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Unacceptable Formation of Tenderers' Offers in Public Procurement

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Abstract

Public procurement represents one of the most significant areas of public expenditure in modern states. Governments and public institutions use procurement procedures to acquire goods, services, and construction works necessary for the functioning of society. Because public procurement involves the spending of public funds, it is governed by strict legal principles designed to ensure transparency, equal treatment, competition, efficiency, and integrity. However, procurement systems are frequently exposed to various forms of manipulation and anti-competitive conduct. One of the most problematic phenomena is the unacceptable formation of tenderers' offers, where bidders distort the competitive process through unlawful cooperation, collusion, market division, or other prohibited arrangements. Such conduct undermines the purpose of public procurement, increases costs for contracting authorities, reduces innovation, and damages public trust in state institutions. Bid rigging is one of the most serious forms of anti-competitive behavior in modern economies. It occurs when competing companies secretly cooperate to manipulate the outcome of a tendering process rather than compete independently. Such conduct undermines the principles of fair competition, transparency, and equal treatment that form the foundation of public procurement systems. Modern legal systems therefore treat bid rigging as a serious violation of procurement and competition law. Effective prevention requires transparency, digitalization, professional oversight, institutional cooperation, data analytics, and strong enforcement mechanisms. Ultimately, combating bid rigging is essential for protecting public resources, ensuring fair competition, and preserving the integrity of democratic institutions and market economies.

Keywords: Public Procurement; Bid Rigging; An Agreement between Companies; Covering Offers; Circulation Offers; Division Market; Common Offer