



PUBLIC PROCUREMENT  
AUTHORITY

# FLASH REPORT

Hungarian public procurement in numbers

Q1-3 of 2023



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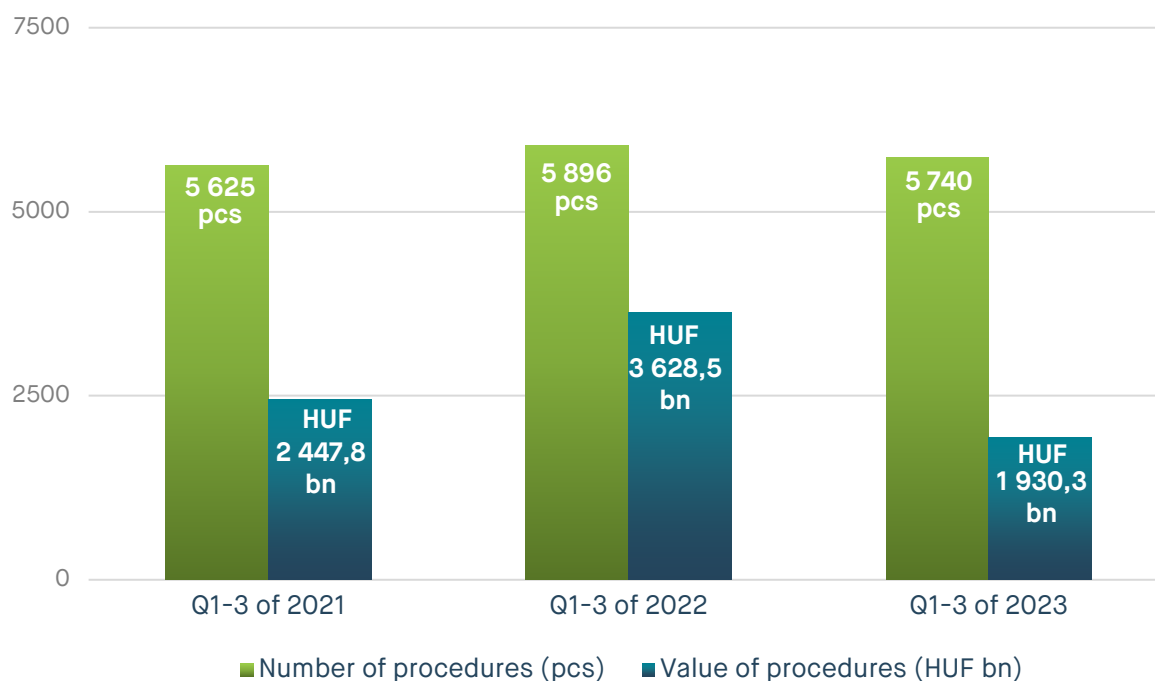
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## I. THE VOLUME OF HUNGARIAN PUBLIC PROCUREMENT

### 1. The number (pcs) and value (HUF bn) of effective public procurement procedures in Q1-3 of 2021, 2022 and 2023

The number (pcs) and value (HUF bn) of effective public procurement procedures in Q1-3 of 2021, 2022 and 2023



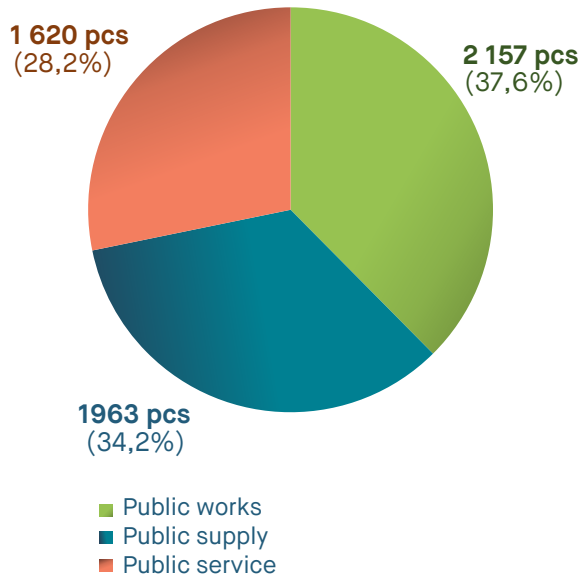
In the first three quarters of 2023, contracting authorities conducted 5740 effective public procurement procedures, which is only 2,6% lower than the data measured in the same period of last year. The final total value of these procedures amounted to HUF 1930,3 billion, which is about half of the value of the same period in 2022.



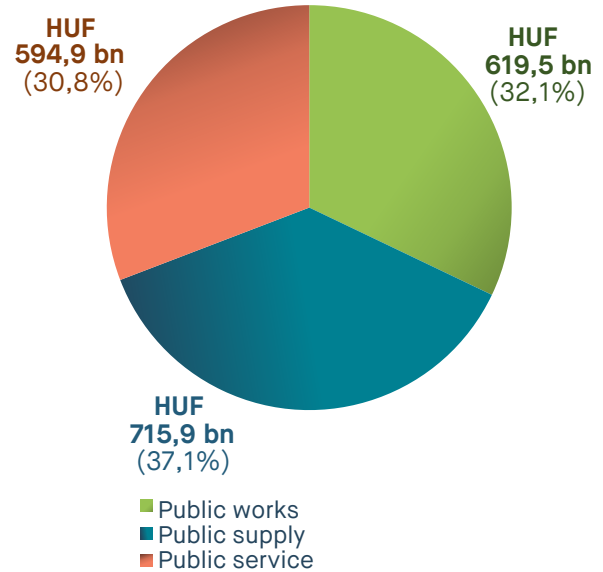
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## 2. The number (pcs) and value (HUF bn) of public procurement procedures by main subject-matter in Q1-3 of 2023

The number (pcs) of public procurement procedures by main subject-matter in Q1-3 of 2023

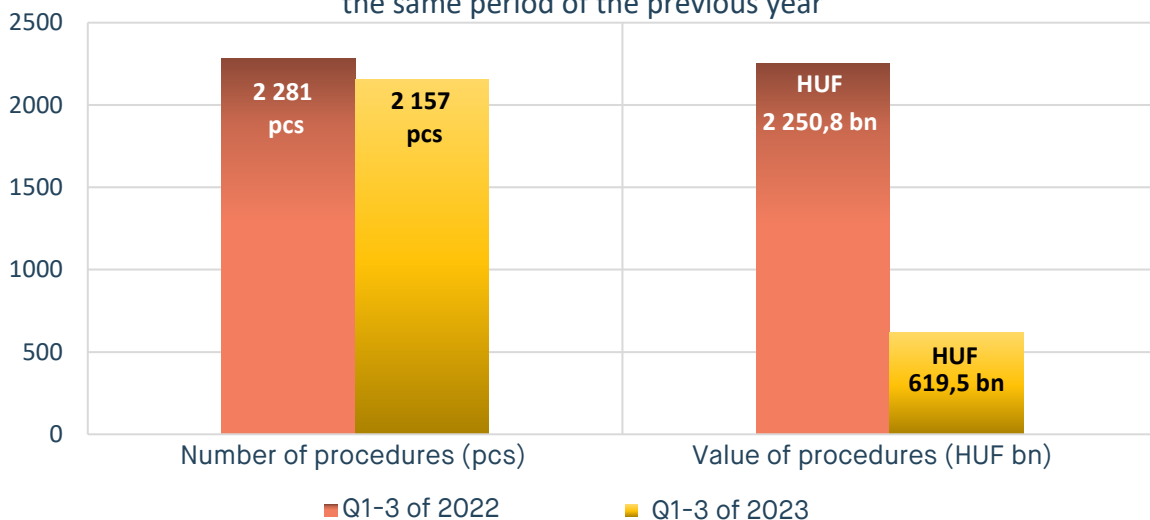


The value (HUF bn) of public procurement procedures by main subject-matter in Q1-3 of 2023



The **breakdown of subject-matters was relatively consistent** in the first three quarters of 2023: public works accounted for 37,6% of the number and 32,1% of the value of public procurement, public supply explained 34,2% of the number and 37,1% of the value of procedures, while 28,2% of the number and 30,8% of the value of public procurement was public service.

The number (pcs) and value (HUF bn) of public works compared to the same period of the previous year

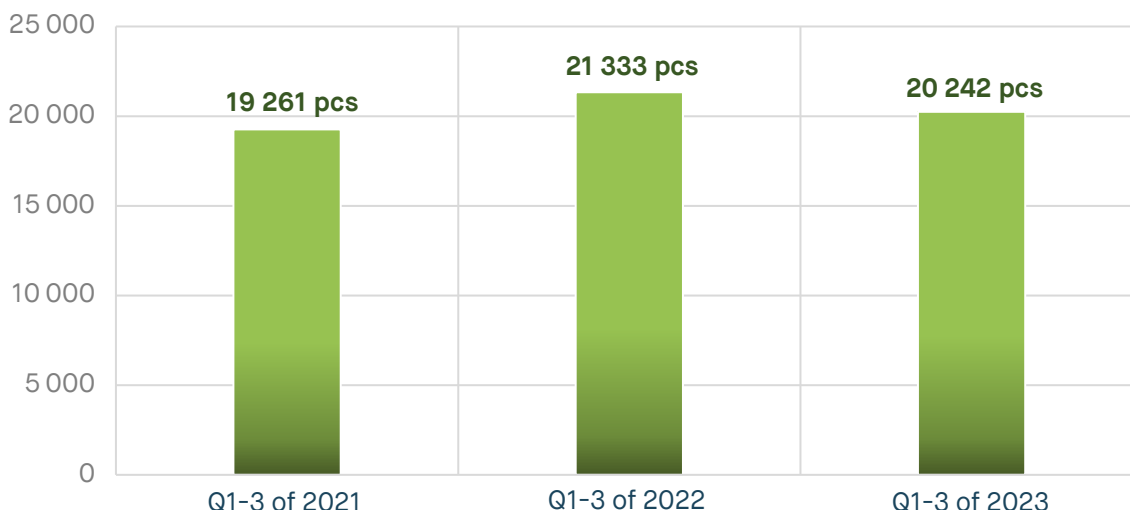


The number of public works public procurement in the first three quarters of 2023 was only 5,4% lower than in the same period of last year, however, **the value of public works significantly dropped**.



### 3. Transparency and publicity: data on the number of notices in Q1-3 of 2021, 2022 and 2023

The number (pcs) of notices submitted to the Public Procurement Authority in Q1-3 of 2021, 2022 and 2023



**In total 20242 notices were registered and processed** in the first three quarters of 2023, in relation to 5740 effective public procurement procedures.

The number (pcs) of requests for the supply of missing information issued by the Public Procurement Authority during notice control in Q1-3 of 2021, 2022 and 2023



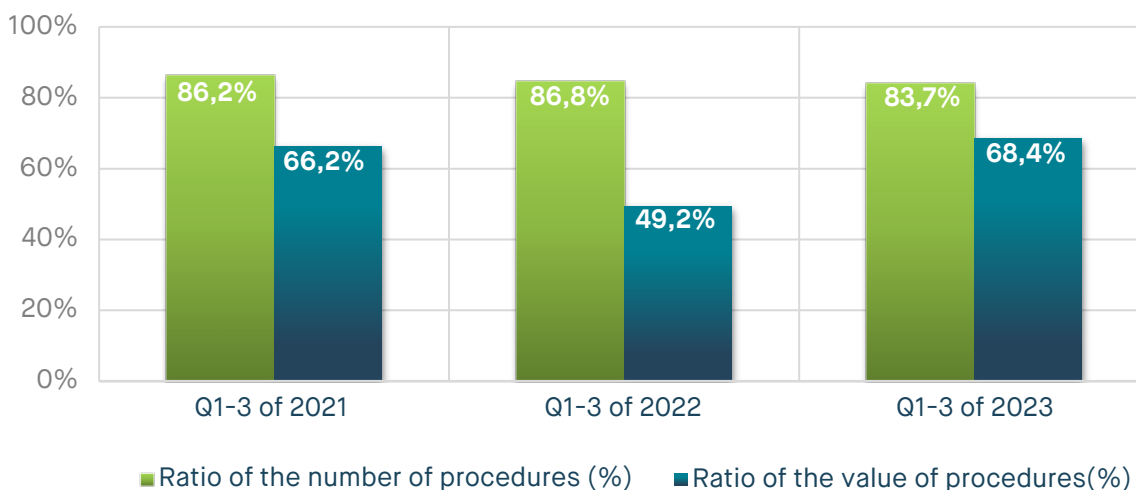
In the first three quarters of 2023, the Public Procurement Authority issued 20352 requests for the supply of missing information, so as a result of the strict and consequent control practice, the number of requests for the supply of missing information exceeded the number of notices, that is at least one request for the supply of missing information was related to each notice.



## II. THE SME SECTOR CONTINUES TO DOMINATE

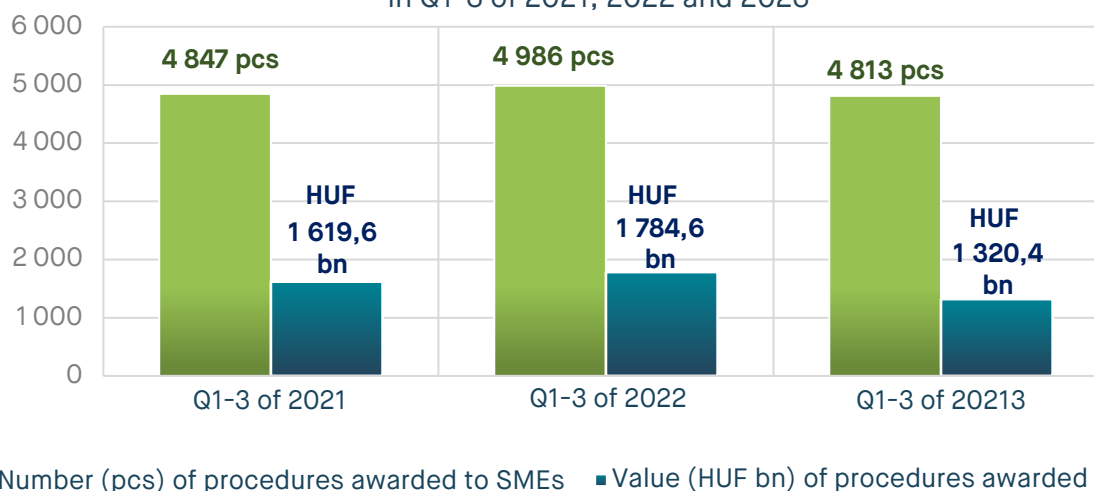
### 1. The ratio of public procurement awarded to SMEs in Q1-3 of 2021, 2022 and 2023

The ratio of public procurement awarded to SMEs compared to all procedures, based on the number and value of procedures in Q1-3 of 2021, 2022 and 2023



### 2. The number (pcs) and value (HUF bn) of public procurement awarded to SMEs in Q1-3 of 2021, 2022 and 2023

The number (pcs) and value (HUF bn) of procedures awarded to SMEs in Q1-3 of 2021, 2022 and 2023



**84 out of 100 effectively conducted public procurement procedures were awarded to SMEs in the first three quarters of 2023, which almost equals the data in the same period of the previous year, while 68 forints out of 100 forints spent on public procurement were awarded to SMEs, which is 19 more than in the first three quarters of 2022. The role of the SME sector in Hungarian public procurement is well illustrated by the fact that despite economic difficulties both the number and value of public procurement awarded to SMEs accounts for a considerable ratio.**

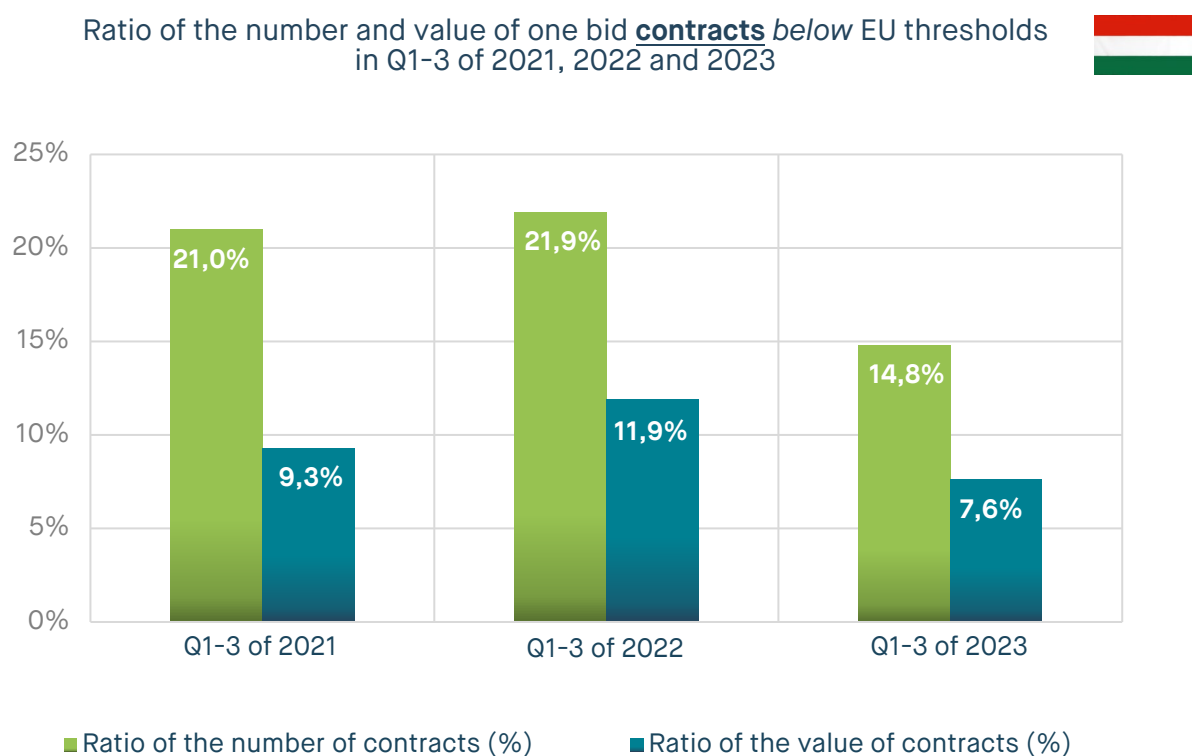


## III. COMPETITION IS ENSURED

### 1. Data on the number and value of one bid public procurement in Q1-3 of 2021, 2022 and 2023

The trend of one bid public procurement procedures is a critical index of competition in the public procurement market, therefore the Public Procurement Authority continuously monitors the data of the related ratio. The Public Procurement Authority publishes several key indicators in its reports, which characterise the intensity of public procurement competition. One of such indicators is the tendency of one bid public procurement. The Authority analyses this indicator by applying two methodologies: on the one hand, it considers entire public procurement procedures in line with its previous practice; on the other hand, it considers public contracts as in the Single Market Scoreboard of the European Commission. Thus, the trend of one bid public procurement is presented herein by applying both methodologies.

#### 1.1 Data<sup>1</sup> on the number and value of one bid contracts<sup>2</sup> in Q1-3 of 2021, 2022 and 2023



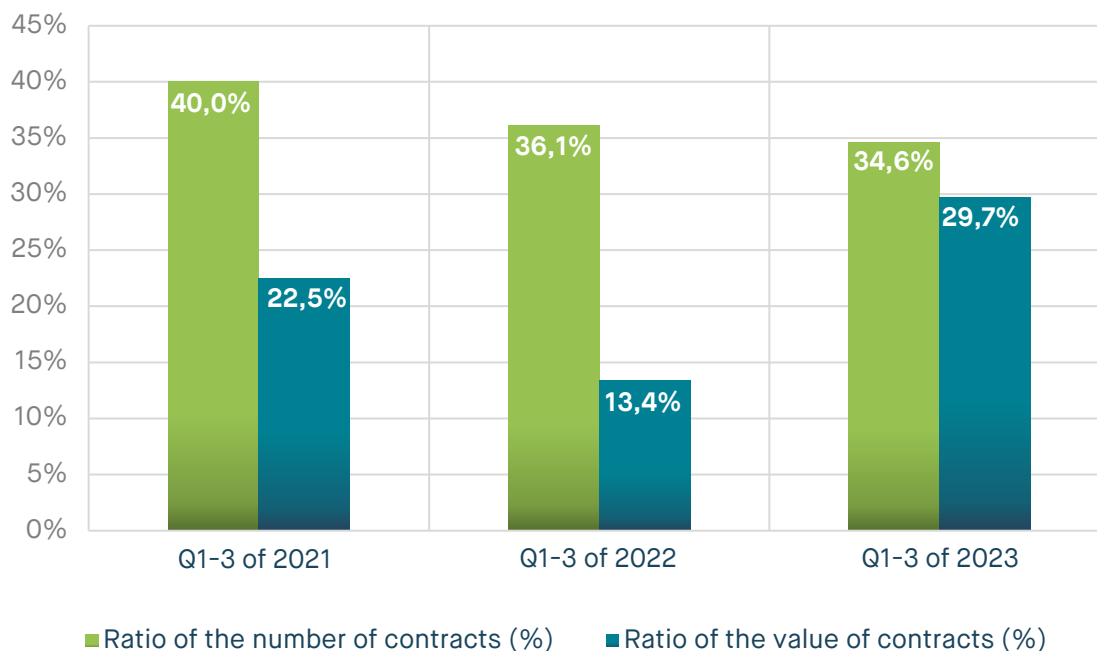
<sup>1</sup> The charts on one bid contracts include estimated data, excluding procedures related to the partial performance of framework agreements, considering that the filter of such procedures can only be done approximately based on the free text content of the notices published by contracting authorities.

<sup>2</sup> The methodology of the statistics concerning one bid contracts differ from the indicators set in the conditions of the conditionality mechanism of the European Commission, the calculation and monitoring of which does not fall within the competence of the Public Procurement Authority.



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Ratio of the number and value of one bid **contracts** above EU thresholds in Q1-3 of 2021, 2022 and 2023



Upon looking at one bid public procurement by applying the contract based methodology of the European Commission – also considering the provisions of Government Decree No. 63/2022. (II. 28.) on measures aimed at reducing the number of one bid public procurement – in the first three quarters of 2023 **there was a slight decrease in the ratio of the number of one bid contracts above EU thresholds**, while below EU thresholds the ratio of both the number and value of one bid contracts was significantly lower than in the same period of the previous year.

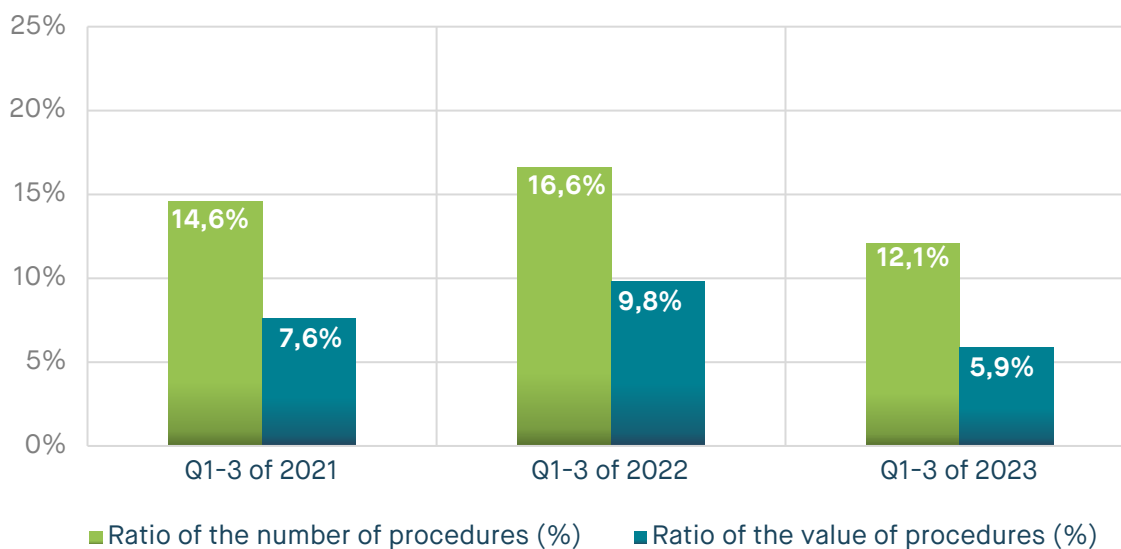




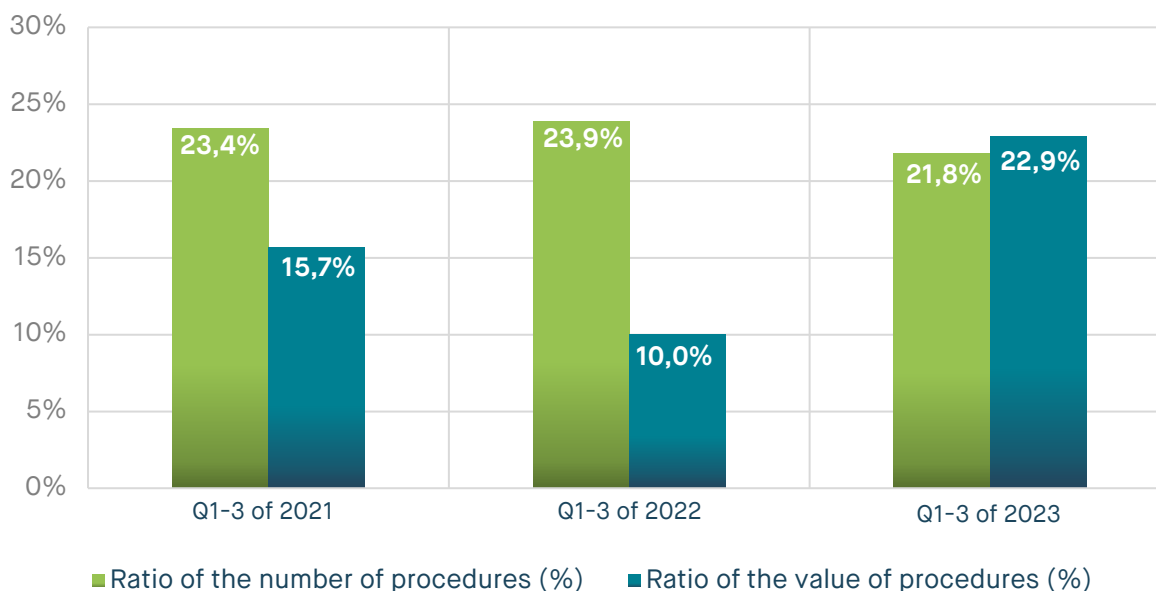
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## 1.2 Data on the number and value of one bid procedures in Q1-3 of 2021, 2022 and 2023

Ratio of the number and value of one bid **procedures** below EU thresholds in Q1-3 of 2021, 2022 and 2023



Ratio of the number and value of one bid **procedures** above EU thresholds in Q1-3 of 2021, 2022 and 2023



Upon looking at the ratio of one bid procedures in the first three quarters of 2023 by applying the procedure based methodology, there was a **minor downturn compared to the same periods of the previous years in terms of the ratio of the number both above and below EU thresholds**; nevertheless; there was a **modest rise in terms of the ratio of the value above EU thresholds** compared to the same period of last year.



## 2. Key indicators of negotiated procedures without prior publication in Q1-3 of 2021, 2022 and 2023

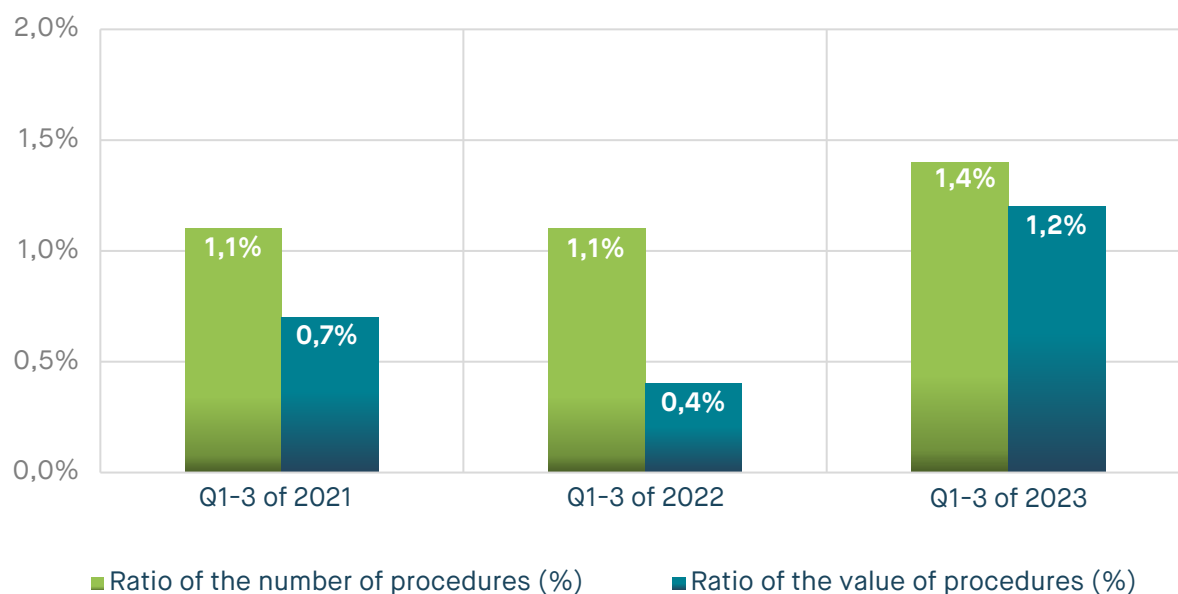
The number (pcs) of negotiated procedures without prior publication launched in Q1-3 of 2021, 2022 and 2023



Remark: The number of procedures launched differs from the number of procedures closed due to the carry-over effect.

The other key indicator of competition in the public procurement market is the trend of negotiated procedures without prior publication, in terms of which in the first three quarters of 2023 the number of procedures launched almost equalled the date of the same period of last year.

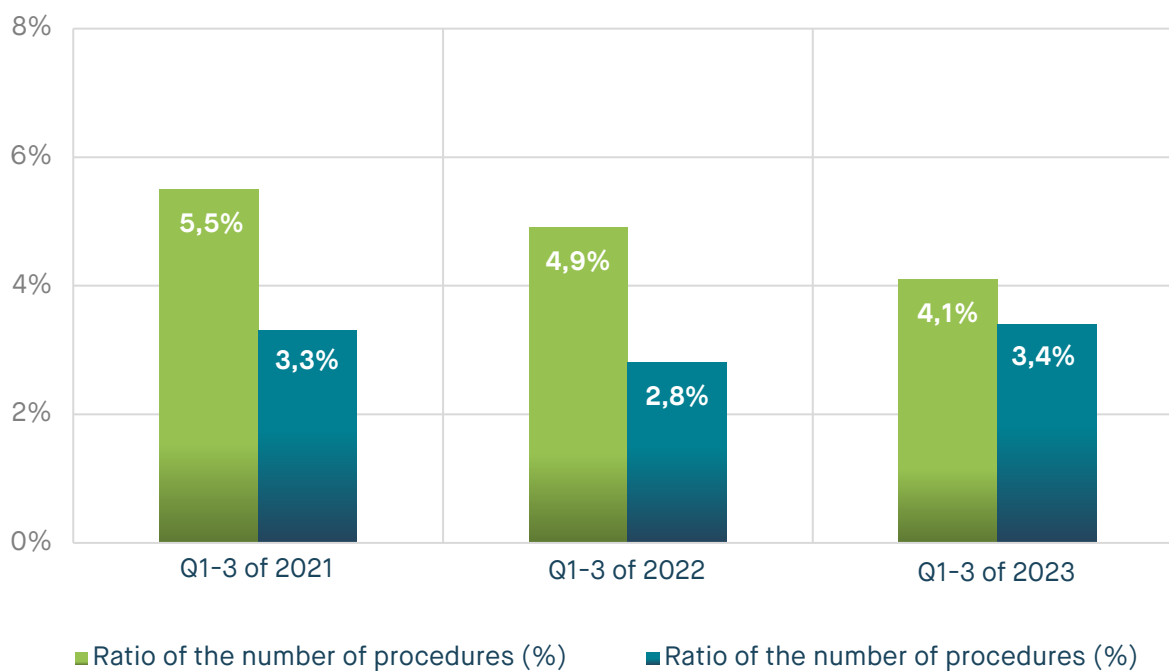
Ratio of the number and value of negotiated procedures without prior publication below EU thresholds in Q1-3 of 2021, 2022 and 2023





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Ratio of the number and value of negotiated procedures without prior publication *above* EU thresholds in the first half of 2021, 2022 and 2023



The **ratio of the number and value of negotiated procedures without prior publication closed remained low below EU thresholds**, just like above EU thresholds, where there was a lowering tendency in terms of the ratio of the number of negotiated procedures without prior publication.



### 3. The average number of bids per public procurement procedure in Q1-3 of 2021, 2022 and 2023

The number (pcs) of bids per public procurement procedure in Q1-3 of 2021, 2022 and 2023

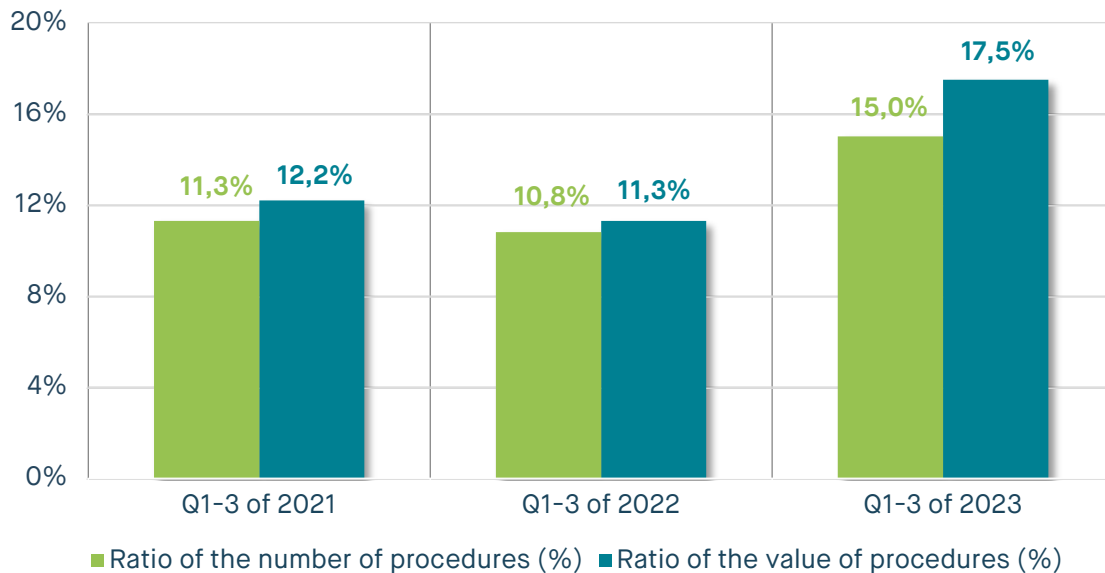


The average number of bids was 7,8 in the first three quarters of 2023, which is a considerable rise compared to the same periods of the previous years, close to the average of 8 bids per procedure. The **number of bids per public procurement procedure remains a high level**, which highlights competition in the Hungarian public procurement market.

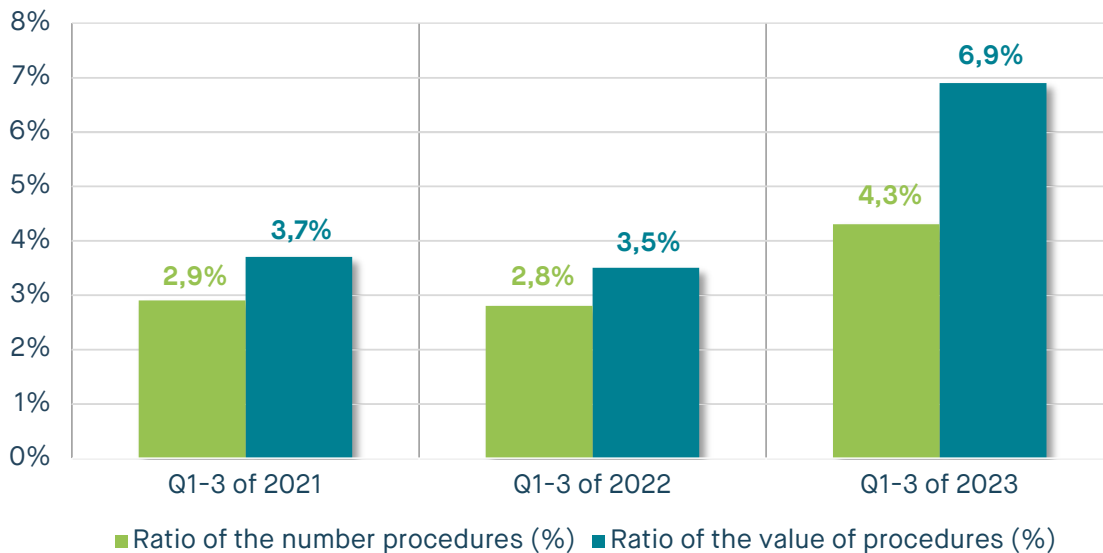


## IV. SUSTAINABILITY ASPECTS IN HUNGARIAN PUBLIC PROCUREMENT

The ratio of the number and value of procedures with *green* aspects below EU thresholds in Q1-3 of 2021, 2022 and 2023



The ratio of the number and value of procedures with *social* aspects below EU thresholds in Q1-3 of 2021, 2022 and 2023



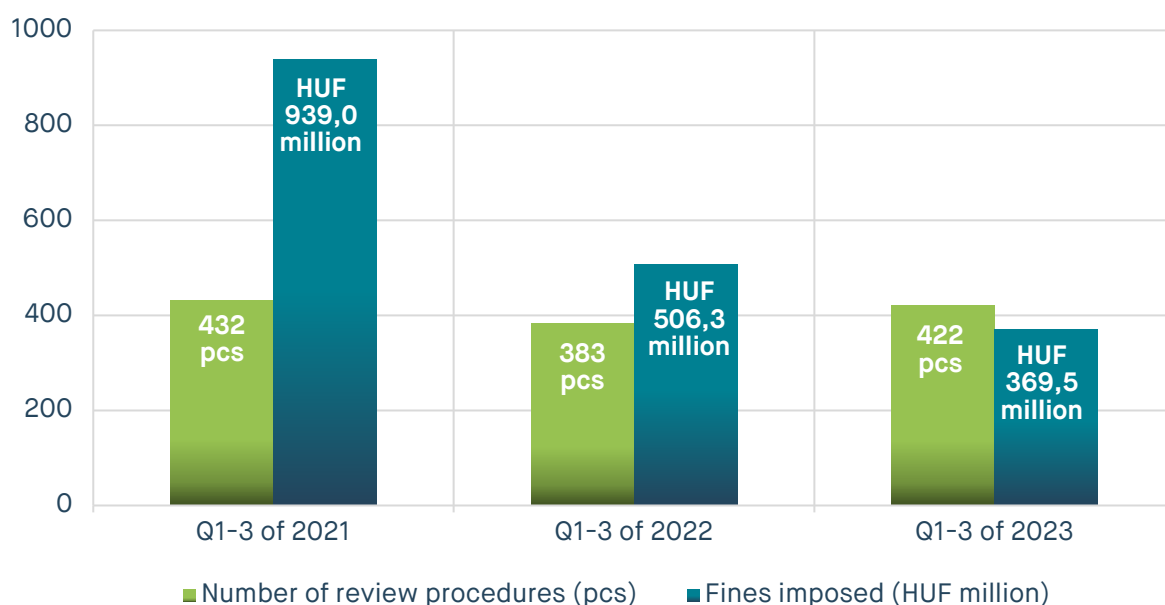
In the first three quarters of 2023, the ratio of the number and value of public procurement with environmental and social aspects below EU thresholds significantly advanced compared to the same period of last year, which well demonstrates that contracting authorities pay more attention to the application of sustainability aspects in Hungarian public procurement. The stable objective of the Public Procurement Authority is the implementation of sustainability aspects, which may also contribute to the reinforcement of environmental and climate protection and economic sustainability.



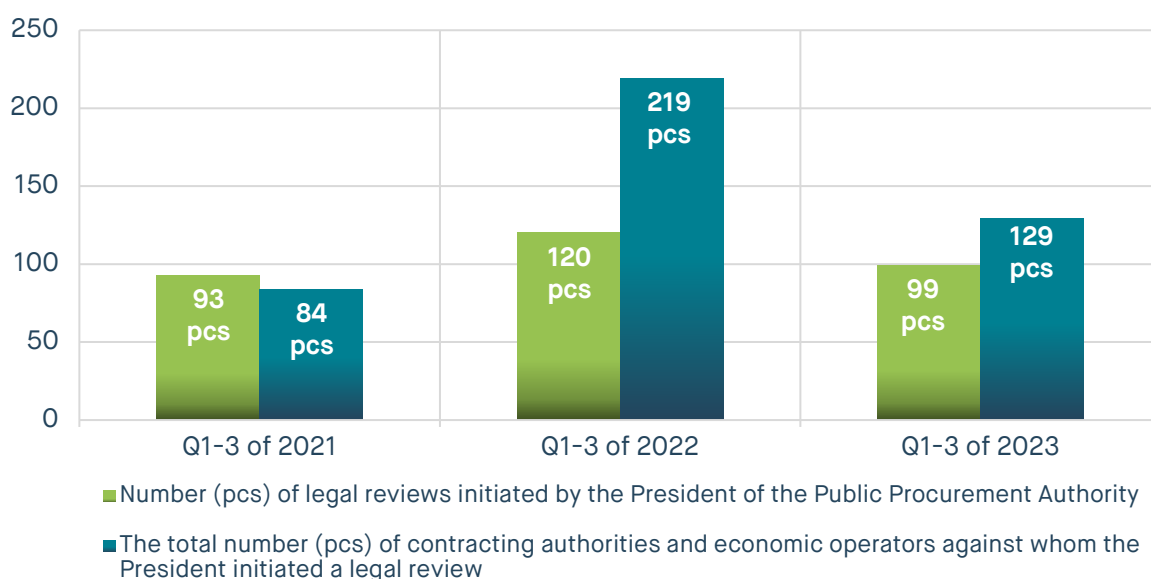
## V. REDUCING CORRUPTION RISKS, ENHANCING COMPLIANCE

### 1. The number (pcs) of review procedures and the total amount (HUF million) of the fines imposed in the same periods of 2021, 2022 and 2023

The number (pcs) of review procedures and the value (HUF million) of the fines imposed in Q1-3 of 2021, 2022 and 2023



The number (pcs) of review procedures and the value (HUF million) of the fines imposed in Q1-3 of 2021, 2022 and 2023

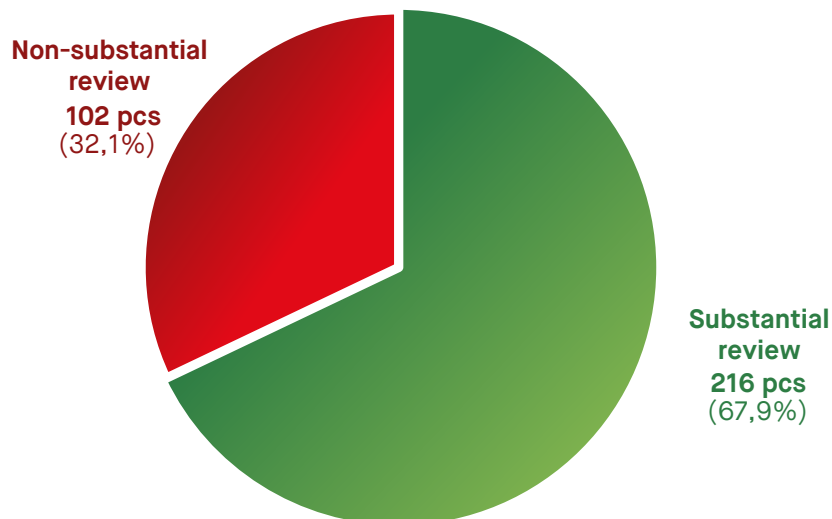


Remark: In Q1-3 of 2023, 104 of the 422 legal review procedures were in progress.



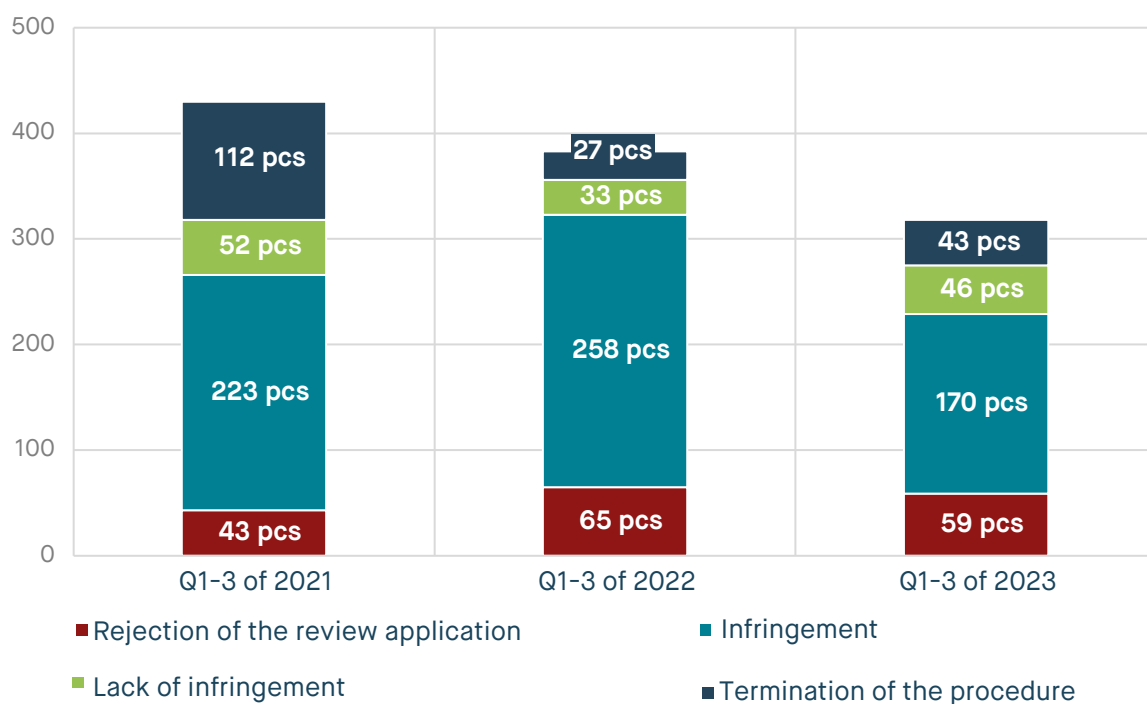
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The number (pcs) and breakdown (%) of review procedures closed in Q1-3 of 2023



## 2. Decisions of the Public Procurement Arbitration Board

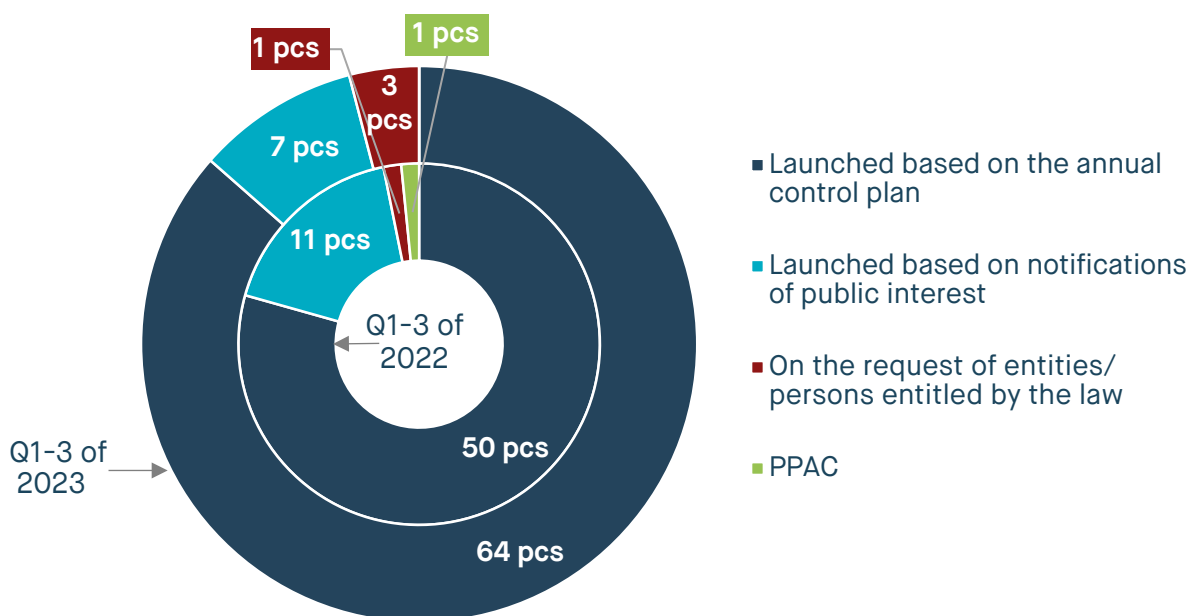
The decisions (pcs) of the Public Procurement Arbitration Board in Q1-3 of 2021, 2022 and 2023





## 3. Control of public contracts

The number of contract controls ordered in Q1-3 of 2022 and 2023



Breakdown (%) of controls conducted by the subject-matter of public procurement in Q1-3 of 2022 and 2023

