

Abstract

The goal of this thesis is to show that institutional and procedural characteristics are affecting the final price of the public procurement. In order to be able to compare the tenders among each other, only public procurement of homogeneous goods is analyzed. The presented model attempts to explain a variation in final price per one unit as a function of estimated unit price, market price and characteristic of procurement procedure – type of procedure, number of bidders and use of electronic auction.

In case of electricity and gas public procurement final price elasticity with respect to the estimated price tends to be higher than such elasticity with respect to the market price. This result suggests high rigidity in public procurement procedures. We show that such ineffectiveness is reduced by using open procedure, electronic auction or attracting more bidders.

JEL Classification H57, D23, D73, C21

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