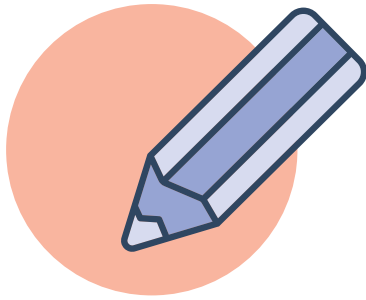


Detecting & Preventing Bid-Rigging in Ireland



Types of bid-rigging

BID SUPPRESSION

Firms who would normally be expected to tender for a contract agree not to submit bids or else withdraw their bids. This results in another party's tender being selected instead.

COVER BIDDING

Competitors submit artificially high tenders that cannot be selected. This allows for one of the other firms to win the contract. They give the appearance of a genuine process but it is never intended for these bids to be selected.

BID ROTATION

Firms take turns winning business and being the designated successful bidder.

Warning signs: What to look out for

BID PATTERNS

- Some tenders may be much higher than published price lists
- Certain tenderers never win in particular geographic areas
- Fewer competitors than normal
- Pattern of recurring low tenders
- Winning bidder frequently subcontracts work

PRICING IRREGULARITIES

- Unexplained price difference between winning tender and other tenders
- Exchange of information between competitors
- Competitors submit identical tenders
- Sudden increases or changes in price

SUSPICIOUS BEHAVIOUR

- Irregularities in the proposal
- Two or more competitors file a joint tender
- A bidder submits the tender of a competitor
- Competing tenderers meet before a submission deadline

How to prevent it

EXPAND THE LIST OF BIDDERS

More suppliers can reduce the effectiveness of coordination between competitors

CHOOSE BETWEEN EQUAL TENDERS

Where bids are equal, the contract should be retendered or the business awarded to one of the tied bidders

KEEP THE PROCESS SECRET

The identity of proposed bidders and estimated value of the contract should not be disclosed

EDUCATE STAFF AND KEEP RECORDS

- Procurement and contract personnel should understand the different forms that bid-rigging can take
- Keeping procurement records can be useful for checking for bid-rigging patterns
- Staff should know how to get in touch with the CCPC if they suspect collusion



CONTACT DETAILS

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