Corporate income taxation constitutes a significant share of government revenue on which public expenditure depends heavily, and when multinational enterprises (MNEs) engage in abusive tax practices it adds to the average taxpayer's burden. Additionally, when awarding public contracts to companies connected to notorious havens the efficiency of public spending cannot be ensured. Using data on ownership structures of government suppliers, this paper employs the gravity theory and aims to recognise tax havens' activity on the EU's public procurement market. The gravity model identifies territories with up to 99% unexplained flows of their total procurement supply. In these countries increased risk of abuse is expected and outflow of taxable revenue can be assumed. It is estimated that companies based in or linked to tax havens annually supply about EUR 67 billion worth of EU's public contracts above the natural levels predicted by the gravity model based on economic and geographical determinants.