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# Political Party Donors on the Public Procurement Market

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## Summary

- Entrepreneurs who make donations to political parties in the Czech Republic have a considerable share in the public procurement market. From 2007 to 2013, political donors were awarded 16.3 percent of public procurement contracts, which amounts to 16.6 percent of the contracts value. On average, the annual value of public procurements awarded to political donors was 32.8 billion CZK, which amounts to 0.7 percent of the GDP.
- Political donors mostly manage to acquire contracts in which low transparency may help companies gain a competitive edge over other suppliers: construction contracts, below-the-threshold contracts, and contracts awarded through restricted or simplified below-the-threshold tenders.
- Compared to non-donors, political donors who obtain public procurement contracts more often include domestic private companies, joint-stock companies and companies with a large number of employees. Such political donors may therefore be described as established Czech contractors.
- Our analysis cannot determine whether contracting authorities select political donors using less transparent tender procedures in order to choose effective contractors who have proven themselves to the contracting authority in the past, or whether the political donations play a part in the selection process.
- Entrepreneurs may provide funding to political parties as a means of expressing support to certain political platforms, but also in order to obtain better positions in public tenders.