



PUBLIC PROCUREMENT
AUTHORITY

FLASH REPORT

Hungarian public procurement in numbers

H1 of 2023



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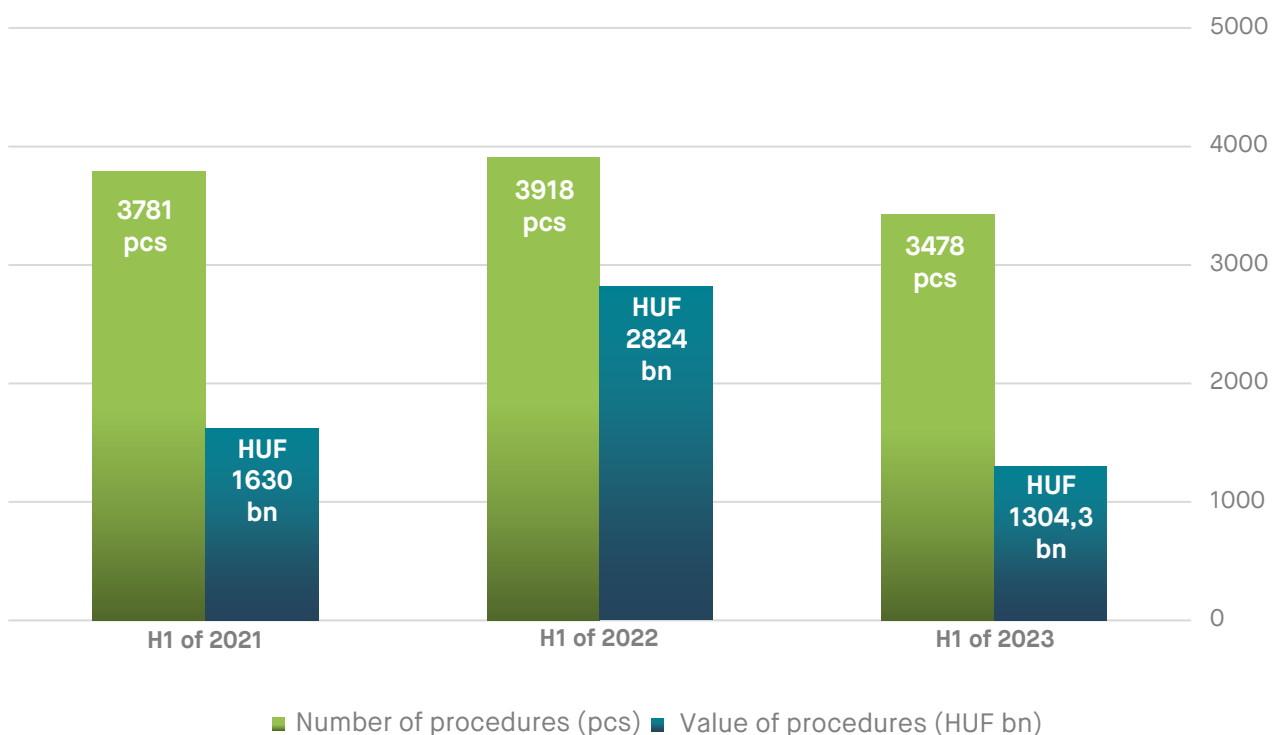
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I. THE VOLUME OF HUNGARIAN PUBLIC PROCUREMENT

1. The number (pcs) and value (HUF bn) of effective public procurement procedures in the first half of 2021, 2022 and 2023

The number (pcs) and value (HUF bn) of effective public procurement procedures in the first half of 2021, 2022 and 2023

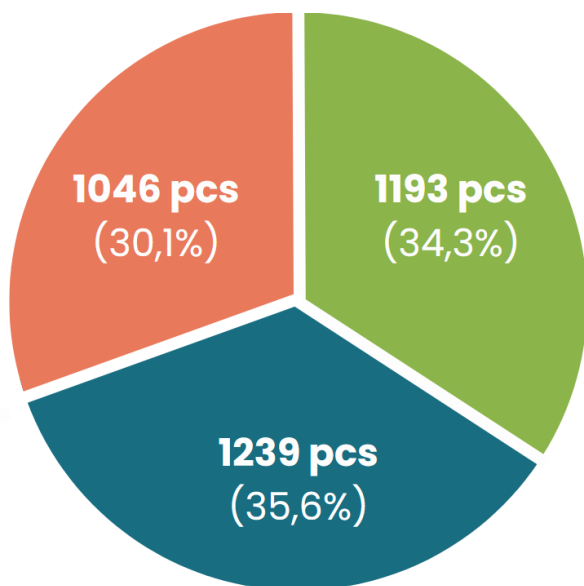


Contracting authorities conducted 3478 effective public procurement procedures in the first six months of 2023, which is 11,2% less than the data in the same period of the previous year. The total final value of these procedures amounted to HUF 1304,3 billion, which is a considerable drop of value compared to the same periods of the previous years.



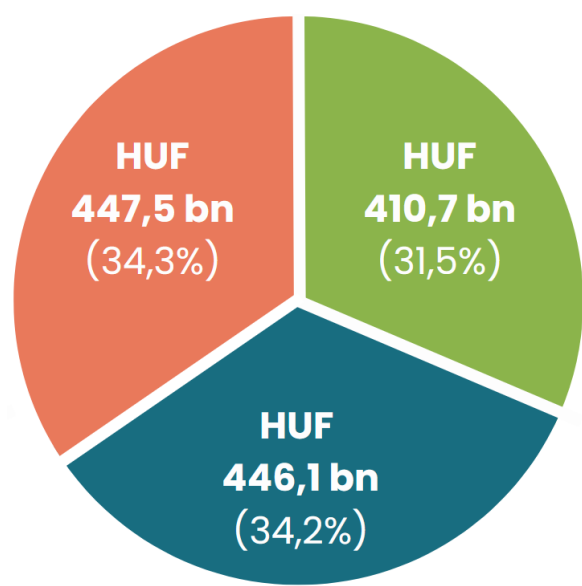
2. The number (pcs) and value (HUF bn) of public procurement procedures by main subject-matter in the first half of 2023

The *number* (pcs) of public procurement procedures by main subject-matter in the first half of 2023



■ Public works
■ Public supply
■ Public service

The *value* (HUF bn) of public procurement procedures by main subject-matter in the first half of 2023



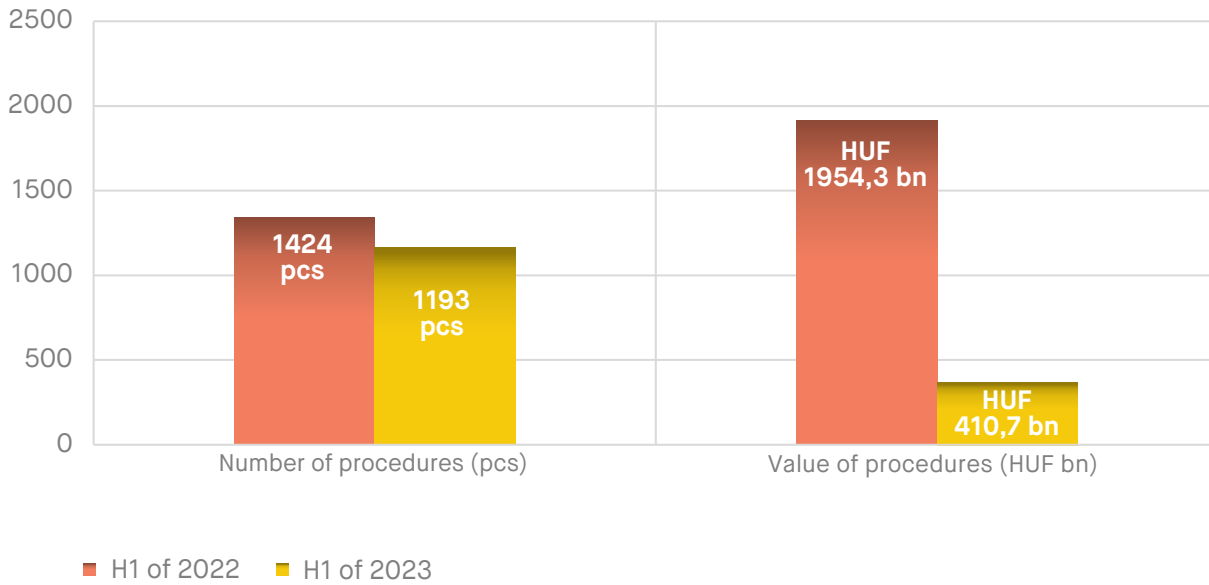
■ Public works
■ Public supply
■ Public service

In the first half of 2023, **in terms of the number of public procurement procedures, the breakdown of procurement subject-matters roughly equalled** among public works 34,3%, public supply 35,6% and public service 30,1%. **The same applies to the value of public procurement procedures**, as public works (31,5%), public supply (34,2%) and public service (34,3%) all accounted for similar ratio of the value. **The number of public works slightly decreased compared to the same period of last year, however, their value significantly lowered.**



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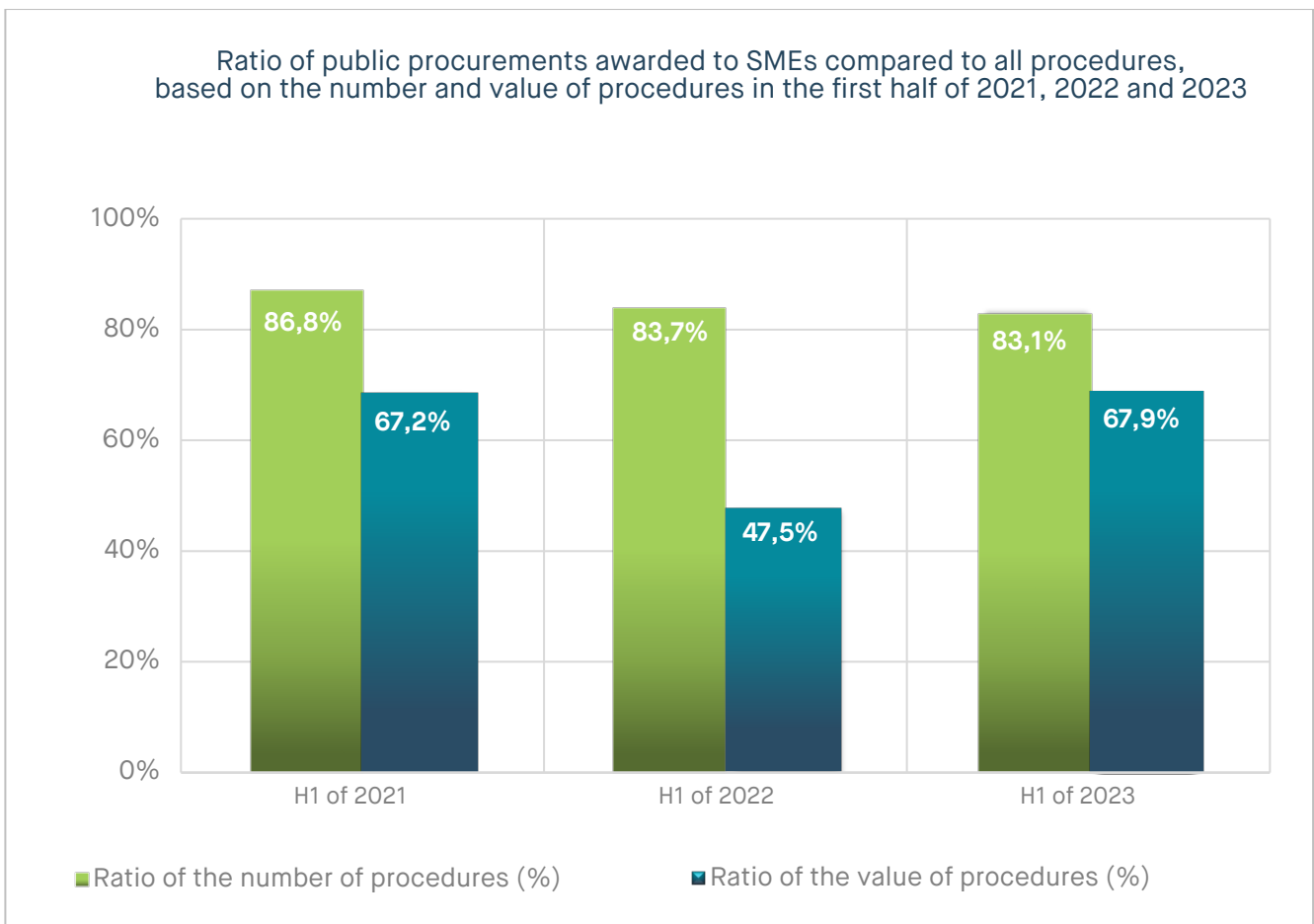
Changes in the number (pcs) and value (HUF bn) of public works compared to the same period of last year





II. THE SME SECTOR CONTINUES TO DOMINATE

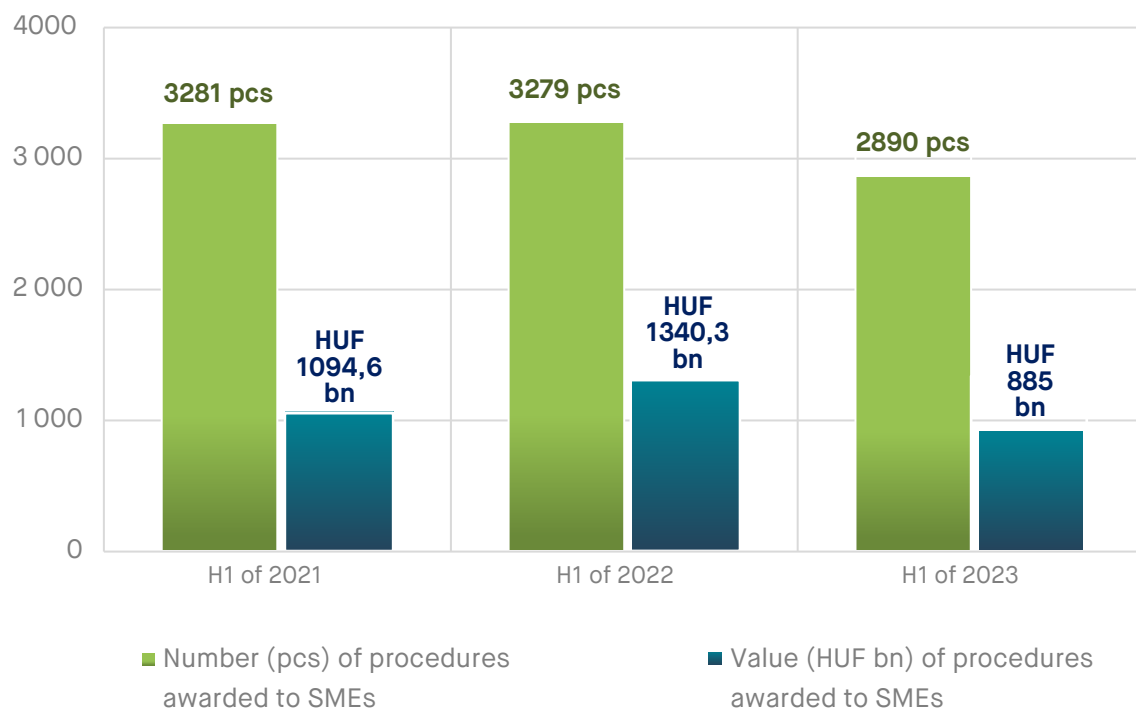
1. Ratio of public procurement procedures awarded to SMEs based on the number and value of procedures, in the same periods of 2021, 2022 and 2023





2. Trends of the number (pcs) and value (HUF bn) of public procurements awarded to SMEs in the same periods of 2021, 2022 and 2023

Trends of the number (pcs) and value (HUF bn) of public procurements awarded to SMEs, in the first half of 2021, 2022 and 2023



In the first semester of 2023, **out of 100 effective public procurement procedures 83 were awarded to SMEs, while about two-third of the value public procurement were awarded to SMEs.** Compared to the same period of last year, both the number and value of public procurement awarded to SMEs lowered, nevertheless, the SME sector continues to dominate in the Hungarian public procurement market in terms of the ratio compared to all public procurement.



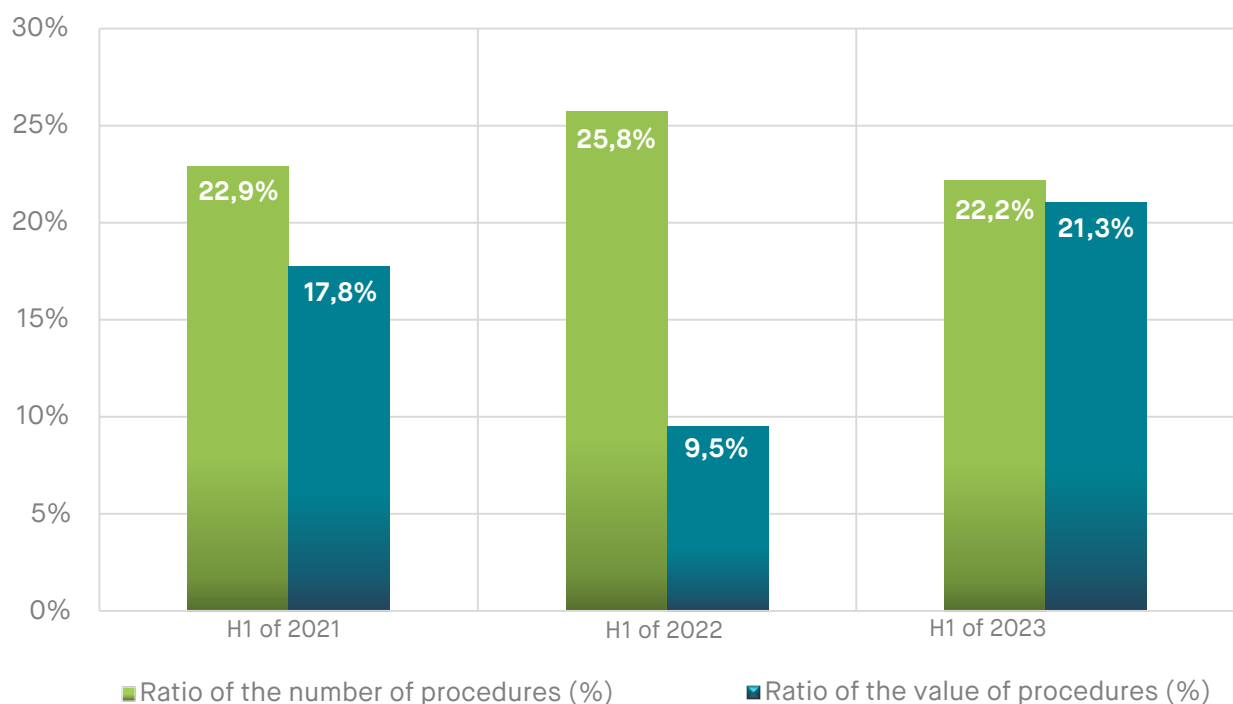
III. COMPETITION IS ENSURED

1. Data on the number and value of one bid public procurement in the first quarter 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 is continuously monitoring 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 on the number and value of one bid public procurement procedures in 2021, 2022 and 2023

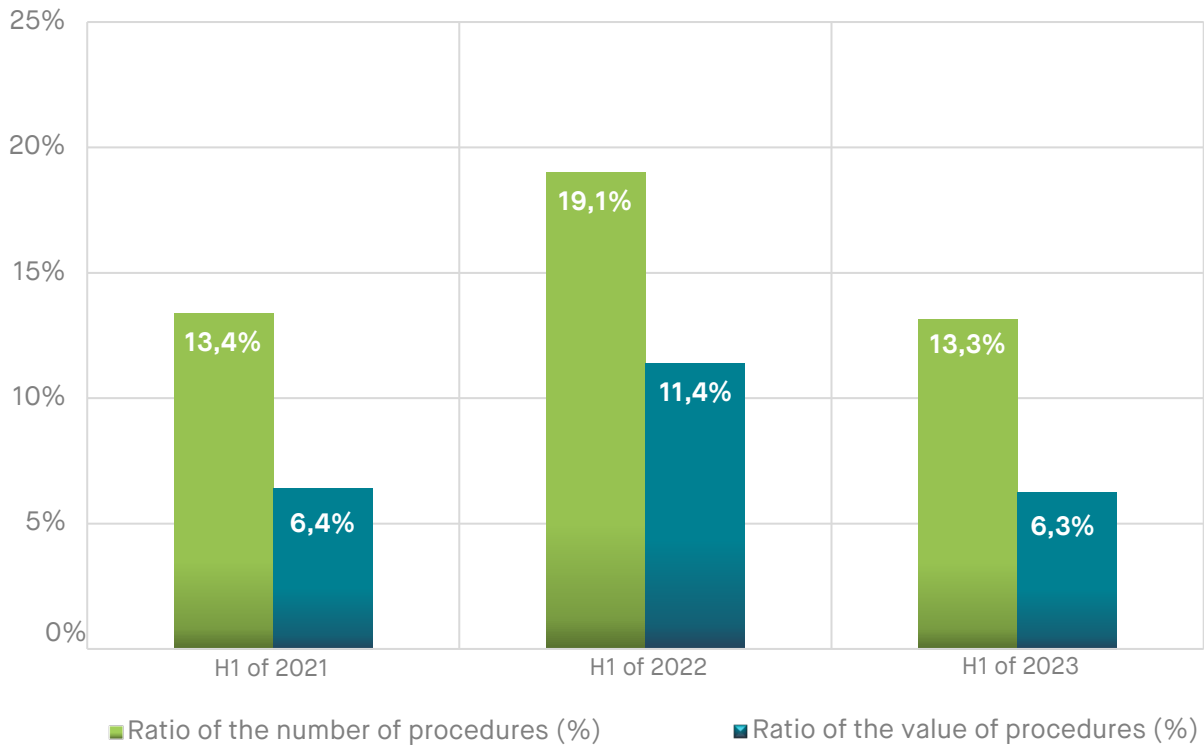
The ratio (%) of the number and value of **one bid public procurement procedures above EU thresholds** in the first half of 2021, 2022 and 2023





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The ratio (%) of the number and value of **one bid public procurement procedures below EU thresholds** in the first half of 2021, 2022 and 2023

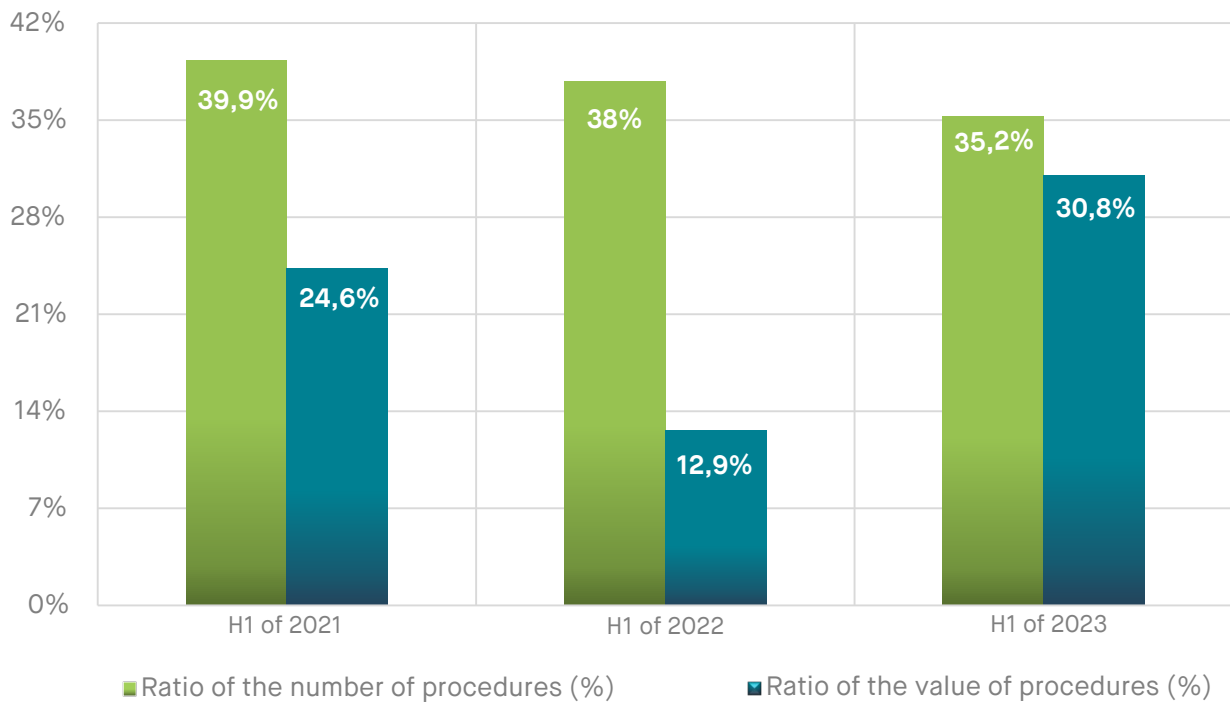


In terms of low value public procurement below EU thresholds in the first six months of 2023, **both the ratio of the number and value of one bid procedures decreased** compared to the same period of the previous year, while upon analysing procedures above EU thresholds, the ratio of their number lowered compared to the same periods of the previous two years.



1.2 Data¹ on the number and value of one bid contracts² in the first half of 2021, 2022 and 2023

The ratio (%) of the number and value of **one bid contracts** (%) above EU thresholds in the first half of 2021, 2022 and 2023



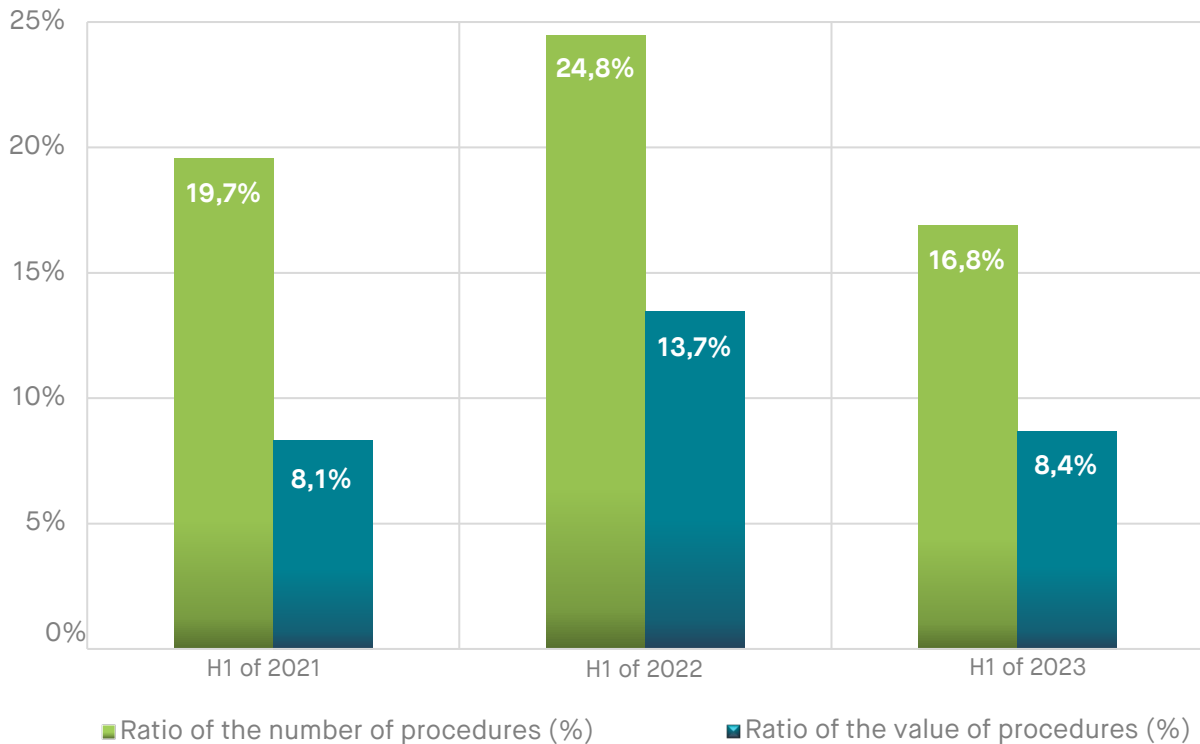
¹ The charts on one bid contracts include estimated data, excluding procedures related to the partial performance of framework agreements, considering that the filter of such procedures can only be done approximately based on the free text content of the notices published by contracting authorities.

² 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.



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The ratio (%) of the number and value of **one bid contracts** (%) below EU thresholds in the first half of 2021, 2022 and 2023

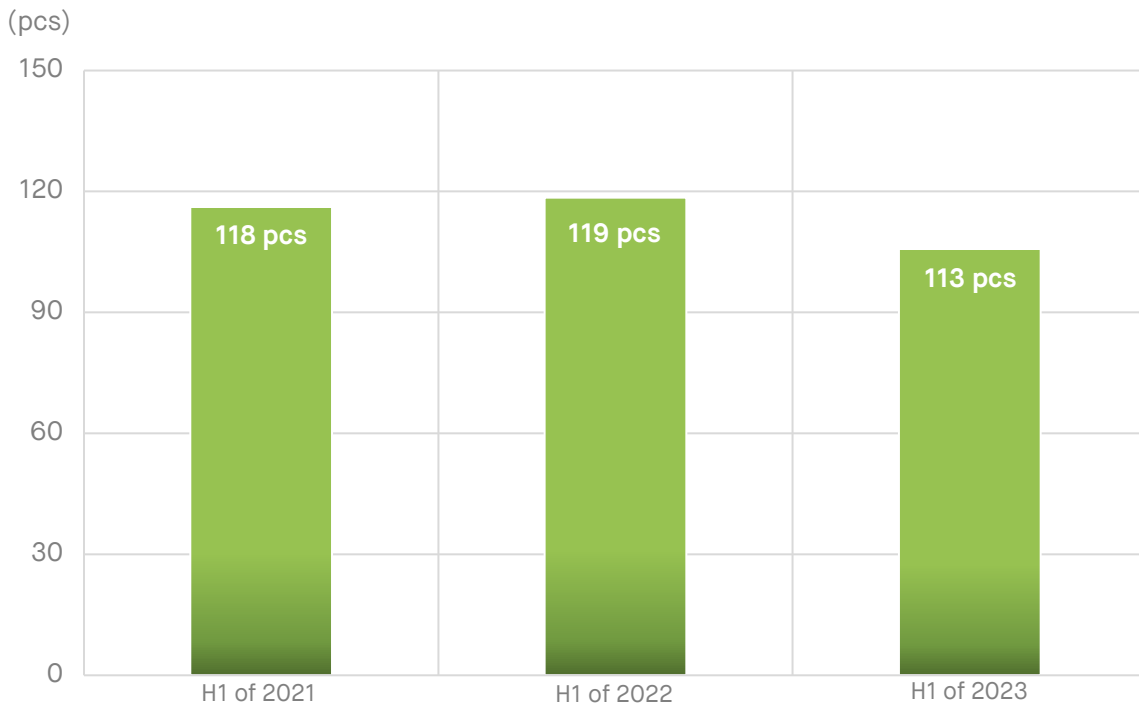


Based on the methodology of the Single Market Scoreboard published by the European Commission, the ratio of the number of one bid contracts above EU thresholds dropped to 35,2% in the first semester of 2023, while the tendency below EU thresholds resembles to that of based on procedures, as there was a decrease both in terms of the ratio of the number and the ratio of the value compared to the same period of the previous year.



2. Key indicators of negotiated procedures without prior publication in the same periods of 2021, 2022 and 2023

Number (pcs) of negotiated procedures
launched in the first half of 2021, 2022 and 2023

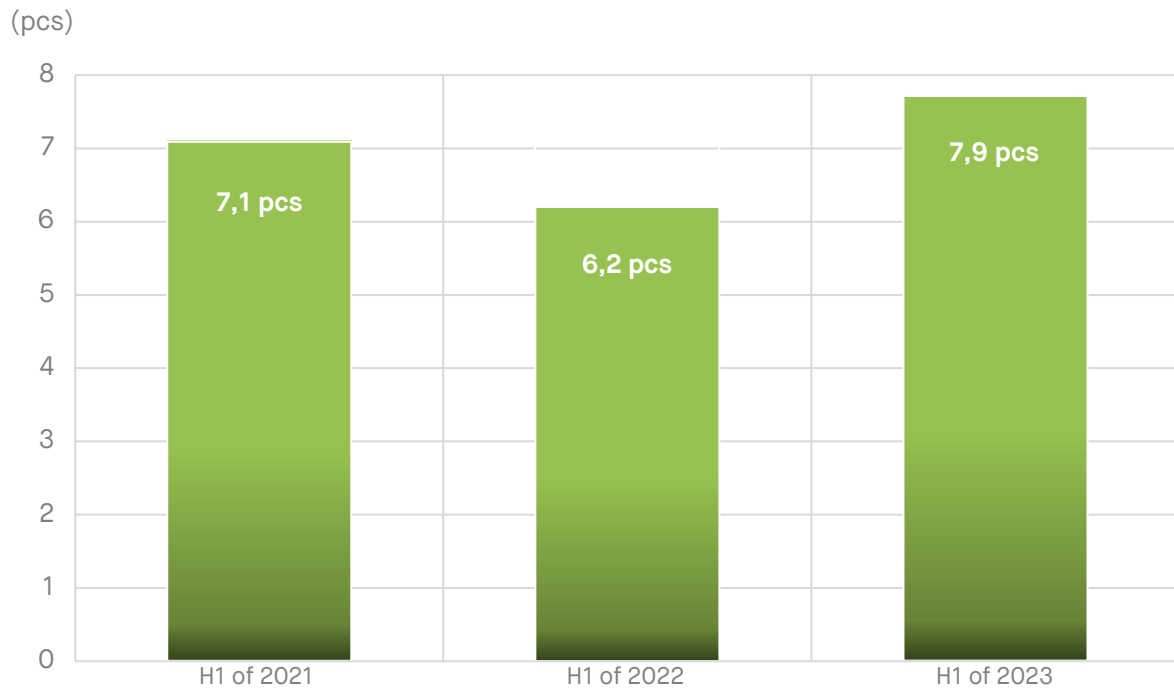


The number of negotiated procedures without prior publication launched slightly lowered in the first six months of 2023.



3. The average number of bids per public procurement procedure in the same periods of 2021, 2022 and 2023

Number (pcs) of bids per public procurement procedure in the first half of 2021, 2022 and 2023

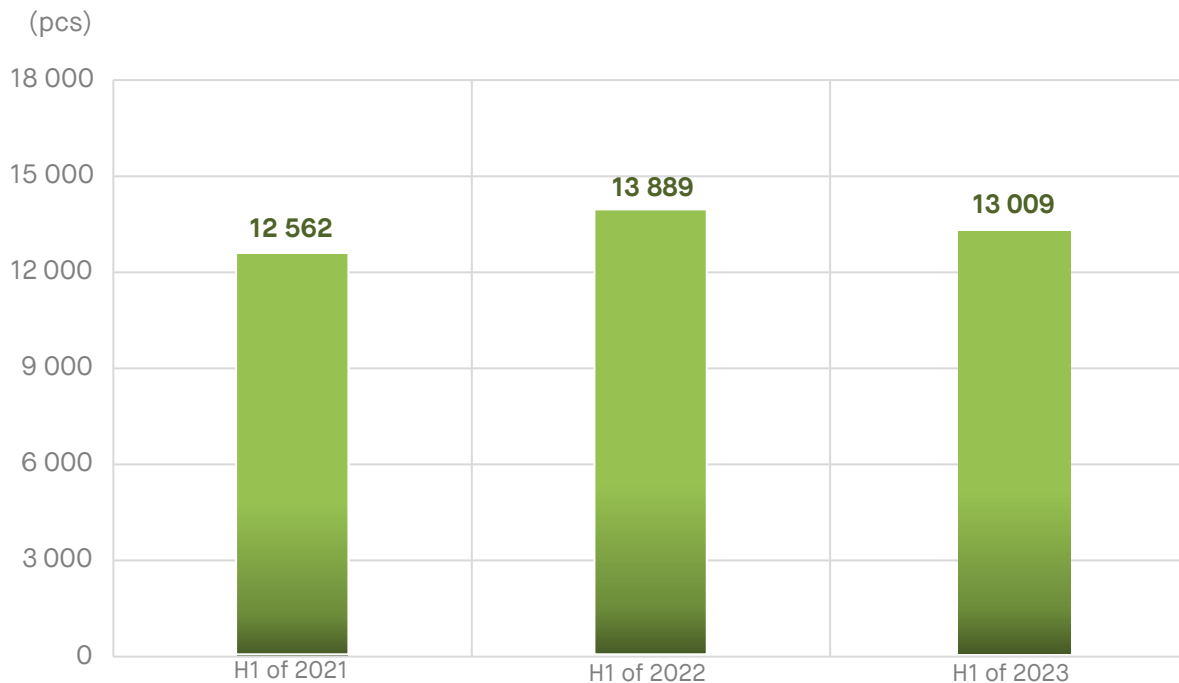




IV. STRICT CONTROL, ENHANCING COMPLIANCE

1. Control of notices

Number (pcs) of notices submitted to the Public Procurement Authority in the first half of 2021, 2022 and 2023



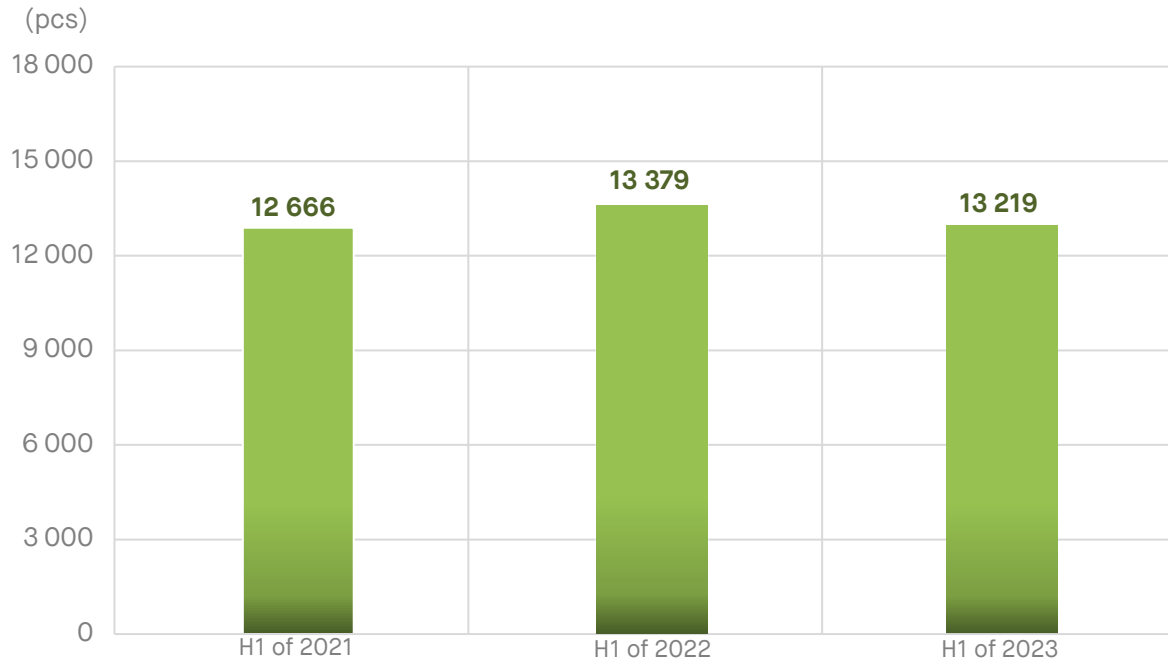
In total **13 009 notices** were registered and processed in the first semester of 2023, which almost equals the data of the same period of last year.

The Public Procurement Authority reviews notices within 2 working days to be published in the Official Journal of the European Union and in the daily edited Hungarian Public Procurement Bulletin. **In the first half of 2023 in total 13 219 requests for the supply of missing information were issued**, which substantially contributed to the publication of the contracting authorities' notices having compliant content.



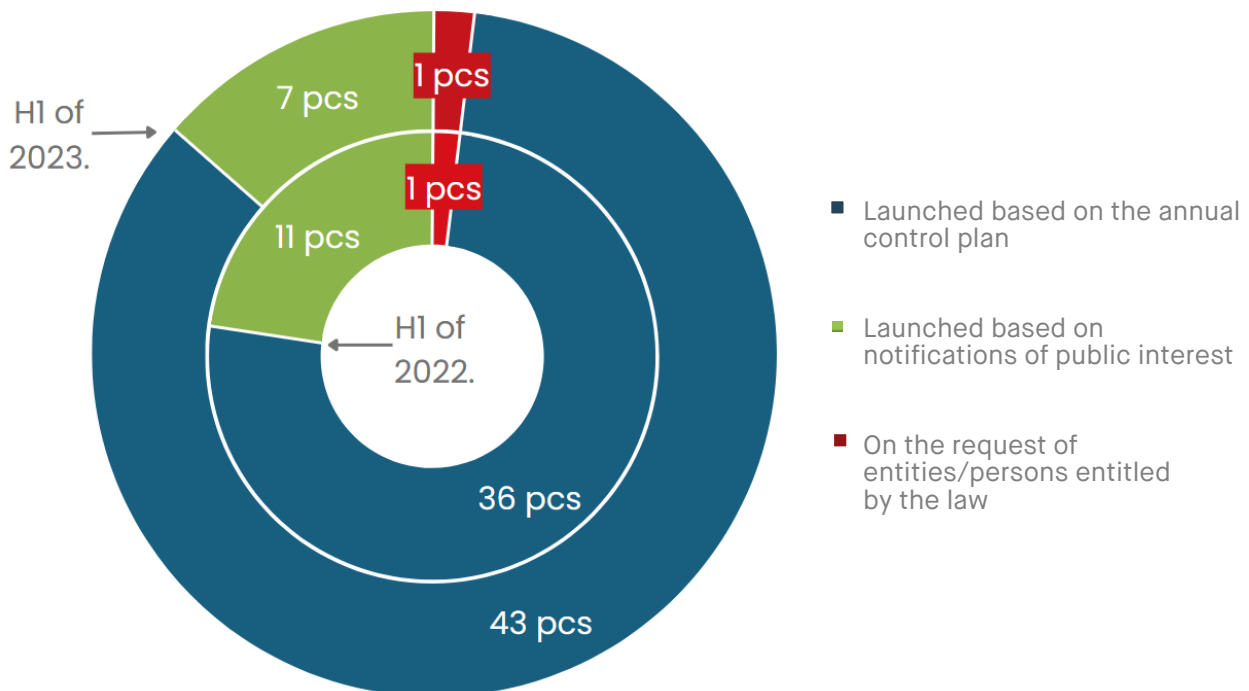
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Number (pcs) of requests for the supply of missing information issued by the Public Procurement Authority in the first half of 2021, 2022 and 2023



2. Control of public contracts

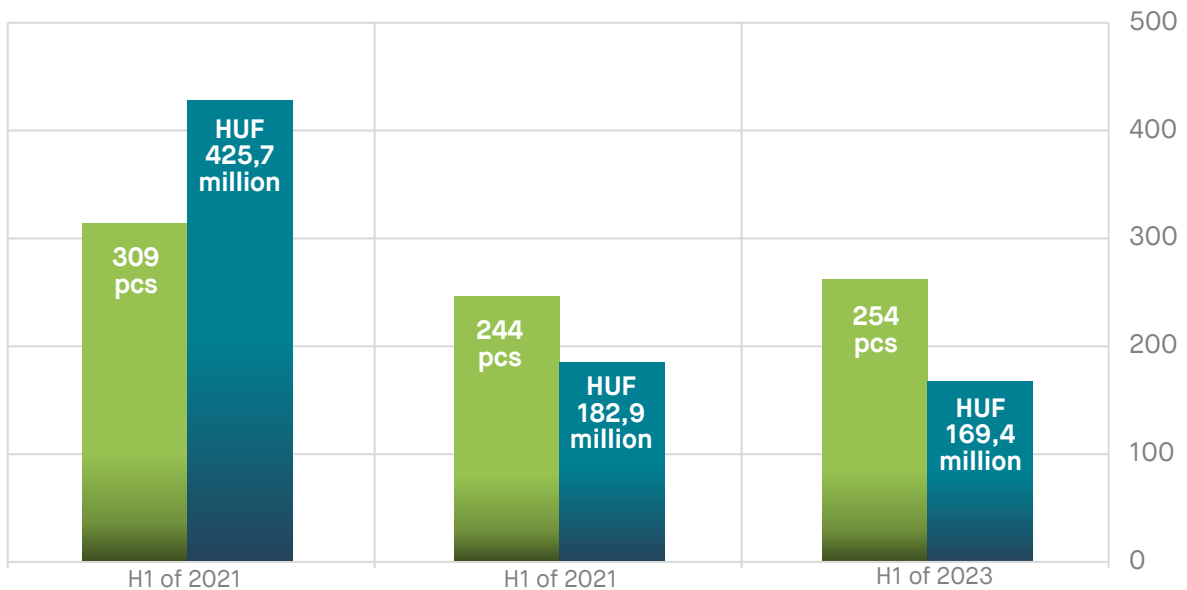
Number of contract controls ordered in the first half of 2022 and 2023





3. Number (pcs) of review procedures and total value (HUF million) of the total fines imposed in the same periods of 2021, 2022 and 2023

Number (pcs) of review procedures and total value (HUF million) of the total fines imposed in the first half of 2021, 2022 and 2023



* 65 review procedures were in progress based on the data of the first semester of 2023.

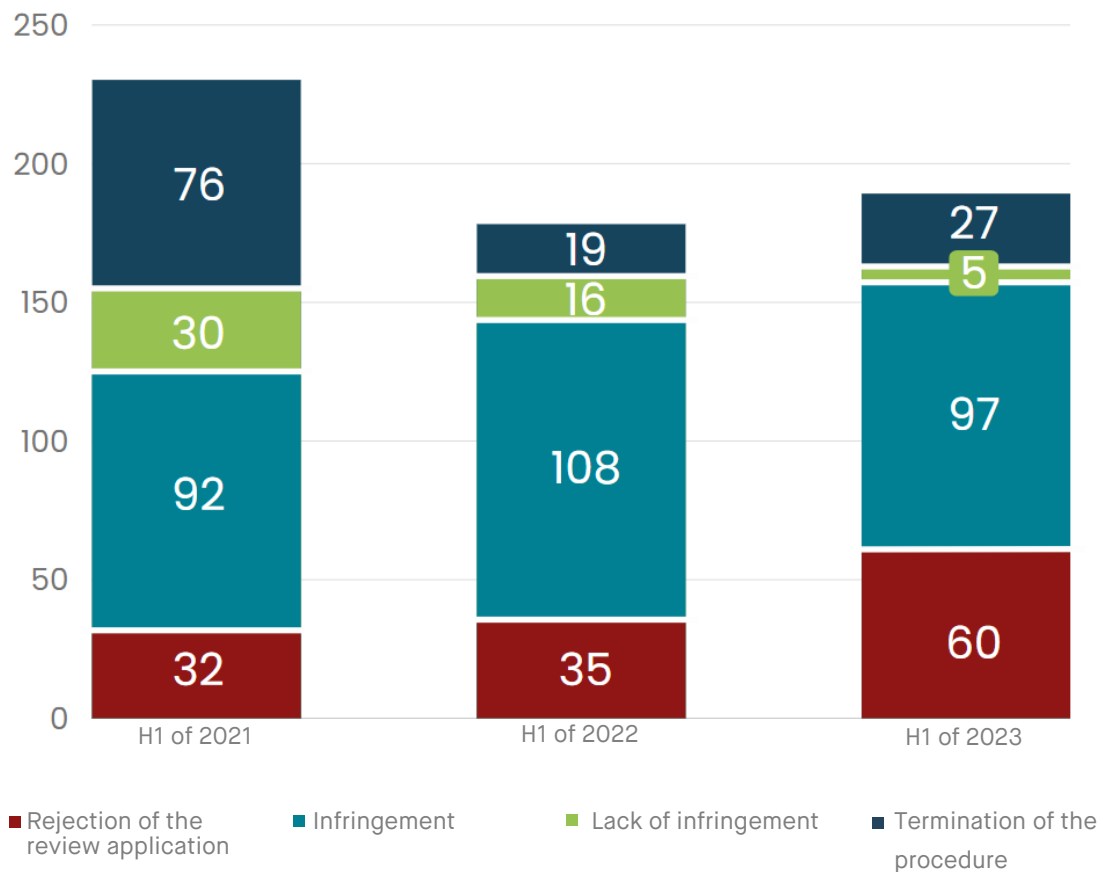
Number (pcs) and breakdown (%) of review procedures closed in the first half of 2023





4. Decisions of the Public Procurement Arbitration Board

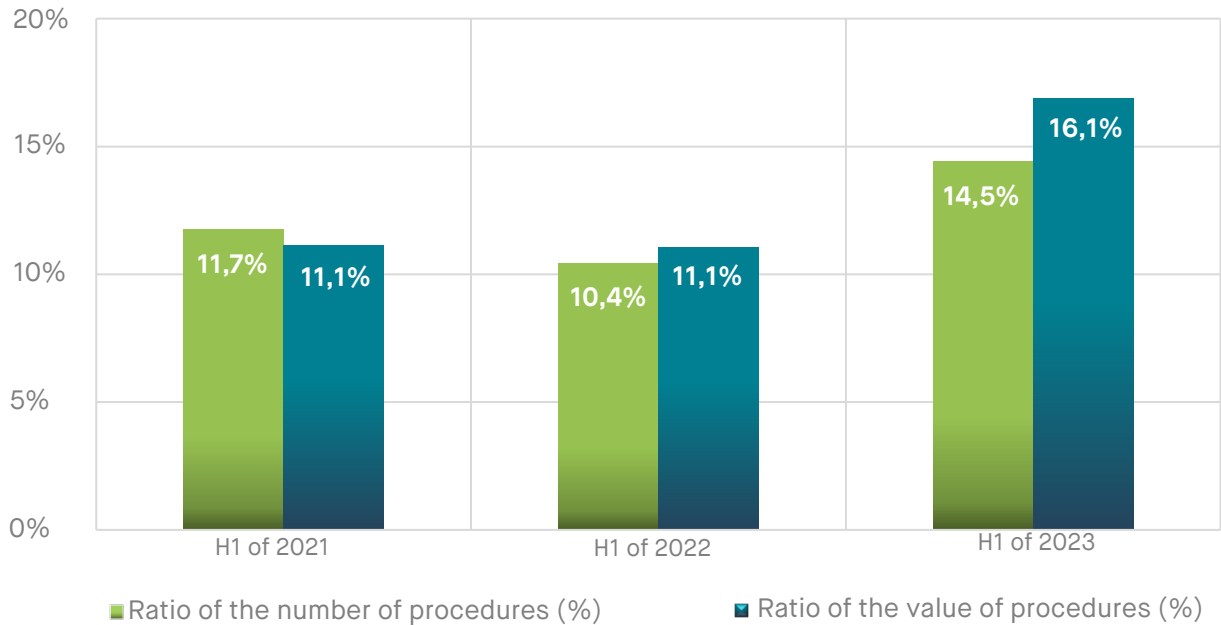
Decisions (pcs) of the Public Procurement Arbitration Board in the first half of 2021, 2022 and 2023



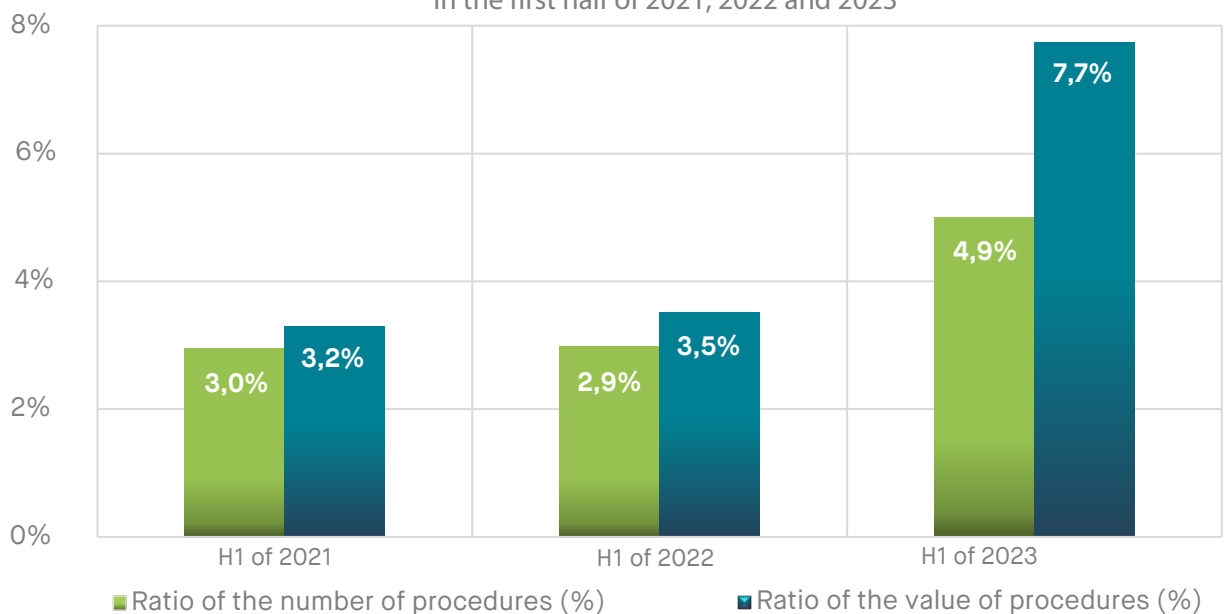


V. SUSTAINABILITY ASPECTS IN HUNGARIAN PUBLIC PROCUREMENT PROCEDURES

Ratio of number and value of procedures with *green* aspects below EU thresholds in the first half of 2021, 2022 and 2023



Ratio of number and value of procedures with *social* aspects below EU thresholds in the first half of 2021, 2022 and 2023



The ratio of the number and value of public procurement procedures applying environmental and social aspects greatly advanced in the first half of 2023 compared to the same periods of the previous years, which is considered to be a positive tendency, as contracting authorities again conduct more public procurement procedures with environmental and social aspects.