

AUDIT REPORT 7/2023

Pre-contractual audit of procurement public contracts: Substantial irregularities of period from 1.1.2022 to 30.6.2023

SUMMARY

During the period from 1.1.2022 to 30.6.2023, the Sixth Section of the Court of Audit conducted pre-contractual audit of the procedures for awarding procurement public contracts which fall under its jurisdiction. The substantial irregularities which were mainly identified through this audit are the following:

I. Extensions of the economic subject-matter of several contracts were deemed inadmissible to the extent that the contracting authorities could be provided with the remaining, at the time of the audit, contractual quantities and, in the event of their premature exhaustion, initiate new contracting procedures in time to cater for their future needs.

II. A reversal of the economic balance at the expense of suppliers, due to the general price increases in the markets, which can, under certain terms, lead at the readjustment of the initial contract prices, was not adequately justified in certain amendment contracts with the purpose of such readjustment.

III. The budget documentation of some public contracts was deemed incomplete, to the extent that it did not allow for the audit to confirm the reasonable character of the respective fiscal burden and the transparent allocation of public funds.

IV. The recourse of contracting authorities to exceptional procurement procedures was deemed unjustified in cases whereupon actual inability to conduct competitive procedures was not ascertained, mainly because the needs for which the disputed assigned awards were intended were not urgent, nor had they arisen due to unforeseen circumstances, but, on the contrary, they were fixed and permanent.

V. The economic and technical capacity criteria, established for the selection of contractors in certain award procedures, led to unjustified discriminations among the potential suppliers of the requested items.