

Data Analytics for Anti-Corruption in Public Procurement

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Winter Semester 2023/2024
2 US credits (4 ECTS)

OSUN course: hosted by the Central European University (also offer to students in University of Los Andes, SciPo, University of Witwatersrand)

1. Course description

Government contracting or public procurement represents about one-third of government spending around the globe. Much of this spending is highly discretionary and complex, making it vulnerable to corruption. The goal of this course is to offer students an introduction into public procurement corruption and data analytics used in this field. It combines data analytics with sound theory and robust evidence to equip students to understand, detect and fight corruption in government contracting.

2. Competences and learning objectives

At the end of this course students will have a thorough understanding of

- What public procurement is, how it is organized and what are the main administrative decisions defining it;
- How corruption takes place in public procurement, including typical schemes, actors, and risk factors;
- Publicly available government tendering and contracting datasets, their strengths and weaknesses and how to test their quality; and
- How to use data analytics for measuring corruption and for designing effective anticorruption interventions.

3. Methodology

The course is a blended mode course in which we combine asynchronous classes using platforms like zoom, teams or meet sessions and online activities designed to support and extend students' learning.

The student is expected to participate in the different activities of the synchronous classes, demonstrate a deep preparation of the materials and tasks of the asynchronous sessions. The student is expected to contribute with arguments to the discussion, based on the readings and previous activities with elaborated positions supported by the reading materials.

The student must work on the different activities included in the learning management system as part of the integral learning. The preparation of the synchronous sessions implies going beyond a quick reading of the resources corresponding to the asynchronous sessions. The student is expected to do a careful reading, and identify central themes and questions of the resources prior to the synchronous classes. The synchronous and asynchronous classes are articulated and, for

this reason, developing autonomous work is indispensable to take advantage of the synchronous classes.

4. Prerequisites

There are no specific prerequisites to this course. In general, students should have completed an introductory course in public administration or political science or government or law to be familiar with basic governmental processes and terminology. A solid grasp of statistics and data analysis will aid students in comprehending key concepts of the course.

5. Assessment and evaluation

	Percentage
Participation in class discussion and activities	10
Presentation of Policy Research Project (group work)	40
Research paper (group work)	50

6. Course Schedule

Each week is a double session: 2*100 mins, combining theoretical and practical elements, including group work in class. Classes will take place on Fridays at 13.30-17.20 CET in roughly 2-week intervals.

2/2/2024. Sessions 1-2. Understanding public procurement (Maria Margarita Zuleta Gonzalez)

OECD (2015) The OECD Recommendation on Public Procurement www.oecd.org/gov/public-procurement/OECD-Recommendation-on-Public-Procurement.pdf

Agreement on Government Procurement, as amended on 30 March 2012 (GPA 2012) www.wto.org/english/docs_e/legal_e/rev-gpr-94_01_e.pdf

UNCITRAL Model Law on Public Procurement (2014) <https://uncitral.un.org/sites/uncitral.un.org/files/media-documents/uncitral/en/2011-model-law-on-public-procurement-e.pdf>

Procurement in Focus: Rules, Discretion and Emergencies: Edited by Oriana Bandiera, Erica Bosio and Giancarlo Spagnolo (2021) CEPR Press

OECD (2022), The Blue Dot Network: A proposal for a global certification framework for quality infrastructure investment, www.oecd.org/daf/blue-dot-network-proposal-certification.pdf.

9/2/2024. Sessions 3-4. Public procurement, corruption, and corruption schemes (Maria Margarita Zuleta Gonzalez)

Carpintero, Laura, Piga Gustavo and Zanza Matteo (2009) The variety of procurement practice: evidence from public procurement, Handbook of Procurement / Cambridge University Press.

Albano, Gian Luigi, Buccirossi Paolo, Spagnolo Giancarlo and Zanza Matteo (2009) Preventing collusion in procurement, Handbook of Procurement / Cambridge University Press.

Albano, Gian Luigi and Nicholas Caroline (2016) Integrity concerns in framework agreements, The Law and Economics of Framework Agreements / Cambridge University Press.

OECD (2016) High-Level Principles for Integrity, Transparency and Effective Control and of Major Events and Related Infrastructures www.oecd.org/gov/ethics/High-Level-Principles-Integrity-Transparency-Control-Events-Infrastructures.pdf

16/2/2024. Sessions 5-6. Anti-corruption and investigations in public procurement (Jonathan Klaaren)

Core readings

Further readings

1/3/2024. Sessions 7-8. Public procurement data (Mihály Fazekas)

Core readings

Horn, Peter; Czibik, Ágnes; Fazekas, Mihály; and Tóth, B. (2021): [Analyzing Public Procurement Risks: Training manual](#). Budapest: R2G4P / Government Transparency Institute. chapter 2.

Fazekas, Mihály; Abdou, Aly; Kazmina, Yuliia & Regős, Nóra (2022) [Development Aid Contracts Database: World Bank, Inter-American Development Bank, and EuropeAid](#). Data in Brief, 42.

Further readings

Cingolani, Luciana; Fazekas, Mihály; Kukutschka, Roberto Martínez B.; Tóth, Bence (2015) [Towards a comprehensive mapping of information on public procurement tendering and its actors across Europe](#). DIGIWHIST, University of Cambridge

Czibik, Á. – Fazekas, M. – Tóth, B. (2015): [How to Construct a Public Procurement Database from Administrative Records?](#) GTI-R/2015:02, Budapest: Government Transparency Institute.

15/3/2024. Sessions 9-10. Corruption risk indicators in public procurement (Mihály Fazekas)

Core readings

Horn, Peter; Czibik, Ágnes; Fazekas, Mihály; and Tóth, B. (2021): [Analyzing Public Procurement Risks: Training manual](#). Budapest: R2G4P / Government Transparency Institute. chapters 1 & 3.

Fazekas, Mihály, Luciana Cingolani, & Bence Tóth (2018), [Innovations in Objectively Measuring Corruption in Public Procurement](#). In Helmut K. Anheier, Matthias Haber, and Mark A. Kayser (eds.) Governance Indicators. Approaches, Progress, Promise. Ch. 7. Oxford University Press, Oxford.

Further readings

Fazekas, Mihály, and Kocsis, Gábor, (2020), Uncovering High-Level Corruption: Cross-National Corruption Proxies Using Public Procurement Data. *British Journal of Political Science*, 50(1).

World Bank. (2013) *Fraud and Corruption Awareness Handbook: A Handbook for Civil Servants Involved in Public Procurement*. World Bank, Washington DC. See: <http://hdl.handle.net/10986/18153>

Transparency International. (2006). [Handbook for Curbing Corruption in Public Procurement](#). Berlin: Transparency International.

22/3/2024. Sessions 11-12. Public procurement data analytics (Mihály Fazekas)

Core readings

Horn, Peter; Czibik, Ágnes; Fazekas, Mihály; and Tóth, B. (2021): [Analyzing Public Procurement Risks: Training manual](#). Budapest: R2G4P / Government Transparency Institute. chapter 4.

Fazekas, Mihály; Poltoratskaia, Viktoriia; and Tóth, Bence (2023) [Corruption Risks and State Capture in Bulgarian Public Procurement](#). Policy Research Working Paper: WPS 10444 Washington, D.C.: The World Bank.

Watch the intro video: <https://www.youtube.com/watch?v=V3ZLcL8Ylfs>

Further readings

Oriana Bandiera, Erica Bosio, and Giancarlo Spagnolo (2021) [Procurement in Focus: Rules, Discretion and Emergencies](#). CEPR Press

Abdou, A.; Basdevant, O.; David-Barrett, E. and Fazekas, M. (2022) [Assessing Vulnerabilities to Corruption in Public Procurement and Their Price Impact](#). IMF Working Papers: WP/22/94. Washington, D.C.: IMF.

Analytics portals to be used for analysis

<https://www.procurementintegrity.org/>

<https://opentender.eu/>