

Hungarian inquiry eyes single-bid medical procurement

Despite a reduction in single-bid contracts, the GVH proposes additional measures to improve competition and transparency.

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According to the recently completed accelerated sector inquiry by the Hungarian Competition Authority (GVH), the share of single-bid public procurements decreased in both the overall Hungarian public procurement market and the market for diagnostic medical imaging equipment between 2021 and 2023. This aligns with the Hungarian Government's commitments to the European Commission. In its report, the GVH made additional proposals to further reduce the number of single-bid public procurement contracts.

1 Focus on single-bid procurements

In 2023, the Hungarian Government adopted an action plan aimed at increasing competition in public procurement procedures. One of its key objectives was to significantly reduce the proportion of tenders receiving only one bid – an indicator often associated with reduced market competition and higher procurement costs. To implement this plan, Government Resolution 1082/2024 (III. 28.) was adopted, mandating the GVH to conduct three sectoral inquiries into markets where single-bid procurement is particularly prevalent. The diagnostic imaging equipment market was the first to be examined.

The sector inquiry targeting the market for medical imaging equipment (such as MRI, CT, ultrasound and general radiology machines) was initiated in September 2024. The GVH's investigative approach was robust, involving unannounced inspections at major domestic suppliers, information requests to both public and private healthcare providers and consultations with key regulatory bodies.

2 Accelerated sector inquiry

An accelerated sector inquiry is a procedure defined by the Hungarian Competition Act, aimed at identifying market problems in situations where circumstances suggest a distortion or restriction of competition and urgent intervention is therefore justified. During the inquiry, the GVH uncovers the underlying causes of the distortion by analysing information collected from market participants in order to take the necessary steps to eliminate these issues.

After completing the information-gathering phase and analysing the data, the GVH summarises the results of the accelerated sector inquiry in a public report.

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3 Key findings

The GVH concluded that the incidence of single-bid procurements had declined across the public procurement landscape, including within the diagnostic imaging equipment market, due to the following reasons:

- Adoption of pre-market consultations by contracting authorities to gauge supplier interest and promote competition.
- Voluntary declarations of ineffectiveness for tenders receiving fewer than two bids.
- Increased oversight from the Public Procurement Authority, consistent with the National Anti-Corruption Strategy 2024–2025.

According to data from the Hungarian Public Procurement Authority, in the national procurement procedures, the share of contracts resulting from single-bid procedures decreased from 24.8% to 11.7%, while the proportion of single-bid contracts under EU procurement procedures fell from 38% to 27.9%.

4 Recommendations for further improvements

Despite this progress, the GVH found it necessary to communicate additional measures that could help further reduce the number of single-bid procurements, such as:

For contracting authorities:

1. **Split bidding in package offers**
Allow suppliers to bid on parts of a package rather than the entire bundle, opening opportunities for more participants.
2. **Enhanced market engagement**
Ensure early and meaningful dialogue with market players and industry associations during the planning phase.
3. **Documented preliminary market consultations**
Emphasize transparency and adherence to integrity and competition laws when interacting with potential bidders.
4. **Declaration of ineffectiveness**
Apply this legal instrument systematically when fewer than two bids are received.

For public oversight bodies:

5. **Scrutiny of bundled procurements**
Examine the necessity and legality of bundling contracts to avoid discouraging potential bidders.
6. **Monitoring compliance with preliminary market consultation obligations**
Ensure authorities meet legal requirements to consult the market before launching tenders.

5 Next steps

In March 2025, the GVH launched another accelerated sector inquiry to investigate the causes of single-bid public procurement procedures in the market for passenger and commercial vehicle acquisitions. Simultaneously with the launch of the procedure, the authority's investigators conducted unannounced on-site inspections at multiple locations.

Overall, one of the key takeaways from the GVH's first sector inquiry into single-bid public procurement procedures is that companies participating in public procurement should prepare for increased scrutiny, mandatory pre-market consultations and evolving tender structures.

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