

INDEX OF RATIONALITY INDEX OF RATIONALITY INDEX OF RATIONALITY

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FOUNDATION ФОНДАЦИЈА
OPEN SOCIETY ОПОТВОРЕНО
SOCIETY ОПШТЕСТВО
MACEDONIA МАКЕДОНИЈА



Center for Civil Communications
Центар за граѓански комуникации



INDEX OF RATIONALITY

20

Skopje, January 2024

Publisher:

Center for Civil Communications

Translation from Macedonian to English:

Katerina Dimishkovska

Graphic design:

Enis Karahasan-Boskovski

Print:

DataPons Skopje

Circulation:

250 copies

Free/non-commercial circulation

CIP - Каталогизација во публикација

Национална и универзитетска библиотека "Св. Климент Охридски", Скопје

35.073.53:636.7]:005.584.1(497.7)"2022"

ИНДЕКС на рационалност 20. - Скопје : Центар за граѓански комуникации, 2024. - 30, 30 стр. : табели ; 20 x 20 см
Насл. стр. на припечатениот текст: Index of rationality 20 / translation from macedonian to english Katerina Dimishkovska. - Обата текста меѓусебно печатени во спротивни насоки. - Текст на мак. и англ. јазик

ISBN 978-608-4974-30-7

1. Index of rationality 20

а) Јавни набавки -- Услуги за кучиња скитници -- Рационално трошење -- Мониторинг -- Македонија -- 2022

COBISS.MK-ID 63102213



The Index of Rationality is developed as part of the project "Monitoring of Public Procurements", implemented by the Center for Civil Communications and financially supported by the Foundation Open Society - Macedonia. The content of this publication is the sole responsibility of its publisher and does not reflect the views of the Foundation Open Society - Macedonia.

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GOALS AND METHODOLOGY

1

The Center for Civil Communications is the only non-governmental organization in the Republic of North Macedonia that conducts direct and comprehensive monitoring of public procurements in the country. In an attempt to make an additional contribution to advancing the state-of-affairs in this field, the Center initiated development of the so-called index of rationality for public spending. The aim of this instrument is to measure cost-effectiveness of public spending, detect bottlenecks in the system of public procurements, and ultimately influence the institutions to engage in more cost-effective spending of their budgets sustained by taxpayers' money.

The index of rationality is developed by comparing prices under which different institutions have purchased the same type of goods, services or works. In addition to price comparisons, the fact that one index covers the same type of goods, services or works allows identification of different behaviour on the part of state institutions when implementing same type of public procurements.

The index is envisaged to serve the state institutions as benchmark for improving cost-effectiveness of their public procurements, i.e. rational public spending. Having in mind that the index-referenced prices include calculation of average prices attained by the institutions and do not represent actual or market values, the state institutions should strive to achieve economical public spending, especially when other institutions have attained more favourable prices on the market for the same type of public procurements.

Differences in price paid by the institutions for the same type of goods and services are indicative of the need for more detailed market research prior to announcement of procurement notices and harmonized approach on the part of the contracting authorities when procuring the same type of products.

The sample for development of this index covers all contracting authorities at central and local level of government, i.e. from ministries and municipalities, through public enterprises and agencies, to schools and kindergartens.

Development of the index of rationality relies on primary and secondary data sources, as follows:

- Electronic Public Procurement System; and
- freedom of information (FOI) requests inquiring about technical characteristics of procurement subjects, prices attained and quantities purchased.

It should be noted that the index will disclose the names of the contracting authorities, but not the names of the companies that have been awarded the procurement contract (although these data are also available), because the responsibility for rational spending of public funds lies with the contracting authorities. Most certainly, this does not mean that bidders are exempted from acting in compliance with the law. Hence, company names will be referenced only in the context of commenting findings from this research study.

INDEX OF RATIONALITY

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The 20th edition of the Index of Rationality is developed for a total of five services, as follows:

- **capture of stray dogs, transport to shelters or veterinary station and return in the area**
- **one-day accommodation at dog shelters**
- **leishmaniasis laboratory testing**
- **sterilization (castration) of male dogs**
- **sterilization (ovariohysterectomy) of female dogs**

Development of this index covered a total of 28 institutions at local level, all of which had organized this type of public procurement in the course of 2022.

The overall goal for development of the index of rationality with these five types of services is to detect possible differences in price attained and to help contracting authorities learn about price variations for said services, which would allow them, in the future, to work on improving rationality in public spending.

2.1. Index of Rationality for Capture of Stray Dogs, Transport to Shelter or Veterinary Station and Return in the Area

The municipalities have paid prices in the range from 330 MKD to 4,130 MKD for the service defined as capture of stray dogs, transport to shelter or veterinary station and return in the area. The ratio between the lowest and the highest price paid for this service stands at 1 : 12.5, which means that the highest price paid by the Municipality of Demir Kapija is 12.5 times higher than the price paid by the Municipality of Rosoman. Significant differences in price cannot be justified with the description of the service provided in tender documents nor with the type of procurement procedure organized, and not even with the value of contracts signed. The two municipalities (Rosoman and Demir Kapija) that paid the lowest and the highest price for this service have organized transparent procurement procedures, i.e. "low-value procurement", whereby, in addition to the price, selection of the most favourable bid also evaluated the deadline for service performance. In that, tender procedures organized by both municipalities were presented with only one bid each, and both contracts were signed in the value of 236,000 MKD each. The possibility for contracts to be signed under such great difference between prices is indicative of the fact that the contracting authorities have not conducted preliminary market research that could have allowed their public procurement committees to assess what prices are unrealistically low and what prices are unrealistically high compared to market prices.

***Index of Rationality - capture of stray dogs,
transport to shelter or veterinary station and return in the area***

Contracting authority	Price in MKD (VAT included)	Difference of individual price against the average
Municipality of Rosoman	330	-393.3%
Municipality of Centar Zhupa	396	-311.1%
Municipality of Gostivar	402	-305.0%
Municipality of Bogdanci	500	-225.6%
Municipality of Makedonski Brod	708	-129.9%
Municipality of Sveti Nikole	1,062	-53.3%
Municipality of Veles	1,300	-25.2%
PUE Komunalec - Gevgelija	1,416	-15.0%
Municipality of Dojran	1,500	-8.5%
AVERAGE	1,628	/
Municipality of Kriva Palanka	1,770	8.7%
Municipality of Valandovo	1,770	8.7%
Municipality of Delchevo	1,770	8.7%
Municipality of Kichevo	1,829	12.3%
Municipality of Shtip	2,419	48.6%
Municipality of Staro Nagorichane	2,832	74.0%
Municipality of Ilinden	3,540	117.4%
Municipality of Demir Kapija	4,130	153.7%

The process for development of the index of rationality for capture of stray dogs, transport to shelter or veterinary station and return in the area covered all contracts signed in 2022 that allowed comparability of this service. As shown in the index, the average price for capture of stray dogs, transport to shelter or veterinary station and return in the area amounts to 1,628 MKD per dog. In that, 9 institutions paid below-average prices for this service, while 8 institutions paid above-average prices.

Differences in price cannot be explained with the type of procurement procedure organized. Namely, all institutions referenced in the index have organized public procure-

ment procedures in compliance with the Law on Public Procurements, i.e. “low-value procurement” for goods/services whose value does not exceed 10,000 EUR and the so-called “simplified open procedure” for goods/services whose value exceeds 10,000 EUR. Description of the service is identical across all tender procedures. However, as many as 13 from the total of 17 procurement procedures were presented with only one bid each. Two bids were submitted only in procurement procedures organized by Municipality of Centar Zhupa, Municipality of Gostivar, Municipality of Kichevo, and Municipality of Shtip. Prices attained by these 4 municipalities belong to the group of below-average prices. Furthermore, major differences in price cannot be justified with the value of contracts signed.

Value of contracts signed

Contracting authority	Contract value in MKD (VAT included)	Difference of individual price against the average
Municipality of Rosoman	236,000	-393.3%
Municipality of Centar Zhupa	300,000	-311.1%
Municipality of Gostivar	1,416,000	-305.0%
Municipality of Bogdanci	354,000	-225.6%
Municipality of Makedonski Brod	354,000	-129.9%
Municipality of Sveti Nikole	357,000	-53.3%
Municipality of Veles	1,200,000	-25.2%
PUE Komunalec – Gevgelija	590,000	-15.0%
Municipality of Dojran	200,000	-8.5%
Municipality of Kriva Palanka	719,328	8.7%
Municipality of Valandovo	295,000	8.7%
Municipality of Delchevo	590,000	8.7%
Municipality of Kichevo	1,416,000	12.3%
Municipality of Shtip	2,950,000	48.6%
Municipality of Staro Nagorichane	70,800	74.0%
Municipality of Ilinden	500,000	117.4%
Municipality of Demir Kapija	236,000	153.7%

The highest-value contract was signed by the Municipality of Shtip in the amount of 2,950,000 MKD, but this municipality belongs to the group of institutions that paid above-average prices for this service.

At the same time, the municipalities that signed service contracts under the lowest and the highest price (Rosoman and Demir Kapija) have an identical value of their respective contracts in the amount of 236,000 MKD.

2.2. Index of Rationality for One-Day Accommodation at Dog Shelters

The municipalities have paid prices in the range from 236 MKD to 1,770 MKD for the service defined as one-day accommodation at dog shelters. The ratio between the lowest and the highest price at which contracts for this service were signed stands at 1 : 7.5, which means that the highest price paid by the Municipality of Makedonski Brod is by 650% higher than the price paid by the Municipality of Sveti Nikole. Significant differences in price for this service cannot be justified by the type of procurement procedure organized or the value of contracts signed.

Index of Rationality -one-day accommodation at dog shelters

Contracting authority	Price in MKD (VAT included)	Difference of individual price against the average
Municipality of Sveti Nikole	236	-118.2%
Municipality of Gostivar	241	-113.7%
Municipality of Shtip	242	-112.8%
Municipality of Kriva Palanka	295	-74.6%
Municipality of Staro Nagorichane	295	-74.6%
Municipality of Ilinden	295	-74.6%
Municipality of Demir Kapija	295	-74.6%
Municipality of Dojran	300	-71.7%
Municipality of Rosoman	307	-67.8%
Municipality of Kumanovo	354	-45.5%
PUE Komunalec – Gevgelija	354	-45.5%
Municipality of Mogila	367	-40.3%
Municipality of Dolneni	413	-24.7%
Municipality of Centar Zhupa	452	-13.9%
Municipality of Valandovo	454	-13.4%
Municipality of Veles	500	-3.0%
AVERAGE	515	/
Municipality of Delchevo	590	14.6%
Municipality of Krushevo	940	82.5%
Municipality of Bogdanci	1,000	94.2%
Municipality of Demir Hisar	1,121	117.7%
Municipality of Makedonski Brod	1,770	243.7%

The process for development of this index of rationality covered all contracts signed in 2022 that allowed comparability of this service.

As shown in the index, the average price for one-day accommodation at dog shelters amounts to 515 MKD, which is at the level of actual market prices. In that, 16 institutions paid below-average prices for this service ranging from 236 MKD to 500 MKD, while 5 institutions paid above-average prices ranging from 590 MKD to 1,770 MKD.

Differences in price cannot be explained by the type of procurement procedure organized. Namely, all institutions referenced in the index have organized public procurement procedures in compliance with the Law on Public Procurements, i.e. "low-value procurement" for goods/services whose value does not exceed 10,000 EUR and the so-called "simplified open procedure" for goods/services whose value exceeds 10,000 EUR. Description of the service is identical across all tender procedures. However, as many as 15 from the total of 21 procurement procedures were presented with only one bid each. Two bids were submitted in procurement procedures organized by Municipality of Gostivar, Municipality of Mogila, Municipality of Dolneni, Municipality of Centar Zhupa, Municipality of Krushevo and Municipality of Demir Hisar. In that, some municipalities whose procurement procedures are marked by competition attained below-average prices, but others attained above-average prices. Furthermore, major differences in price cannot be explained by the value of contracts signed.

Value of contracts signed

Contracting authority	Contract value in MKD (VAT included)	Difference of individual price against the average
Municipality of Sveti Nikole	357,000	-118.2%
Municipality of Gostivar	1,416,000	-113.7%
Municipality of Shtip	2,950,000	-112.8%
Municipality of Kriva Palanka	719,328	-74.6%
Municipality of Staro Nagorichane	70,800	-74.6%
Municipality of Ilinden	500,000	-74.6%
Municipality of Demir Kapija	236,000	-74.6%
Municipality of Dojran	200,000	-71.7%
Municipality of Rosoman	236,000	-67.8%
Municipality of Kumanovo	1,499,780	-45.5%
PUE Komunalec – Gevgelija	590,000	-45.5%
Municipality of Mogila	150,922	-40.3%
Municipality of Dolneni	295,000	-24.7%
Municipality of Centar Zhupa	300,000	-13.9%
Municipality of Valandovo	295,000	-13.4%
Municipality of Veles	1,200,000	-3.0%
Municipality of Delchevo	590,000	14.6%
Municipality of Krushevo	236,000	82.5%
Municipality of Bogdanci	354,000	94.2%
Municipality of Demir Hisar	400,020	117.7%
Municipality of Makedonski Brod	354,000	243.7%

As shown in the table above, the value of the contract signed by the Municipality of Sveti Nikole amounts to 357,000 MKD and is by only 3,000 MKD higher than the contract signed by the Municipality of Makedonski Brod which attained the highest individual price for one-day accommodation at dog shelters.

2.3. Index of Rationality for Leishmaniasis Laboratory Testing

The municipalities have paid the service defined as laboratory testing per dog at prices in the range from 530 MKD to 2,124 MKD. The ratio between the lowest and the highest price under which these service contracts were signed stands at 1 : 4, which means that the highest price paid by the Municipality of Delchevo is by 300% higher than the price paid by the Municipality of Sveti Nikole. Significant differences in price attained for this service cannot be justified by the type of procurement procedure organized or the value of contracts signed.

Index of Rationality - leishmaniasis laboratory testing

Contracting authority	Price in MKD (VAT included)	Difference of individual price against the average
Municipality of Sveti Nikole	530	-74.5%
Municipality of Krushevo	565	-63.7%
Municipality of Kichevo	590	-56.8%
Municipality of Radovish	590	-56.8%
Municipality of Mogila	647	-43.0%
Municipality of Mavrovo and Rostushe	688	-34.4%
Municipality of Demir Hisar	701	-32.0%
Municipality of Vinica	708	-30.6%
Municipality of Gostivar	805	-14.9%
Municipality of Makedonski Brod	826	-12.0%
Municipality of Rosoman	826	-12.0%
Municipality of Dolneni	826	-12.0%
Municipality of Centar Zhupa	848	-9.1%
AVERAGE	925	/
Municipality of Staro Nagorichane	944	2.1%
Municipality of Probishtip	944	2.1%
Municipality of Kriva Palanka	944	2.1%
Municipality of Kumanovo	944	2.1%
Municipality of Cheshinovo-Obleshevo	944	2.1%
Municipality of Shtip	968	4.6%
Municipality of Bogdanci	1,000	8.1%
Municipality of Ilinden	1,062	14.8%
Municipality of Veles*	1,100	18.9%
Municipality of Valandovo	1,180	27.6%
Municipality of Dojran	1,180	27.6%
PUE Komunalec – Gevgelija	1,180	27.6%
Municipality of Demir Kapija	1,298	40.3%
Municipality of Delchevo	2,124	129.6%

*also includes vaccination and the amount paid is VAT excluded

The process for developing this index of rationality covered all contracts signed in 2022 that allowed comparability of the service defined as leishmaniasis laboratory testing. As shown in the index, the average price for leishmaniasis laboratory testing amounts to 925 MKD. In that, 13 institutions paid below-average prices ranging from 530 MKD to 848 MKD, while 14 institutions paid above-average prices ranging from 944 MKD to 2,124 MKD. Differences in price cannot be explained by the type of procurement procedure organized. Namely, all institutions referenced in this index have organized public procurement procedures in compliance with the Law on Public Procurements, i.e. "low-value procurement" for goods/services whose value does not exceed 10,000 EUR and the so-called "simplified open procedure" for goods/services whose value exceeds 10,000 EUR. Description of the service is identical across all tender documents. However, as many as 17 from the total of 27 public procurement procedures were presented with only one bid each. Two bids were submitted in procurement procedures organized by Municipality of Kichevo, Municipality of Shtip, Municipality of Gostivar, Municipality of Mogila, Municipality of Dolneni, Municipality of Centar Zhupa, Municipality of Krushevo, and Municipality of Demir Hisar, while three bids were submitted in procurement procedures organized by Municipality of Mavrovo and Rostushe and Municipality of Vinica. The lowest and the highest price were attained in procurement procedures presented with only one bid. Furthermore, major differences in price cannot be justified with the value of contracts signed.

Value of contracts signed

Contracting authority	Contract value in MKD (VAT included)	Difference of the individual price against the average
Municipality of Sveti Nikole	357,000	-74.5%
Municipality of Krushevo	236,000	-63.7%
Municipality of Kichevo	1,416,000	-56.8%
Municipality of Radovish	450,947	-56.8%
Municipality of Mogila	150,922	-43.0%
Municipality of Mavrovo and Rostushe	472,000	-34.4%
Municipality of Demir Hisar	400,200	-32.0%
Municipality of Vinica	177,000	-30.6%
Municipality of Gostivar	1,416,000	-14.9%
Municipality of Makedonski Brod	354,000	-12.0%
Municipality of Rosoman	236,000	-12.0%
Municipality of Dolneni	295,000	-12.0%
Municipality of Centar Zhupa	300,000	-9.1%
Municipality of Staro Nagorichane	70,800	2.1%
Municipality of Probishtip	500,000	2.1%
Municipality of Kriva Palanka	719,328	2.1%
Municipality of Kumanovo	1,499,780	2.1%
Municipality of Cheshinovo-Obleshevo	59,000	2.1%
Municipality of Shtip	2,950,000	4.6%
Municipality of Bogdanci	354,000	8.1%
Municipality of Ilinden	500,000	14.8%
Municipality of Veles*	1,200,000	18.9%
Municipality of Valandovo	295,000	27.6%
Municipality of Dojran	200,000	27.6%
PUE Komunalec – Gevgelija	590,000	27.6%
Municipality of Demir Kapija	236,000	40.3%
Municipality of Delchevo	590,000	129.6%

*also includes vaccination and the amount paid is VAT excluded.

2.4. Index of Rationality for Sterilization (Castration) of Male Dogs

Prices at which the institutions paid for the service defined as sterilization (castration) of male dogs range from 452 MKD to 3,540 MKD. Here, it should be noted that the price of 650 MKD for the Municipality of Bitola is the average calculated from the four price ranges offered for this service and arranged according to dog-weight categories. The ratio between the lowest and the highest price at which service contracts were signed stands at 1 : 7.83, which means that the highest price paid by the Municipality of Ilinden and Municipality of Demir Kapija is by 683% higher than the lowest price paid by the Municipality of Centar Zhupa. The highest price in both cases was attained by the same bidder in procurement procedure marked by participation of only that one bidder, while the lowest price was attained in procurement procedure marked by competition between two bidders. Significant differences in price paid for this service cannot be justified with the type of procurement procedure or the value of contracts signed.

Index of Rationality – sterilization (castration) of male dogs

Contracting authority	Price in MKD (VAT included)	Difference of individual price against the average
Municipality of Centar Zhupa	452	-308.8%
Municipality of Krushevo	470	-293.2%
Municipality of Mogila	561	-229.4%
Municipality of Bitola	650	-184.3%
Municipality of Demir Hisar	794	-132.7%
Municipality of Kichevo	826	-123.7%
Municipality of Mavrovo and Rostushe	1,063	-73.8%
Municipality of Makedonski Brod	1,416	-30.5%
Municipality of Dolneni	1,416	-30.5%
Municipality of Delchevo	1,770	-4.4%
AVERAGE	1,848	/
Municipality of Bogdanci	2,000	8.2%
Municipality of Dojran	2,000	8.2%
Municipality of Staro Nagorichane	2,006	8.5%
Municipality of Valandovo	2,006	8.5%
Municipality of Probishtip	2,006	8.5%
Municipality of Sveti Nikole	2,006	8.5%
Municipality of Vinica	2,006	8.5%
Municipality of Rosoman	2,006	8.5%
Municipality of Veles	2,100	13.6%
PUE Komunalec – Gevgelija	2,360	27.7%
Municipality of Kriva Palanka	2,360	27.7%
Municipality of Kumanovo	2,360	27.7%
Municipality of Cheshinovo-Obleshevo	2,360	27.7%
Municipality of Gostivar	2,414	30.6%
Municipality of Shtip	2,419	30.9%
Municipality of Radovish	2,832	53.2%
Municipality of Demir Kapija	3,540	91.6%
Municipality of Ilinden	3,540	91.6%

The process for development of this index of rationality for sterilization (castration) of male dogs covered all contracts signed in 2022 that allowed comparability of the service defined as sterilization (castration) of male dogs.

As shown in the index, the average price for sterilization (castration) of male dogs amounts to 1,848 MKD. In that, 10 institutions paid below-average prices ranging from 452 MKD to 1,770 MKD, while 18 institutions paid above-average prices ranging from 2,000 MKD to 3,540 MKD.

Differences in price cannot be explained with the type of procurement procedure organized. Namely, all institutions referenced in this index have organized public procurement procedures in compliance with the Law on Public Procurements, i.e. "low-value procurement" for goods/services whose value does not exceed 10,000 EUR and the so-called "simplified open procedure" for goods/services whose value exceeds 10,000 EUR. Description of the service is identical across all tender procedures. However, as many as 17 from the total of 28 procurement procedures were presented with only one bid each. Two bids were submitted in procurement procedures organized by Municipality of Kichevo, Municipality of Shtip, Municipality of Gostivar, Municipality of Mogila, Municipality of Dolneni, Municipality of Centar Zhupa, Municipality of Krushevo, Municipality of Bitola, and Municipality of Demir Hisar, while three bids were submitted in procurement procedures organized by Municipality of Mavrovo and Rostushe and Municipality of Vinica. Furthermore, above-average high prices were attained in 15 from 17 procurement procedures presented with only one bid.

Value of contracts signed

Contracting authority	Contract value in MKD (VAT included)	Difference of individual price against the average
Municipality of Centar Zhupa	300,000	-308.8%
Municipality of Krushevo	236,000	-293.2%
Municipality of Mogila	150,922	-229.4%
Municipality of Bitola	400,000	-184.3%
Municipality of Demir Hisar	400,020	-132.7%
Municipality of Kichevo	1,416,000	-123.7%
Municipality of Mavrovo and Rostushe	472,000	-73.8%
Municipality of Makedonski Brod	354,000	-30.5%
Municipality of Dolneni	295,000	-30.5%
Municipality of Delchevo	590,000	-4.4%
Municipality of Bogdanci	354,000	8.2%
Municipality of Dojran	200,000	8.2%
Municipality of Staro Nagorichane	70,800	8.5%
Municipality of Valandovo	295,000	8.5%
Municipality of Probishtip	500,000	8.5%
Municipality of Sveti Nikole	357,000	8.5%
Municipality of Vinica	177,000	8.5%
Municipality of Rosoman	236,000	8.5%
Municipality of Veles	1,200,000	13.6%
PUE Komunalec - Gevgelija	590,000	27.7%
Municipality of Kriva Palanka	719,328	27.7%
Municipality of Kumanovo	1,499,780	27.7%
Municipality of Cheshinovo-Obleshevo	59,000	27.7%
Municipality of Gostivar	1,416,000	30.6%
Municipality of Shtip	2,950,000	30.9%
Municipality of Radovish	450,947	53.2%
Municipality of Demir Kapija	236,000	91.6%
Municipality of Ilinden	500,000	91.6%

2.5. Index of Rationality for Sterilization (Ovariohysterectomy) of Female Dogs

Prices at which the institutions paid for the service defined as sterilization (ovariohysterectomy) of female dogs range from 834 MKD to 5,310 MKD. Here, it should be noted that the price of 834 MKD for the Municipality of Bitola is the average calculated from all four price ranges offered for this service and arranged according to dog-weight categories. The ratio between the lowest and the highest price at which service contracts were signed stands at 1 : 6.36, which means that the highest price paid by the Municipality of Ilinden is by 536% higher than the price paid by the Municipality of Bitola. These two institutions procured the service from different bidders. The highest price was attained in procurement procedure marked by participation of only one bidder, while the lowest price was attained in procurement procedure marked by competition between two bidders. In the case of this service as well, significant differences in price cannot be justified by the type of procurement procedure organized or the value of contracts signed.

Index of Rationality – sterilization (ovariohysterectomy) of female dogs

Contracting authority	Price in MKD (VAT included)	Difference of individual price against the average
Municipality of Bitola	834	-206.2%
Municipality of Mogila	1,028	-148.4%
Municipality of Demir Hisar	1,307	-95.4%
Municipality of Krushevo	1,317	-93.9%
Municipality of Centar Zhupa	1,583	-61.3%
Municipality of Mavrovo and Rostushe	1,751	-45.9%
Municipality of Kichevo	1,770	-44.3%
Municipality of Veles	2,100	-21.6%
Municipality of Makedonski Brod	2,360	-8.2%
Municipality of Kriva Palanka	2,360	-8.2%
Municipality of Gostivar	2,414	-5.8%
AVERAGE	2,554	/
Municipality of Dolneni	2,596	1.6%
Municipality of Probishtip	2,800	9.6%
Municipality of Bogdanci	2,800	9.6%
Municipality of Dojran	2,800	9.6%
Municipality of Sveti Nikole	2,800	9.6%
Municipality of Staro Nagorichane	2,832	10.9%
Municipality of Valandovo	2,832	10.9%
Municipality of Vinica	2,832	10.9%
Municipality of Radovish	2,832	10.9%
Municipality of Rosoman	2,832	10.9%
Municipality of Shtip	2,903	13.7%
Municipality of Kumanovo	2,950	15.5%
Municipality of Cheshinovo-Obleshevo	3,004	17.6%
PUE Komunalec - Gevgelija	3,304	29.4%
Municipality of Demir Kapija	4,720	84.8%
Municipality of Ilinden	5,310	107.9%

The process for development of the index of rationality for sterilization (ovariohysterectomy) of female dogs covers all contracts signed in 2022.

As shown in the table above, the average price of the service defined as sterilization (ovariohysterectomy) of female dogs amounts to 2,554 MKD. In that, 11 institutions paid below-average prices for this service ranging from 834 MKD to 2,414 MKD, while 16 institutions paid above-average prices ranging from 2,596 MKD to 5,310 MKD.

Differences in price cannot be explained by the type of procurement procedure organized. Namely, all institutions referenced in this index have organized public procurement procedures in compliance with the Law on Public Procurement, i.e. "low-value procurement" for goods/services whose value does not exceed 10,000 EUR and the so-called "simplified open procedure" for goods/services whose value exceeds 10,000 EUR. Description of the service is identical across all tender procedures. However, as many as 16 from the total of 27 procurement procedures were presented with only one bid each. Two bids were submitted in procurement procedures organized by Municipality of Kichevo, Municipality of Shtip, Municipality of Gostivar, Municipality of Mogila, Municipality of Dolneni, Municipality of Centar Zhupa, Municipality of Krushevo, Municipality of Bitola, and Municipality of Demir Hisar, while three bids were submitted in procurement procedures organized by Municipality of Mavrovo and Rostushe and Municipality of Vinica. Furthermore, above-average high prices were attained in 13 from 16 procurement procedures presented with only one bid.

Value of contracts signed

Contracting authority	Contract value in MKD (VAT included)	Difference of individual price against the average
Municipality of Bitola	400,000	-206.2%
Municipality of Mogila	150,922	-148.4%
Municipality of Demir Hisar	400,020	-95.4%
Municipality of Krushevo	236,000	-93.9%
Municipality of Centar Zhupa	300,000	-61.3%
Municipality of Mavrovo and Rostushe	472,000	-45.9%
Municipality of Kichevo	1,416,000	-44.3%
Municipality of Veles	1,200,000	-21.6%
Municipality of Makedonski Brod	354,000	-8.2%
Municipality of Kriva Palanka	719,328	-8.2%
Municipality of Gostivar	1,416,000	-5.8%
Municipality of Dolneni	295,000	1.6%
Municipality of Probishtip	500,000	9.6%
Municipality of Bogdanci	354,000	9.6%
Municipality of Dojran	200,000	9.6%
Municipality of Sveti Nikole	357,000	9.6%
Municipality of Staro Nagorichane	70,800	10.9%
Municipality of Valandovo	295,000	10.9%
Municipality of Vinica	177,000	10.9%
Municipality of Radovish	450,947	10.9%
Municipality of Rosoman	236,000	10.9%
Municipality of Shtip	2,950,000	13.7%
Municipality of Kumanovo	1,499,780	15.5%
Municipality of Cheshinovo-Obleshevo	59,000	17.6%
PUE Komunalec - Gevgelija	590,000	29.4%
Municipality of Demir Kapija	236,000	84.8%
Municipality of Ilinden	500,000	107.9%

GENERAL CONCLUSION

3

The total value anticipated for implementation of all 28 tender procedures related to capture of stray dogs and expert treatment of dogs amounts to 16.4 million MKD, i.e. around 267 thousand EUR.

The number of bids in tender procedures for procurement of services relating to capture and expert treatment of stray dogs ranges from one to three bids per procedure. In particular, 17 from the total of 28 tender procedures were presented with only one bid each, competition between two bids was noted in 9 tender procedures, and only 2 tender procedures received three bids each, which accounts for the low average of only 1.46 bids per tender procedure.

Having in mind that public procurement contracts are not signed for pre-defined number of dogs that will be captured and treated, the individual prices cannot be correlated to the number of dogs, but they can be correlated to the contract's value.

Hence, the Municipality of Kumanovo and the Municipality of Shtip procured the five services analysed under this index of rationality at above-average prices in spite of the fact that the value of their respective contracts is the highest compared to the others.

On the other hand, the Municipality of Mogila, the Municipality of Dojran and the Municipality of Centar Zhupa have managed to secure below-average prices under contracts ranked in the group of lowest-value contracts. The Municipality of Bitola has managed to secure the lowest prices for procurement of four from the total of five services analysed.

Overview of prices per service paid by the institutions referenced in the index

Contracting authority	Capture of stray dogs, transport to shelters or veterinary station and return in the area	One-day accommodation at dog shelters	Leishmaniasis laboratory testing	Sterilization (castration) of male dogs	Sterilization (ovario-hysterectomy) of female dogs
Municipality of Ilinden	above-average price	below-average price	above-average price	highest price	highest price
Municipality of Demir Kapija	highest price	below-average price	above-average price	highest price	above-average price
Municipality of Staro Nagorichane	above-average price	below-average price	above-average price	above-average price	above-average price
Municipality of Valandovo	above-average price	below-average price	above-average price	above-average price	above-average price
Municipality of Bogdanci	below-average price	above-average price	above-average price	above-average price	above-average price
Municipality of Shtip	above-average price	below-average price	above-average price	above-average price	above-average price
Municipality of Delchevo	above-average price	above-average price	highest price	below-average price	
Municipality of Cheshinovo-Obleshevo			above-average price	above-average price	above-average price
Municipality of Dojran	below-average price	below-average price	above-average price	above-average price	above-average price
Municipality of Probishtip			above-average price	above-average price	above-average price
PUE Komunalec – Gevgelija	below-average price	below-average price	above-average price	above-average price	above-average price
Municipality of Kriva Palanka	above-average price	below-average price	above-average price	above-average price	below-average price
Municipality of Kumanovo		below-average price	above-average price	above-average price	above-average price
Municipality of Vinica			below-average price	above-average price	above-average price
Municipality of Radovich			below-average price	above-average price	above-average price

Municipality of Veles	below-average price	below-average price	above-average price	above-average price	below-average price
Municipality of Rosoman	lowest price	below-average price	below-average price	above-average price	above-average price
Municipality of Sveti Nikole	below-average price	lowest price	lowest price	above-average price	above-average price
Municipality of Makedonski Brod	below-average price	highest price	below-average price	below-average price	below-average price
Municipality of Krushevo		above-average price	below-average price	below-average price	below-average price
Municipality of Demir Hisar		above-average price	below-average price	below-average price	below-average price
Municipality of Dolneni		below-average price	below-average price	below-average price	above-average price
Municipality of Kichevo	above-average price		below-average price	below-average price	below-average price
Municipality of Gostivar	below-average price	below-average price	below-average price	above-average price	below-average price
Municipality of Bitola				below-average price	lowest price
Municipality of Mavrovo and Rostushe			below-average price	below-average price	below-average price
Municipality of Mogila		below-average price	below-average price	below-average price	below-average price
Municipality of Centar Zhupa	below-average price	below-average price	below-average price	lowest price	below-average price