



Coimisiún um
Iomaíocht agus
Cosaint Tomhaltóirí

Competition and
Consumer Protection
Commission

Fostering competition in public procurement through technology

Patrick Kenny
Member CCPC



Annual Conference
Public Procurement
10 November 2017

Agenda

- The Competition and Consumer Protection Commission (CCPC)
- What informs the work of the CCPC
- Procurement
- Consortium Bidding
- Screening
- Advocacy
- Conclusions



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How you may have heard about the CCPC

Motor Insurance
Investigations

Product Safety
700 Halloween items
Seized at Dublin port

PCP Car Finance
Study

Residential Care
Services for the
Elderly

Car Clocking

Ticketing
Investigation

Waste Sector

Mortgages

Buying Online

Buying a Car

Toy Safety



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Our Functions

Enforce

Enforce competition law

Enforce consumer protection law

Enforce product safety regulations

Assessing mergers

Inform

Inform consumers about their rights

Foster business compliance

Provide personal finance information & education

Advise Government & influence policy

Protect & Regulate

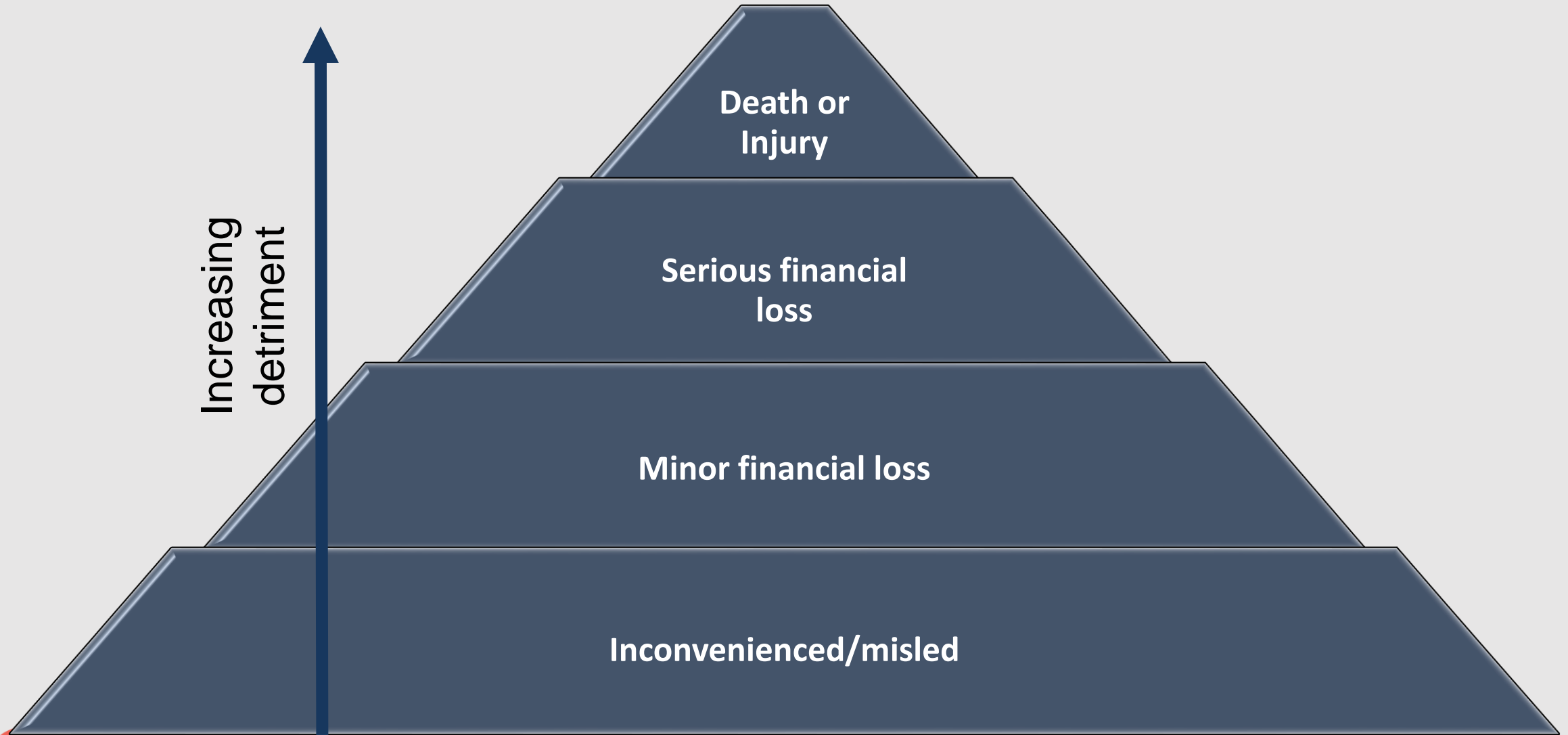
Monitor compliance with Grocery sector regulations

Alternative Dispute Resolution

Authorise credit intermediaries



Prioritising Harm





Competition and Consumer Protection Commission

What informs the CCPC's work?



What informs the CCPC's work?

**Information from consumers:
40,000+ contacts
received annually**

**Anonymous Letters
&
Whistle Blowers**

**Immunity applicants:
Cartel immunity number:
087 763 1378**

**Information received from
State bodies
including
An Garda Síochána
Revenue Commissioners
Procurement Agencies**

**Co-operation with
European Commission and
other competition and
consumer protection agencies**





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PURCHASE ORDER

DATE
DELIVERED
FOR

Procurement

CCPC and Procurement

Competition
law

Guidance: Consortium Bidding

Bid rigging: Most common form of cartel that comes to our attention. In line with international experience.

Advocacy: Make procurement markets contestable. Lotting and participation rates (SMEs)

Guidance on Consortium Bidding



Minimise information sharing to bid topic



Compete as normal in other markets



Do not share information on future intentions



Transparency



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CONSORTIUM BIDDING

How to comply with
competition law
when tendering as
part of a consortium

A Guide for Small and
Medium Enterprises
(SMEs)

December 2014



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Aston Carpets: Ireland's first conviction for bid-rigging

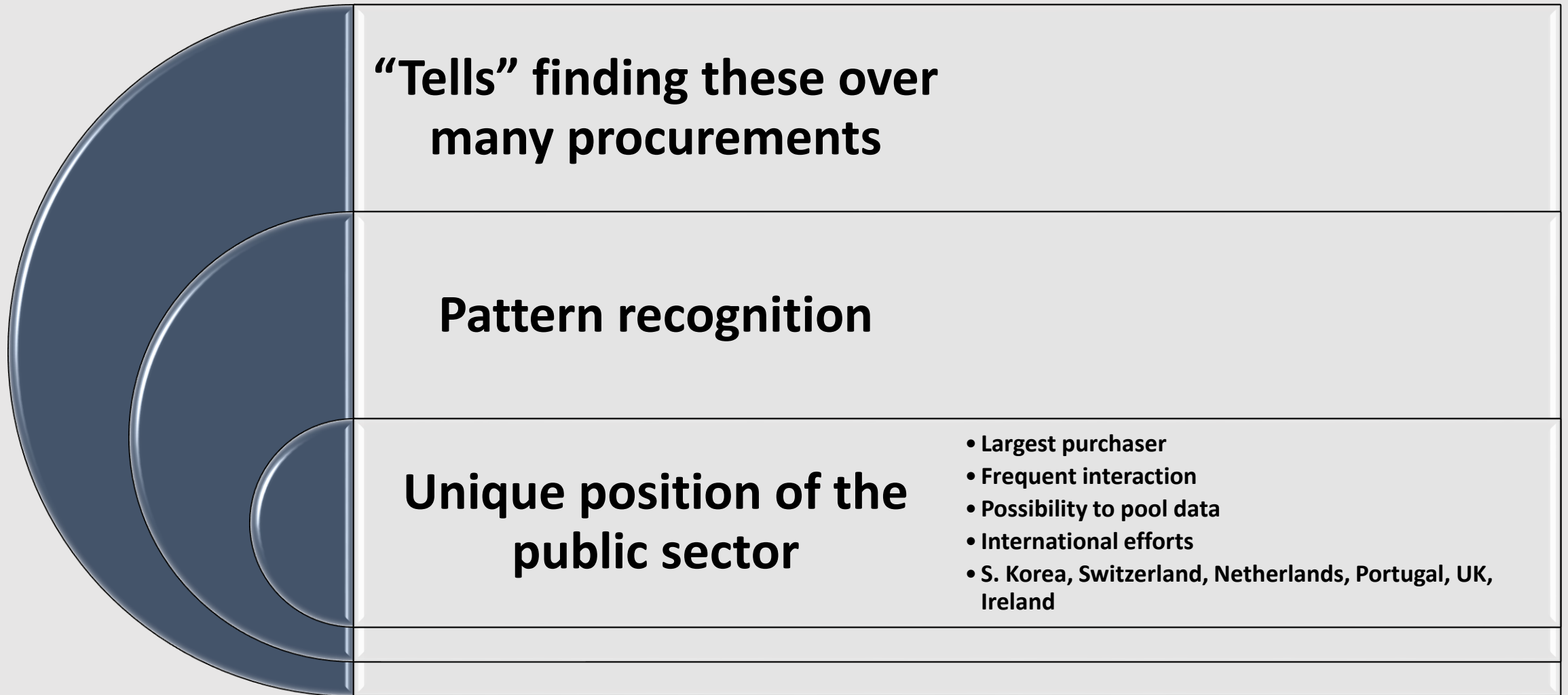


- Brendan Smith fined for engaging in and implementing an anti-competitive agreement contrary to the Competition Act 2002
- Handed a three-month prison sentence, suspended for two years, for attempting to impede a prosecution, contrary to the Criminal Law Act 1997
- Aston Carpets was fined for engaging in and implementing an anti-competitive agreement contrary to the Competition Act 2002

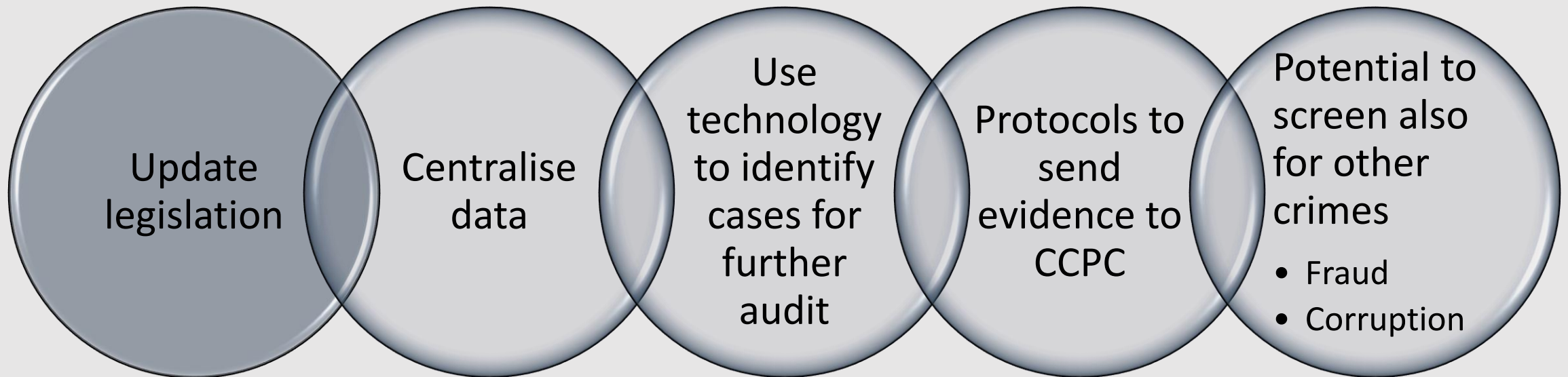
DATA & Procurement

Screening

Screens



Screens – best practice approach





Bid-Rigging Detection Tool

Bid-Rigging Detection Tool



Developed by UK Competition and Markets Authority after detection of major cartels

Went live July 2017

Distributed – not centralised detection system i.e. for use by procurement bodies & comes with adjustable weightings

Tool currently under review by CCPC

Further development expected





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Advocacy

Do not unnecessarily limit participation

Lots

Unrealistically high turnover thresholds etc.

Circular 10/14

Don't go for administrative simplicity – look for the best long term value

Reduce incentives to collude

Combinatorial approach



Advocacy: The Combinatorial Approach

Purpose of the competitive process

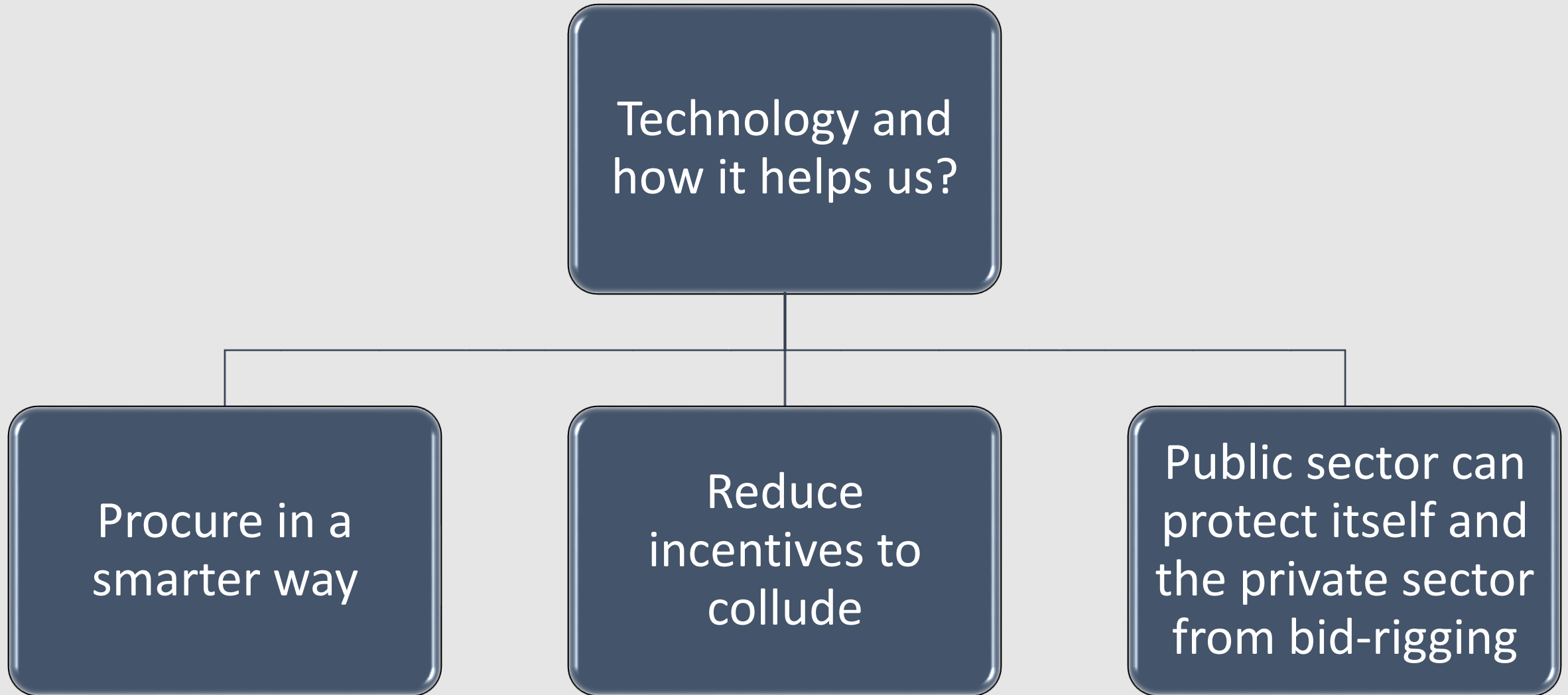
- Get participants to reveal true willingness to do work

A combinatorial approach allows

- Companies to reveal more about their underlying cost structure
- Allows smaller firms with a local cost advantage to compete with larger firms
- Reduces incentives to collude
- Algorithm picks best combination of bids
- Win-win for procurer and participants



Conclusions





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Thank You