

Iceland
Liechtenstein
Norway grants



Norway grants

Aleksandar Gerganov

Senior Analyst at the Center for Study of Democracy

Assistant Professor at the Institute Philosophy and Sociology, BAS

Combining experts' opinions and company data to assess corruption, state capture and policy measures at national, sectoral and institutional level

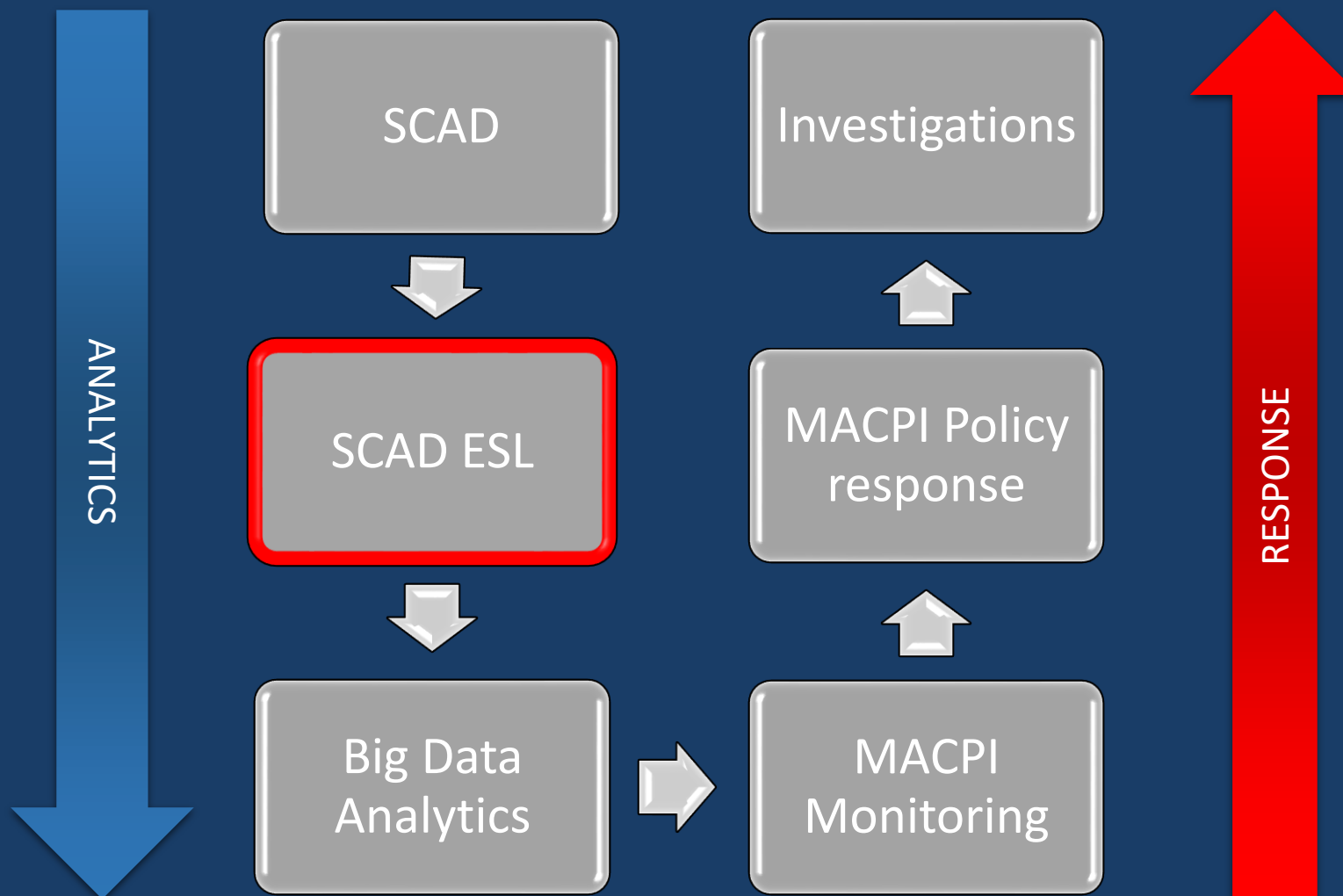
Second annual summer school, Zagreb

8 June 2022

Implemented by:



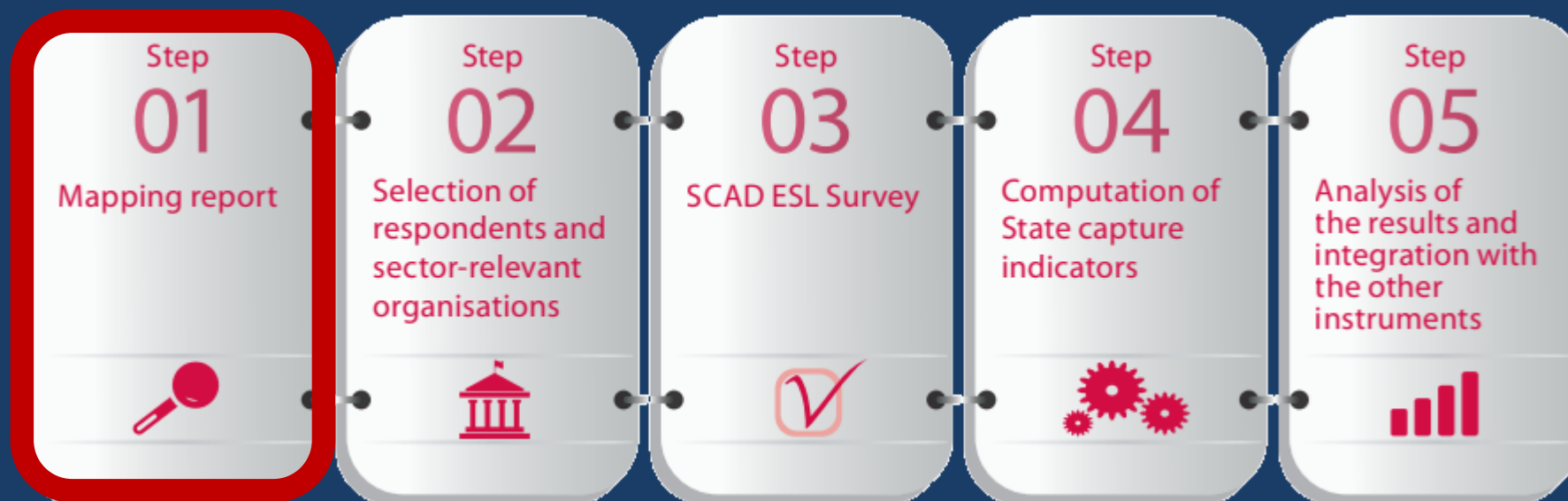




SCAD ESL Key Steps



SCAD ESL Mapping Report



SCAD ESL Mapping Report

Institution name	Sector name		
	Regulation	Control	Big client
Public organization 1			
Public organization 2			
.....			

SCAD ESL Selectors of respondents



SCAD ESL Selection of respondents

- ▶ **Public officials** are all people currently working at the management or expert levels in the public administration, in judiciary, prosecution, etc.
- ▶ **External experts** are:
 - ▶ NGO employees with expertise on corruption, conflict of interest, market competitiveness, etc.
 - ▶ Academia representatives with expertise on corruption, conflict of interest, market competitiveness, etc.
 - ▶ Ex-public officials who are familiar with at least some of the public organizations included in the survey
 - ▶ Heads of large businesses who are familiar with at least some of the public organizations included in the survey

SCAD ESL Survey



SCAD ESL Survey



- ▶ Standardized questionnaire, no changes in the questions apart from the list of public organization
- ▶ SCAD ESL should be implemented online using a software which handles filters (questions which are shown or hidden based on previous answers).



A continuación encontrará varias preguntas sobre diferentes organismos públicos, agencias estatales y órganos de control en España. Por favor, indique cómo de familiarizado está con cada uno de ellos.

(Una respuesta por cada fila)

	Muy familiarizado	Bastante familiarizado	Poco familiarizado	Nada familiarizado
Tribunales administrativos autonómicos de la contratación pública	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Agencia Valenciana Antifraude	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Agencia Española de Medicamentos y Productos Sanitarios	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Junta Consultiva de Contratación Administrativa	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Comisión Interministerial de Precios de Medicamentos y Productos Sanitarios	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Agencias o institutos autonómicos de la energía (EVE, ICAEN, FENERCOM, AGENEX, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Administraciones autonómicas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

SCAD ESL Survey

¿Diría usted que la presión externa para [participar en] transacciones relacionadas con la corrupción (como sobornos, lobby ilegítimo, tráfico de influencias, etc.) sobre los siguientes organismos es: alta, media, baja o inexistente?

(Esta presión externa significa que personas ajenas al organismo (independientemente de si son ciudadanos, miembros de otras instituciones, etc.) ofrecen sobornos y/o solicitan favores.)

Una respuesta por cada fila

	Alta presión	Presión media	Baja presión	No hay presión
Tribunales administrativos autonómicos de la contratación pública	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Agencia Valenciana Antifraude	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

¿Cómo de probable sería que un superior ordene a su personal que realizara actividades o servicios no autorizados en los siguientes organismos públicos?

Una respuesta por cada fila

	Muy probable	Bastante probable	Poco probable	Totalmente improbable
Tribunales administrativos autonómicos de la contratación pública	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Agencia Valenciana Antifraude	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Computation of State Capture indicators



Computation of State Capture indicators

Level one concept	Institutional enablers	Level three indicators
Level two indicators	Lack of Integrity	Activities are not transparent
		Not accountable for its actions
		No checks and balances
	Lack of Impartiality	Often serves private interests
		Would never sanction certain people/firms
		Its rules of operation are violated often
	Private Interest Bias	
	Ineffectiveness of Anti-corruption Policies	Estimated External Corruption Pressure
		Estimated Pressure from Above
		Estimated Involvement in Corruption

Indicators and questions are formulated negatively in order to make interpretation of values easier – the higher the value, more unfavorable the status of the respective capture aspect is.

Computation of State Capture indicators

Level one concept	Business State Capture pressure	Level three indicators
Level two indicators	General monopolization pressure	Assessed overall level of monopolization of the sector
	Ineffectiveness of antimonopoly laws	Laws regulating the sector help/hinder/not related to the formation of monopolistic, oligopolistic or cartel structures
	Specific monopolization pressure	A specific company or a small number of companies win too many public tenders
		Laws provide illegitimate competitive advantage
		Selective application of control and/or sanctions
		Concentration of public funds in the sector (euro funds, direct subsidies, etc.)

Indicators and questions are formulated negatively in order to make interpretation of values easier – the higher the value more unfavorable the status of the respective capture aspect is.

Computation of State Capture indicators

Level two indicators	Computation:
General monopolization pressure	percentage of experts who believe there is any reason to suspect the existence of a monopoly/oligopoly/cartel in the sector.
Ineffectiveness of antimonopoly laws	percentage of experts who believe that the laws for the sector rather help the monopolization of the sector
Specific monopolization pressure	percentage of all experts who think that the sector suffers from at least one of the four specific problems: (1) a specific company or a small number of companies that win too many public tenders, (2) laws provide illegitimate competitive advantage, (3) control and/or sanctions are applied selectively which helps particular companies, and (4) a high concentration of grants and subsidies in the sector

Italy, Wholesale of solid, liquid and gaseous fuels

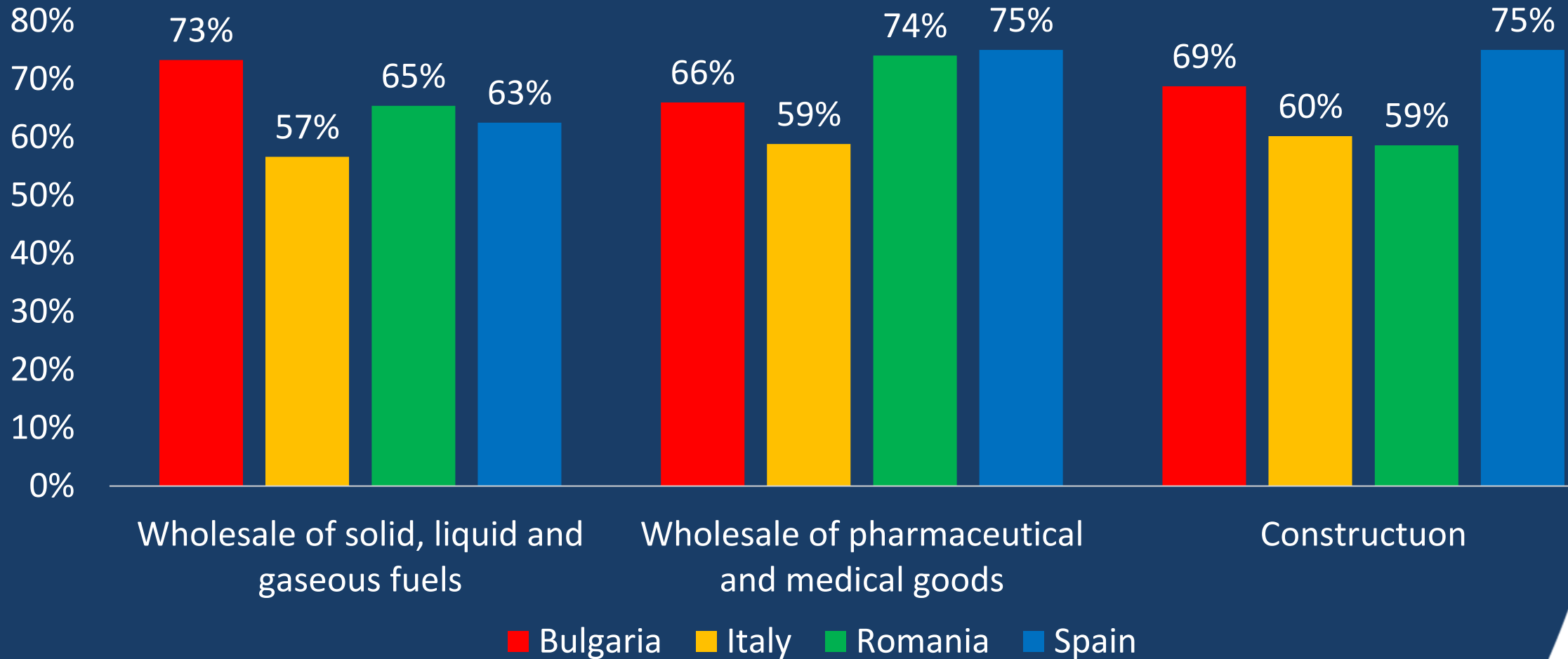
Level one concept	Level two indicators	Score
Business State Capture Pressure, Italy, Wholesale of fuels = 57%	General monopolization pressure	85%
	Ineffectiveness of antimonopoly laws	21%
	Specific monopolization pressure	60%

Analysis of the results



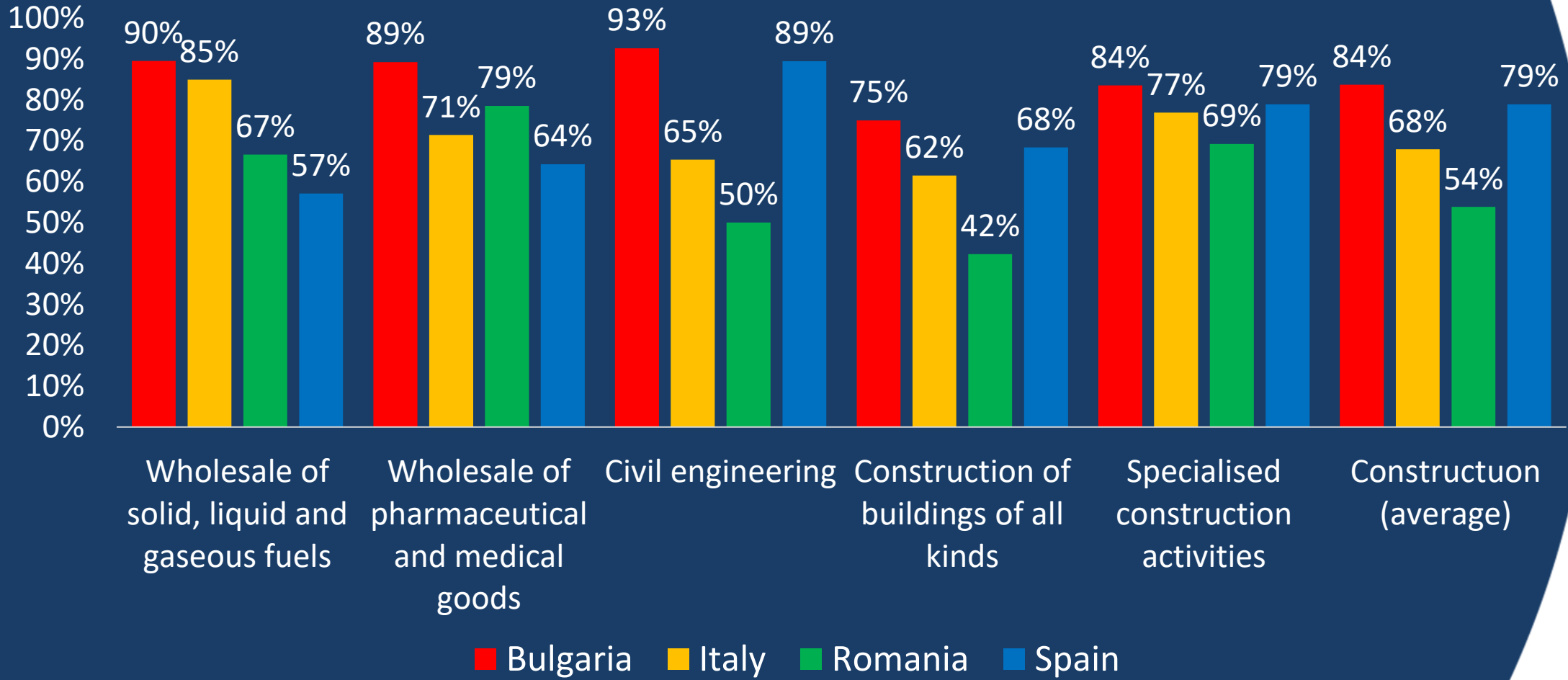
Analysis of the results

Business State Capture Pressure



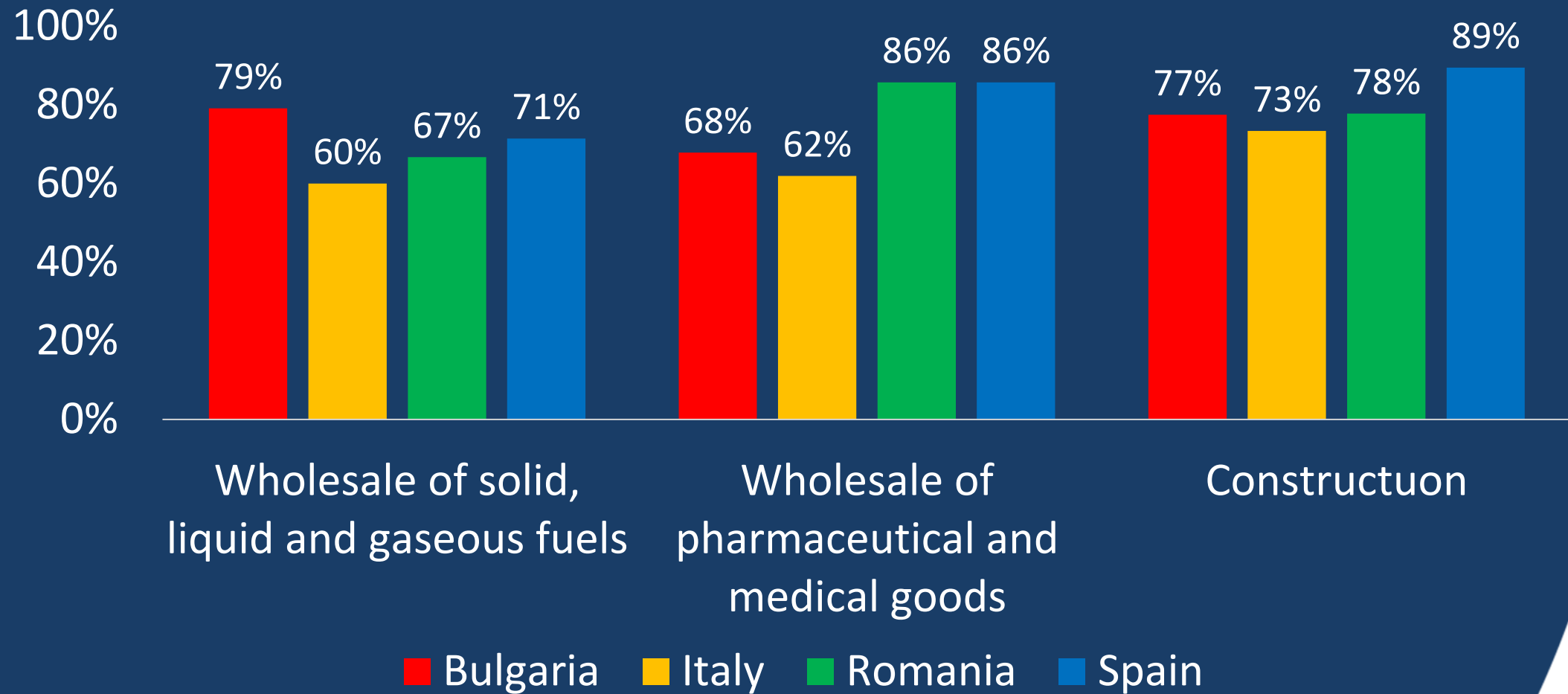
Analysis of the results

General Monopolization pressure



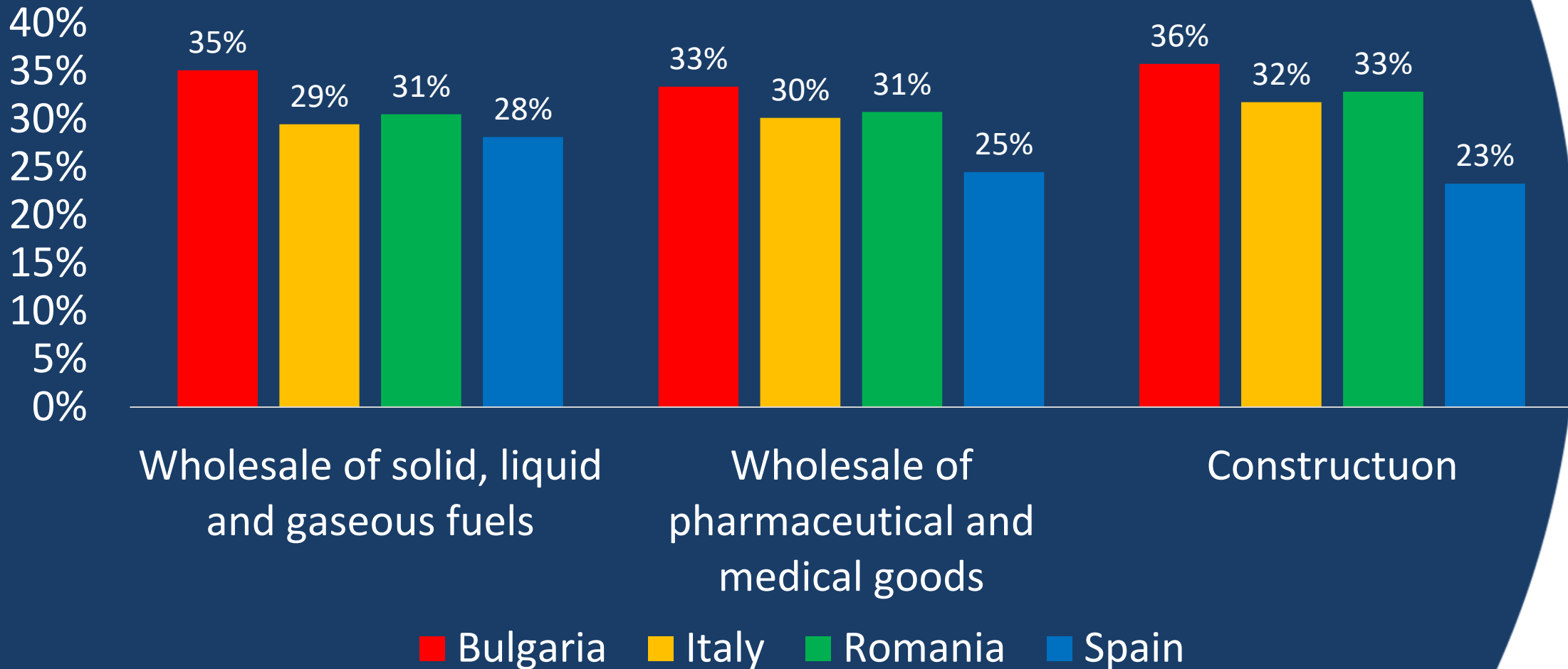
Analysis of the results

Specific Monopolization pressure



Analysis of the results

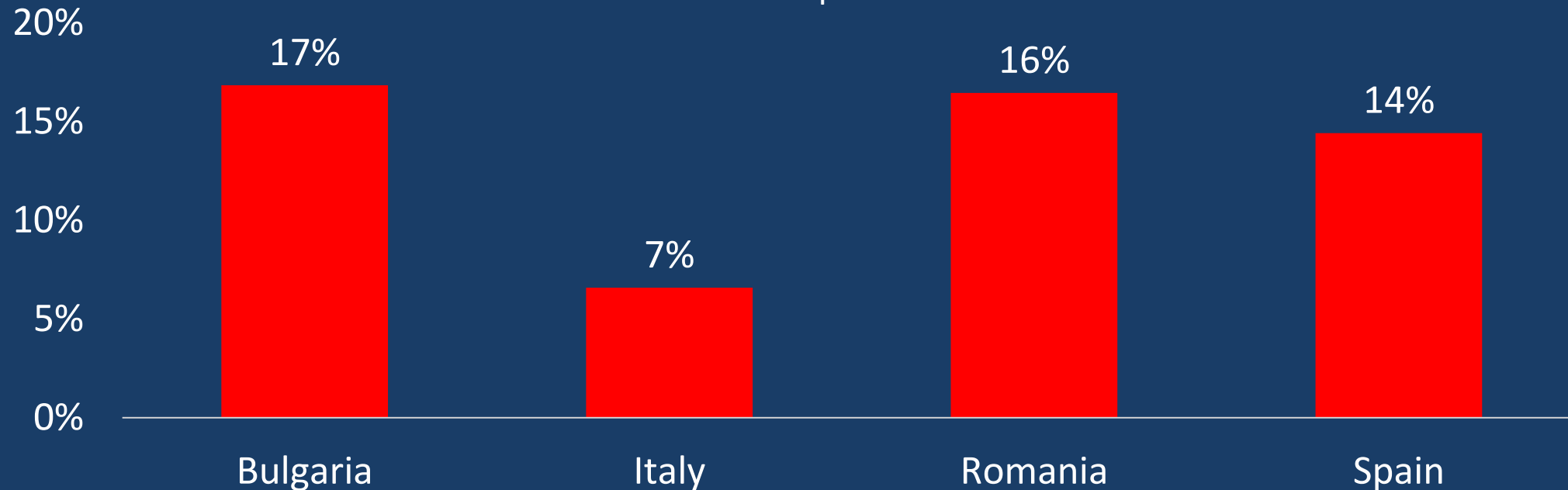
Institutional enablers



Analysis of the results

Private interest bias of the public organizations related to the sector of Wholesale of solid, liquid and gaseous fuels

Private Interest Bias - % of respondents who answer that “control and imposing sanctions are done selectively, and the choice of whom to control/sanction follows private interests” to the question: “In your opinion, how effective is the control and puniti



Analysis of the results

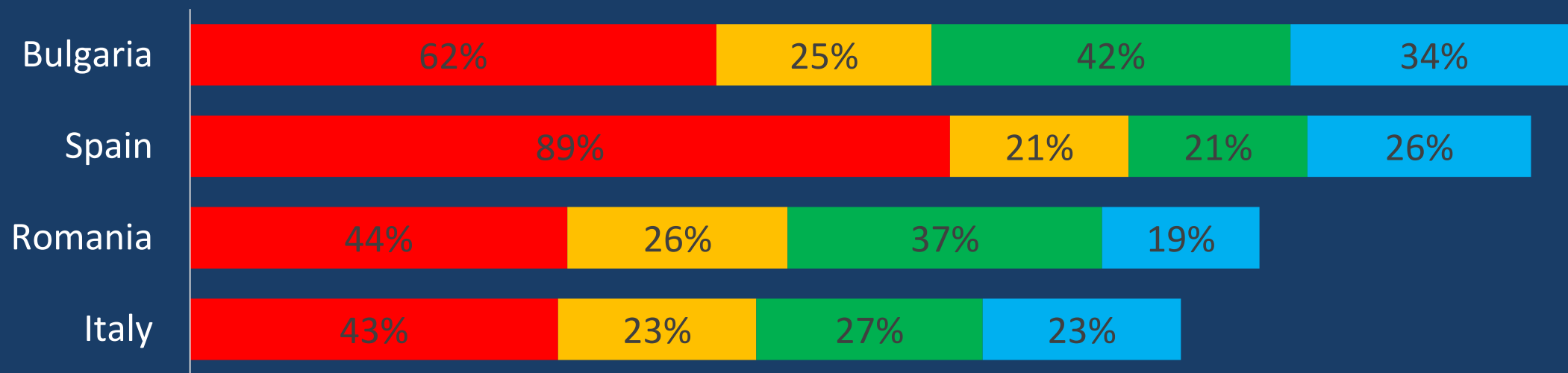
Organization, Bulgaria	Private Interest Bias	Base
Directorate for National Construction Supervision	33%	63
Municipal administrations	28%	82
Road Infrastructure Agency	26%	69
Commission for Combating Corruption and Confiscation of Illegally Acquired Property	25%	73
Energy and Water Regulatory Commission	21%	61
National Revenue Agency	20%	88
...		
General Labor Inspectorate Executive Agency	9%	71
National Audit Office	6%	73
Registry Agency	6%	73

Source: SceMaps, SCAD ESL 2020

Analysis of the results

Types of specific monopolization pressure in Construction. High procurement concentration in Bulgaria and Spain in this sector.

Types of specific monopolization pressure



- A specific company or a small number of companies win too many public tenders
- Laws provide illegitimate competitive advantage
- Control and/or sanctions are applied selectively which helps particular companies
- Concentration of grants and subsidies in the sector (euro funds, direct subsidies, etc.)

Integration with big data indicators

Experts’ assessments of the relevance of potential big data red flags to the particular sector in their country. **Wholesale of solid, liquid and gaseous fuels**

Indicator	Italy	Bulgaria	Romania	Spain	Average
Few companies or one company have a very large percentage of the turnover in the sector	1.7	2.6	1.9	2.6	2.2
One company or few companies have a large percentage of sector-specific permits (like building permits in construction, approved drugs in pharmaceuticals, registered excise warehouses in wholesale of fuels, etc.)	1.8	2.5	1.5	2.4	2.0
A single company participates very often in wining consortia	1.9	2.4	1.5	2.1	2.0
One or few companies tend to win very often tenders issued by a single contractor organization (e.g. particular ministry, municipality, etc.)	1.7	2.3	1.7	2.1	1.9
Tenders are won by very few companies / ultimate owners.	1.6	2.2	1.6	2.1	1.9
Largest companies in the sector are often mentioned negatively in the media in the context of corruption (administrative corruption, high corruption, nepotism) and other scandals	1.6	2.0	1.6	1.6	1.7
Number of additional documents (e.g. Annexes to the contract) after the tender contract is signed	1.8	2.2	1.1	1.8	1.7
Tenders are often won by offshore companies.	1.6	1.8	1.3	1.1	1.5
Largest companies in the sector have very few employees for the turnover	1.1	1.6	1.3	1.5	1.4
Tenders are often won by very new, unknown companies.	1.6	1.6	1.0	1.1	1.3

Thank you!

