

Application for research funding

Date

26/1/2018

Please note that the application and appendices should only be sent electronically to konkurrensverket@kkv.se

1 Applicant (person responsible for the project)

Name

Dr Mihály Fazekas

University or equivalent

University of Cambridge

Department or equivalent

Sociology

Postal address

[REDACTED]

Post code and city

[REDACTED]

Direct telephone number (incl. dialling code)

[REDACTED]

E-mail

[REDACTED]

2 Administering institution

University or equivalent

Government Transparency Institute

Department

-

Postal address

[REDACTED]

Post code and city

[REDACTED]

Direct telephone number (incl. dialling code)

[REDACTED]

Bankgiro/Plusgiro account no.

[REDACTED]

3 Description of project

Project title *To enter a new line of text, press Alt+Enter*

Public procurement cartels: novel measurement and insights

Project is intended to start, date

2018.09.01

Project is expected to be completed, date

2021.09.01

Summary of the project's aim, significance and how it is to be conducted (max. 1,400 characters).

To enter a new line of text, press Alt+Enter

Public procurement markets are vulnerable to collusion. As they make up a significant portion of GDP and cartels induce large increase in costs, there is clear value in efficient detection of collusion in these markets. Yet their size and complexity make it difficult to find cartels without extra clues. Indeed, many convicted cartels are revealed by whistleblowers or through leniency programs. This project proposes a comprehensive review, evaluation, and improvement of methods to detect cartels in procurement markets. We collect procurement datasets containing cartels from both the economics literature and competition authority decisions from various European countries. With this data in hand, we compare the performance of both existing and novel indicators for collusion. Our novel indicators leverage network methods and ownership information. Finally, we demonstrate the value of our approach by applying our methods to full country-wide procurement databases, extracting groups of firms and quantifying the collusion risk of their behavior. The result is a method for predicting collusion risks and ranking groups of firms according to their risks, enabling competition authorities to consider new investigations.

Bifoga en utförligare projektbeskrivning (max 10 A4-sidor).

4 Description of costs

7 Description of costs

Fill in the non-coloured cells with information relevant to the project. Their colour will be updated automatically. Pay special attention to the error messages that appear in red if you enter something that violates the Swedish Competition Authority's guidelines in respect of funding for research projects.

Project year 1				Salary cost including social security contributions
Name of staff member, academic title (attach CV)	Monthly salary as per KKV's guidelines	Period of employment in project, months	Working hours as a percentage of full-time	
Mihály Fazekas, Ph.D.	37000	12	25%	164,280
Bence Tóth, Ph.D. Student	25000	12	30%	127,800
Johannes Wachs, Ph.D. Student	25000	12	30%	127,800
RA (5 RAs*2 months*40%)	25000	10	40%	142,000
	Total of other costs (taken from table 4a)			30,000
	Total costs including social security contributions and administration fees			799,038

Project year 2				Salary cost including social security contributions
Name of staff member, academic title (attach CV)	Monthly salary as per KKV's guidelines	Period of employment in project, months	Working hours as a percentage of full-time	
Mihály Fazekas, Ph.D.	37000	12	25%	164,280
Bence Tóth, Ph.D. Student	25000	12	30%	127,800
Johannes Wachs, Ph.D. Student	25000	12	30%	127,800
	Total of other costs (taken from table 4a)			50,000
	Total costs including social security contributions and administration fees			634,338

Project year 3				Salary cost including social security contributions
Name of staff member, academic title (attach CV)	Monthly salary as per KKV's guidelines	Period of employment in project, months	Working hours as a percentage of full-time	
Mihály Fazekas, Ph.D.	37000	12	20%	131,424
Bence Tóth, Ph.D. Student	25000	12	20%	85,200
Johannes Wachs, Ph.D. Student	25000	12	20%	85,200
	Total of other costs (taken from table 4a)			50,000
	Total costs including social security contributions and administration fees			474,962

4a Description of other costs

	Year 1	Year 2	Year 3
Material and equipment	10,000	10,000	10,000
Travel	20,000	40,000	40,000
Other costs			
Total	30,000	50,000	50,000

5 Summary of costs (in SEK) for current funding application

Total project cost

1,908,338

Of which funding has been sought from

Swedish Competition Authority	Other financier *
1,908,338	NONE

Funding previously received from

Swedish Competition Authority	Other financier **
NONE	NONE

*Name of financier

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Application submitted, date

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Amount applied for

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**Name of financier

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Application granted, date

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Amount awarded

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6 Other projects being led simultaneously by the person responsible for the project

Project title *To enter a new line of text, press Alt+Enter*

British Academy/Department for International Development (UK) (ACF2\100000): "Curbing Corruption in Procurement" (40% of time allocated until 31st of December 2019)
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The names and institutions of persons awarded research grants will be published on the Swedish Competition Authority's web site.