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96% of Russian State Contracts Were Uncompetitive in 2017, Finance Ministry Reports

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Russian Finance Ministry **Anton Belitskiy / TASS**

All but 4 percent of state contracts in Russia were carried out through uncompetitive tenders last year, a Russian Finance Ministry monitoring report has said.

A December 2017 transparency report estimated that non-competitive state contracts had resulted in losses of $9.4 billion for the Russian government in the past three years, the Vedomosti business daily reported.

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"In 2017, more than 96 percent of purchases were made on a non-competitive basis," the Finance Ministry said in an annual state procurement report published on Monday.

The report said that 18.7 trillion rubles ($325 billion) were allocated for goods or services provided by more than 90,600 Russian companies in 2017.

Nearly one-third of the contracts, worth 9.6 trillion rubles, were handed to companies that did not face any competition in the process of winning the tender.

“Only 3.6 percent of purchases were carried out through tenders and auctions in accordance with civil legislation requirements,” the Finance Ministry concluded.

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