Mini Plenary #1

Raising Awareness of bid-rigging with (and generating leads from) public procurement agencies/authorities

INTERSTELLAR TENDER

Your name



35% of interstellar resources

Bid A IMU



VENUS 30%of interstellar resources

Bid B

IMU



MARS
25%
of interstellar
resources

Bid C



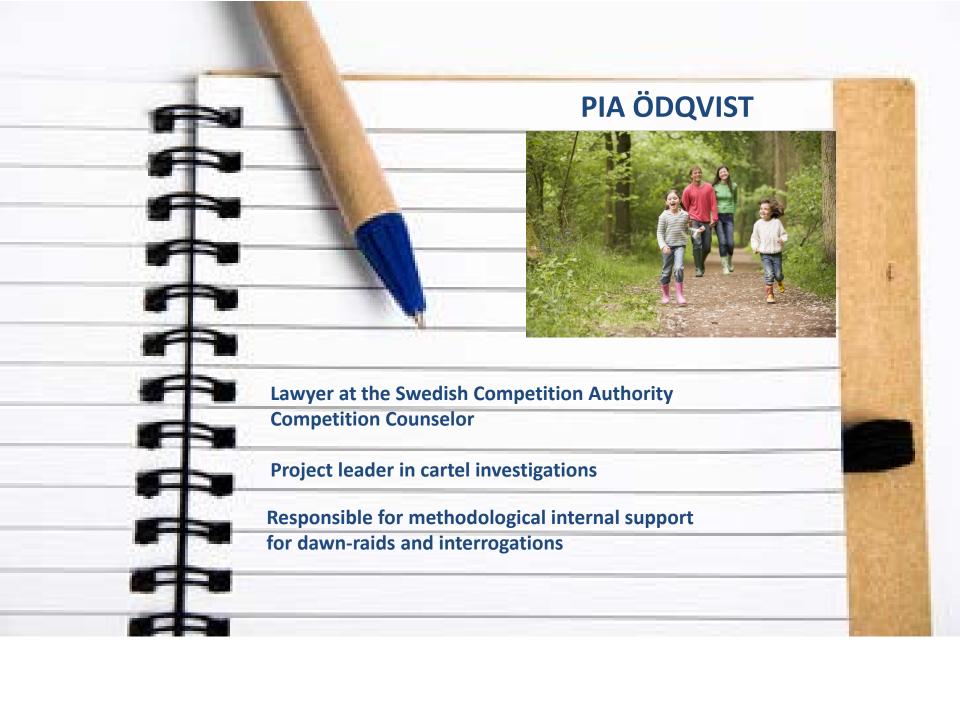
MERCURY

10% of interstellar resources

Bid D

IMU

YOUR BIDS



Mini Plenary #1

Raising Awareness of bid-rigging with (and generating leads from) public procurement agencies/authorities

Pia Ödqvist 4 October 2017



Outreach activities – public procurement officials

The SCA offers public procurement officials training with the purpose of:

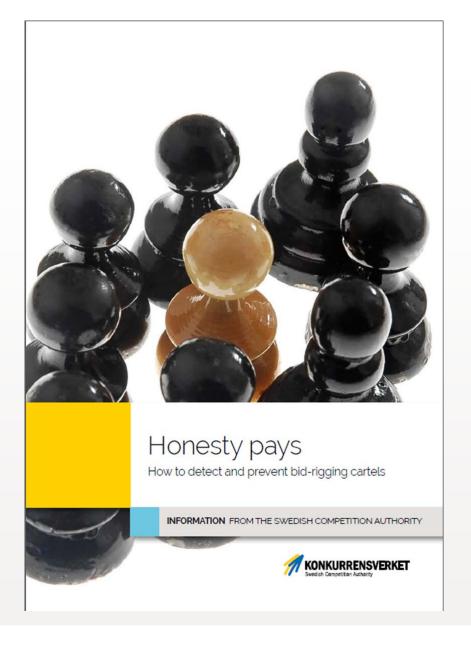


- » Raising awareness on how to detect cartel activity.
- » How they can reduce the risk of bidrigging cartels.



CHECKLIST		
Twelve ways to detec	ct a bid-rigging cartel	a
High prices? Companies can submit tenders for the sake of appearances, aware that another company will win the contract.	Similar tenders? It is illegal to have sector-wide pricelists and thereby submit similar tenders.	
Price variation? If one company submits a significantly higher tender in certain procurements than others, without there being any obvious differences in cost, this could be a sign of a bid-rigging cartel.	Suspicious patterns of behaviour? If the same company wins the contract each time it comes up for renewal, the companies may have divided up the market between themselves.	
Large price differences? Inexplicable price differences between the winning tender and other tenders could be a sign that the others have a bid-rigging cartel.	Collaboration with sub-contractors? If the company that wins a contract engages the services of the companies that submitted higher tenders in the same procurement, this could be a sign of a bid-rigging cartel.	
Similar prices? If several companies submit identical prices, this could mean that they have agreed to share the contract.	Carelessly prepared tenders? If only the winning tender is prepared with thoroughness and attention to detail, while the others appear to be carelessly put together, this could be a sign of a bid-rigging cartel.	
Coordinated boycott? If none of companies submits a tender, this could mean there is a coordinated boycott in order to influence the conditions of the procurement.	Identical wording? Be on the lookout for identical wording, the same errors in calculations or the same letter paper and forms between the companies.	
Few tenders? Companies can refrain from submitting a tender within a certain area to allow another company to win the contract there.	Alternating lowest tender? If the suppliers appear to have taken turns in submitting the lowest price in a procurement, they may have agreed who will win the contract in certain years.	







Bid-rigging cartels and corruption

Reveal secret information



Influence the evaluation of bids

Convince the procurer not to publish a contract notice

Convince the procurer not to contact authorities



Conclusions

- » Raising awareness among public procurement officials should involve both information about detection and how to make tenders less prone to bid-rigging.
- » Cooperation with other authorities will increase your chances of finding bid-rigging cartels.
- » Have an understanding of procurers' situation and convince them that alertness will pay off.



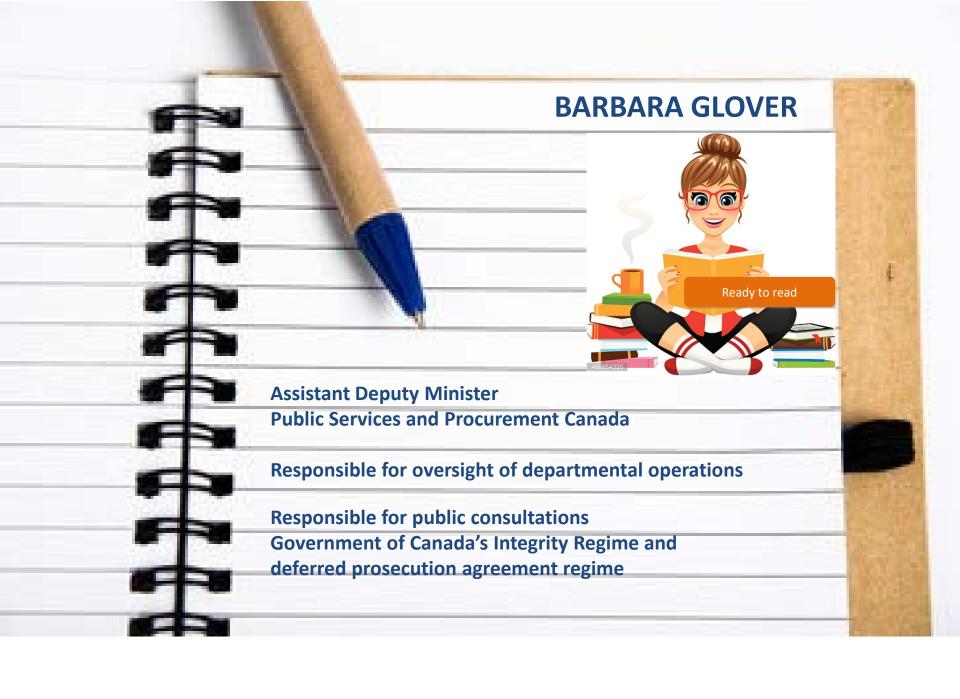
www.konkurrensverket.se +46 (0) 8-700 16 00 Torsgatan 11, Stockholm, Sweden



Your name _____



·



Mini Plenary #1

Raising Awareness of bid-rigging with (and generating leads from) public procurement agencies/authorities

The Government of Canada experience

Barbara Glover

4 October 2017

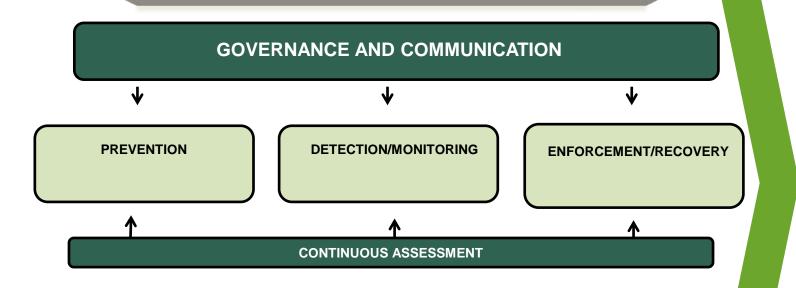
Topics

- I. Context
- II. Canada's framework to detect and prevent corporate wrongdoing in federal procurement
- III. Partnerships with the Competition Bureau and Royal Canadian Mounted Police

Context

- The Government of Canada (GC) awards approximately \$20 billion worth of contracts and real property agreements annually.
- Given the sizeable financial flows of these expenditures, contracts and real property agreements have the potential to leave the GC vulnerable to fraud, collusion and corruption.
- Over time, the GC has established a strong framework to detect and prevent various types of corporate wrongdoing in the context of federal procurement, including bid-rigging.

PSPC fraud/wrongdoing risk management framework



- Enhanced integrity of the contracting process
- Reduced fraudulent activities against the Crown
- Continued confidence in public servants/ institutions

Key elements of Canada's framework

Procurement Code of Conduct

Ensures all involved in the procurement process understand what is expected of them. Establishes clear linkages to the Government of Canada's measures, policy and legislation on matters of conflict of interest and anti-corruption.

Federal Contracting Fraud Tip Line

Collects anonymous information from suppliers, their employees and competitors on unethical business practices in federal procurements.

The Government-wide Integrity Regime

Aims to reduce the risk of the Government of Canada entering into contracts or real property agreements with unethical suppliers.

Each of these elements are supported by solid partnerships

- PSPC works in partnership with the Competition Bureau and the Royal Canadian Mounted Police to detect and prevent unethical business practices in the context of contracts and real property agreements.
- Examples of these partnerships include, but are not limited to:
 - Screens pilot project
 - Federal Contracting Fraud Tip Line
 - Bid-rigging awareness sessions
 - Information sharing related to special investigations and disclosures



Related links

Integrity Regime

https://www.tpsgc-pwgsc.gc.ca/ci-if/ci-if-eng.html

Federal Contracting Fraud Tip Line

www.canada.ca/contract-fraud-tipline

Public Services and Procurement Canada Code of Conduct

https://www.tpsgc-pwgsc.gc.ca/apropos-about/code-cond-eng.html

Consultation: Expanding Canada's toolkit to address corporate wrongdoing

www.canada.ca/lets-talk-corporate-wrongdoing

Your name _____



Comments/suggestions?

Let's discuss

Moderator's comments

• Fight against bid rigging supports fight against corruption in public procurement and increases welfare

- Advocacy and enforcement reinforce each other
- Institutional cooperation improves detection and effectiveness

INTERSTELLAR TENDER

Your name



35% of interstellar resources

Bid A

IMU



VENUS 30%of interstellar resources

Bid B

IMU



MARS
25%
of interstellar resources

Bid C



MERCURY

10% of interstellar resources

Bid D

IMU

YOUR BIDS

Thank you!

