Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	**Pavel Prucek**
Advisor:	**PhDr. Ing. Jiří Skuhrovec**
Title of the thesis:	**Barriers to Entry in Public Procurement: Evidence from the Czech Republic**

OVERALL ASSESSMENT *(provided in English, Czech, or Slovak):*

The results of the work demonstrate, that despite relatively high market concentrations, the energy procurement markets are fairly competitive and given the right choice of procurement procedure, authorities should obtain energy at reasonable prices, without discriminating SME's.

With exception of several issues noted below, the methodology is appropriate, well explained and applied. Consequently, the findings might have been stronger. Apart of that and somewhat imperfect language at few points, the thesis meets high standards of bachelor theses at IES and **I recommend to grade it as good**.

1. While defining homogeneous goods, the most important property from thesis perspective is ommited – that is measurability in terms of units, hence comparability of essentially different deals.
2. Not all the citations are listed in literature (like Ministry of Industry and Trade, p. 12, ÚOHS p. 21 etc)
3. Author sometimes poses statements as own believes, which should not be part of academic paper.
4. For hypotheses 2 to 5 it is unclear, why these are being tested on reduced datasets, as the hypotheses have no straightforward relation to qualification criteria. Author should provide an explanation for such step or use the full dataset.
5. It is unclear, why potentially restrictive criteria appear only in cross-product with over-the-threshold variable, as H7 and H8 do relate to use of criteria in general, not only in above threshold situations. Also these may be again tested on full dataset, at least as a robust check. On one hand, this would induce potential errors stemming from poor data reliability, on the other hand some counterfactual in terms of tenders without restrictions might be introduced. Author may claim, that nearly all tenders do use restrictions, thus ommitted data are in fact errors. In my experience, such claim might be correct. In thesis it would however need to be well stated and documented on some small data sample.

Suggested questions:
1. On page 26 you speak of drop rate, which is however never shown. How large is it, and what are the main risks associated with such ommission of data? You further claim them to be random, which might not be the case, once restrictive criteria are intentionally not published to avoid reputation risks. If such event occurred, how may be the results biased? Similarly, what about the valid observations where economic / technical qualification has not been used at all, and thus dropped out of both TECH and ECO datasets?
2. There seems to be a major difference in ECO and TECH dataset (as seen in Figure 18) profit margins. Could you explain that? Might it be related to different time span of both datasets, as economic criteria stopped being used after 2012?

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SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY		POINTS
Literature	*(max. 20 points)*	20
Methods	*(max. 30 points)*	25
Contribution	*(max. 30 points)*	20
Manuscript Form	*(max. 20 points)*	15
TOTAL POINTS	*(max. 100 points)*	**80**
GRADE	**(1 – 2 – 3 – 4)**	**2**

NAME OF THE REFEREE: *Jiří Skuhrovec*

DATE OF EVALUATION: *6.9.2015*

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Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

LITERATURE REVIEW: The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.

Strong	Average	Weak
20	10	0

METHODS: The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.

Strong	Average	Weak
30	15	0

CONTRIBUTION: The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.

Strong	Average	Weak
30	15	0

MANUSCRIPT FORM: The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.

Strong	Average	Weak
20	10	0

Overall grading:

TOTAL POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě