## Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Dalibor Pátek	
Advisor:	PhDr. Ing. Jiří Skuhrovec	
Title of the thesis:	Efficienty of Public Procurement in Transport Infrastructure	

**Summary:** The work sets a hard goal of assessing output efficiency and purposefulness of infrastructure expenditures. After reasonable literature review he presents some legal and institutional framework description, then moves to quantitative core of thesis – which tries to extract some knowledge from not very reliable data. Author admits most of methodological problems, yet in spite of these draws some conclusions ... in order to get at least some conclusions, obviously. Author did a piece of research with not very shiny results, yet in my opinion demonstrated ability to

think critically and produce paper which can be accepted as bachelor thesis.

#### Notes:

Some chapters (2.1, 2.2) appear to be rewritten textbooks or journal articles. Some parts of the text (such as citations from Queiroz or Colman) are directly overtaken from source, with proper reference, but no italics or other marker of direct citation.

Consequently, the text contains normative statements such as "Review system should exhibit certain basic features, both in terms of the structure of the review bodies and the procedure they follow." (page 13), which possibly come from the sources, yet this is not very clear.

The chapters are not much linked together, some parts of Chapter two on regulation do not really have any purpose, with respect to latter quantitative part or the thesis findings.

In data part, I truly appreciate critical approach regarding quality of individual data sources, and effort for their cross-checking. The question should however be re-opened when discussing relevance of results.

Assumption of general homogeneity of road network (p23) in practice means, that the ratio of small paved roads to highways is same across countries. Coming from country with population (thus also road network) extremely spread into small municipalities, author should at least comment on imperfection of such assumption.

When reporting the results (such as on page 24), author should include p-values or other marks of (non) significance.

Some models (such as one presented in equation 5.2) contain arbitrarily calculated variables, hence the results are quite ambiguous. For instance explanatory variable LowMaintenance is constructed using other explanatory variable (which itself induces unnecessary multicolinearity). more importantly its interpretation remains very unclear, and is possibly distorted by price level differences anyway. Also the model seems to include dependent variable also between explanatories, which is nonsense ..., all around the work could use less regressions which are more carefully thought through and explained.

A model, which results in finding such as "model shows that every increase in maintenance expenditures demeans [infractructure] quality" (p33) is nothing else but a wrong model, which should have never been put into thesis in the first place. Instead, author names various reasons, why the results are completely of..

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Author mentions supreme audit institutions as key procurement audit institutions, but forgets the fact that Czech SAI does not have control power over many contracting authorities (such as České dráhy, a.s., whose performance might be essential for railroad infracstructure quality evaluation). This can help explain his latter finding, that mere existence of SAI might not bring any improvement.

Author states (p15), that prior to 2013 Czech republic had no strategy of transport infrastructure develoment. This is not true. We have many strategies and we allways had ©.

### **Suggested questions:**

if "Only expenditures financed by public administrations are included in [Maintenance expenditures]", which is a key variable, does that mean that variable does omit EU funding? And PPP projects?

Are there any policy implications of the work?

Would there be any more policy implications, in case when methodological issues were not present and results were actually usable?

### **SUMMARY OF POINTS AWARDED** (for details, see below):

CATEGORY		POINTS
Literature	(max. 20 points)	15
Methods	(max. 30 points)	20
Contribution	(max. 30 points)	10
Manuscript Form	(max. 20 points)	15
TOTAL POINTS	(max. 100 points)	60
GRADE	(1-2-3-4)	2-

NAME OF THE REFEREE: Jiří Skuhrovec

DATE OF EVALUATION: 4.9.2013

Referee Signature

#### **EXPLANATION OF CATEGORIES AND SCALE:**

**LITERATURE REVIEW:** The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.

Strong Average Weak 20 10 0

**METHODS:** The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.

Strong Average Weak 30 15 0

**CONTRIBUTION:** The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.

Strong Average Weak 30 15 0

**MANUSCRIPT FORM:** The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.

Strong Average Weak 20 10 0

## Overall grading:

TOTAL POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě