## Synthesis report on past price audits Federal Procurement Conference

## **Key facts**

The Federal Administration's annual procurement volume is around CHF 6.1 billion (as of 2019). The Confederation awards part of these procurements directly. Since there is no competition, it is not easy to assess the appropriateness of the prices offered and there is a risk that the Confederation will pay too much. If the procuring federal office agrees on a right to inspect with the supplier, the Swiss Federal Audit Office (SFAO) can investigate the appropriateness of pricing in the form of a price audit. Otherwise, it is not possible to conduct a price audit.

An analysis of current procurement contracts shows that a right to inspect is lacking primarily for older contracts. The majority of these are software procurements with a contract term of around 20 years.

The price audits conducted by the SFAO in the period from 2015 to 2019 cover a total of 30 procurement contracts. The audited procurement volume amounts to around CHF 716 million. In seventeen contracts, more than half of those examined, the audit revealed a potential price reduction totalling approximately CHF 10.1 million. In these cases, the SFAO recommended that the procuring office enforce a price reduction. According to their own reports, the procuring offices reclaimed CHF 10 million (around 99%) of the CHF 10.1 million.

Original text in German