246 048 | 14,8 | 413 | 21,5 |
| | Works | 17 019 973 | 77,6 | 1014 | 52,8 |
| | Total | 21 946 368 | 100,0 | 1919 | 100,0 |

2.2.1 Municipalities and higher territorial units are one of the most numerous categories of procurers and have a 20,0 % share of the total public procurement and a 34,0 % share of the classic sector procurement of a value 20 369 mil. SKK in 1 678 procedures.

The below EU-thresholds procurement had a value 16 617 mil. SKK (81,6 %) and 42 cases of above EU-thresholds procurement were of a value 3 752 mil. SKK (18,4%). The 154 announced public procurement procedures were cancelled.

Local authorities concluded contracts in 23 procedures of a value 385 mil. SKK with abroad registered tenderers only in below EU-thresholds procedures.

2.2.2 Organisations governed by public law are the second subcategory of local authorities, which concluded contracts in 193 procedures of a total value 1 266 mil. SKK in 2006.

This only represents 1,2 % of the total public procurement and 2,1 % of the procurement of the classic sector.

The 8 above EU-thresholds procedures were completed of a value 223 mil. SKK (17,6 %) and below EU-thresholds procurement was undertaken of a value 1 043 mil. SKK (82,4 %).

The 5 contracts were concluded with abroad registered tenderers by below EU-thresholds procedures of a value 20 mil. SKK and all successful tenderers were from the Czech Republic.

2.2.3 Associations of legal persons, are the third assessed subcategory of local authorities which concluded 48 contracts of a total value 311 mil. SKK in 2006. This only represents 1,4 % of the total public procurement of local authorities and 0,5 % of the classic sector procurement. The 5 tenders were cancelled.

The 6 above EU-thresholds procedures were applied, all of which were for supplies, and they had a total value of 74 mil. SKK (23,8 %) and below EU-thresholds procedures of a value 237 mil. SKK (76,2 %).

The 4 contracts were concluded with abroad registered tenderers bz below EU-thresholds procedures of a value 30,1 mil. SKK and all tenderers were from the Czech Republic.

3. Utilities – assessment of results of public procurement

An another separately assessed category of subjects are utilities, which completed 796 procedures and concluded contracts of a total value 37 207 mil. SKK in 2006, which represents 36,6 % of the total public procurement.

Data on subjects of utilities are given in Annexes No. 18 to 21 and relating to the area of their activities in Annexes No. 18 to 20.

With regard to the object of contract, services were most frequently procured in 322 cases of a total value 12 719 mil. SKK. (Table No. 9)

Table No. 9

| Year | 2006 | | | | |
|---------------------------------------|-------------------------------------|-------------------|--------------|------------|--------------|
| | Object | Value | | Procedures | |
| | | Thousand SKK | % | Number | % |
| Above EU-thresholds procedures | Supplies | 4 698 978 | 12,6 | 58 | 7,4 |
| | Services | 11 534 518 | 31,0 | 64 | 8,0 |
| | Works | 15 469 122 | 41,6 | 21 | 2,6 |
| | Total | 31 702 618 | 85,2 | 143 | 18,0 |
| Below EU-thresholds procedures | Supplies | 1 281 366 | 3,4 | 219 | 27,5 |
| | Services | 1 184 613 | 3,2 | 258 | 32,4 |
| | Works | 3 038 764 | 8,2 | 176 | 22,1 |
| | Total | 5 504 743 | 14,8 | 653 | 82,0 |
| Total | Supplies | 5 980 344 | 16,0 | 277 | 34,9 |
| | Services | 12 719 131 | 34,2 | 322 | 40,4 |
| | Of which: | | | | |
| | Priority services cat. 1 to 16 | 7 507 817 | 20,2 | 233 | 29,3 |
| | Non-priority services cat. 17 to 27 | 5 211 314 | 14,0 | 89 | 11,1 |
| | Works | 18 507 886 | 49,8 | 197 | 24,7 |
| | Total | 37 207 361 | 100,0 | 796 | 100,0 |

There were 143 cases of above EU-thresholds public procurement procedures of a total value 31 703 mil. SKK (85,2 %).

The 653 contracts were concluded using below EU-thresholds public procurement procedures of a value 5 505 mil. SKK (14,8 %). With regard to number, most contracts were concluded for supplies (219) of a total value 1 281 mil. SKK. The 95 public procurement procedures were cancelled.

Subjects of utilities used almost in the same share negotiated procedures without publication - 347 cases (43,6 %) and open procedures - 340 cases (42,7 %). Negotiated procedures without publication were most often used by the acquiral of an object of a contract on the basis of exclusive rights of a supplier (171 cases). (Annex No. 19)

Utilities completed 85 procedures on the basis of which they concluded contracts with abroad registered tenderers of a total value 4 073 mil. SKK in 2006. From this, the value of above EU-thresholds procedures was 3 684 mil. SKK (90,5 %) and the most procured object were services (1 433 mil. SKK). The most successful tenderers were from the Czech Republic, in 41,4 % of cases of a total value 2 096 mil. SKK (56,9 %). (Annex No. 20 and 21)

4. Enterprises in public procurement

For the first time, the Office also assessed successful tenderers – enterprises which were successful in public procurement procedures and concluded contracts with contracting authorities and contracting entities. Enterprises were assessed from various standpoints; according to the size of a company, the type of an ownership, a legal form, a size of a company's output and according the place of headquarters. A statistical classification of enterprises was used during processing in accordance with the *Statistical Register of Organisations*.

With regard to the nature of ownership and according the value of public procurement contracts, 87,0 % of total value gained tenderers from the private sector, 4,4 % tenderers from the public sector and 8,6 % gained tenderers with not specified ownership (including abroad registered enterprises).

The share of enterprises on the total value of public procurement contracts according the size category of the enterprises, i.e. with regard to the number of employees was as follows; large companies - 37,4 % (250 and more employees), medium-sized companies - 21,8 % (50 to 249 employees), small companies (0 to 49 employees) - 30,7 % and abroad registered companies and other not specified - 10,1 %.

The share of enterprises on a total value of public procurement contracts according the legal form of enterprises was as follows: legal persons - 87,6 %, natural persons - 3,8 % and foreign enterprises and other unknown - 8,6 %.

The share of inland enterprises on the total value of public procurement contracts according their origin in particular Slovak regions was as follows: Bratislava 41,0 %, Western Slovakia - 22,6 %, Central Slovakia - 13,7 %, Eastern Slovakia - 15,3 %.

The share of inland enterprises in comparison with abroad registered enterprises was as follows: 92,6 % of public procurement contracts according their total value were concluded with Slovak companies and 7,4 % with foreign companies.

Conclusion

Concluding, it can be stated that a decrease in a number of notices was recorded for more reasons in 2006: the Act, which came into effect on 1 February 2006, set financial thresholds and limits higher; it was stipulated for utilities to proceed pursuant to the Act only with regard to above the EU-thresholds procedures (supplies and services with an estimated value above 16 785 478 SKK, works with an estimated value above 209 937 800 SKK); it was stipulated for classic sector the obligation to send information on the conclusion of a contract to the Office for supplies and services with an estimated value of above 1 mil. SKK and for works of above 4 mil. SKK.

The application of the Act has had an effect on the statistical results in a number of ways. One aspect was the number of active entities which used the above EU-thresholds and below EU-thresholds public procurement procedures, which increased in comparison with 2005 by 1,6 %. There was an increase in the number of entities (by 169), which procured due

to the use of EU funds. The EU funds were and are during the current period a significant source of financing the public procurement procedures.

The quality of notices has been improved by the on-line sending of notices (1 431 notices, i.e. 11,0 %) and it is expected that in the next future the share of on-line notices will increase.

The positive effects of the Act include the fact that it contributed to a favourable number of competitive procedures in comparison with non-competitive procedure due to the tightening of conditions for the use of negotiated procedures without publication. This positive trend is expected to continue in the future.