

Public Procurement, European Integration, and Sustainable Economic Development – The Cases of Croatia, Albania, the Czech Republic, and Romania

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Abstract

This study examines public procurement's role in European integration and sustainable economic development across four post-socialist European countries: Croatia, Albania, the Czech Republic, and Romania. Relying on EU reports, technical documents, and other international sources, the analysis in this paper explores the progress and challenges in aligning legal and institutional procurement frameworks with EU standards, as well as their contribution to transparency, anti-corruption efforts, innovation, and sustainable economic development. Particular attention is paid to the strategic function of public procurement, which remains unevenly developed across the cases, particularly in Albania and Romania, thereby weakening the connection between public procurement planning and broader sustainable development goals. The findings suggest that despite formal harmonization with EU legislation, the implementation of good governance principles and strategic approaches remains challenging, especially where implementation capacity remains uneven, as in Albania and Romania.

Keywords: *Public procurement; European integration; sustainable development; strategic procurement; innovation procurement; governance; comparative analysis.*

Introduction

Public procurement represents one of the most important policy instruments at the disposal of governments to pursue economic development, improve the delivery of public services and support long-term social and environmental objectives. In OECD countries, procurement expenditure accounts for a significant share of gross domestic product, making procurement policy not simply an administrative function, but an important mechanism through which governments influence market behaviour, stimulate innovation, strengthen institutional performance and promote sustainable development (OECD, 2019).

Within the European Union, public procurement has evolved significantly over the last two decades. While previous procurement systems mainly emphasised legal compliance, competition and transparency, current European policy increasingly sees procurement as a strategic governance instrument capable of supporting innovation, environmental sustainability, digital transformation and inclusive economic growth (European Commission, 2024d; Fazekas & Blum, 2021). As a result, procurement is no longer judged solely on its procedural legality, but also on its contribution to the creation of wider public value.

For countries aspiring to join the European Union (EU), public procurement reforms have gained particular importance. Compliance with the EU procurement acquis constitutes an essential component of accession negotiations, as procurement systems directly impact transparency, competition, public financial management and institutional credibility. Therefore, candidate countries are expected not only to transpose European legislation into their domestic legal systems, but also to demonstrate effective implementation through capable institutions, transparent procedures, professional procurement officers and strong accountability mechanisms (European Commission, 2023). Similar expectations continue to shape procurement reforms within EU Member States, where continued alignment with evolving European priorities remains necessary. Although Croatia, Romania, the Czech Republic and Albania differ significantly in terms of their administrative traditions, political development and stages of European integration, they share common challenges in transforming procurement from a largely administrative activity into a truly strategic instrument of public governance. Therefore, a comparative assessment of these countries provides valuable insight into how procurement reforms interact with institutional capacity, political commitment, quality of governance, technological modernisation and sustainable development objectives.

The existing comparative literature has generally examined procurement from a legal, institutional or anti-corruption perspective. Comparatively fewer

studies integrate strategic procurement, innovation procurement, sustainability, institutional governance and European integration into a single analytical framework. This paper aims to address this gap by comparing four European countries across multiple strategic dimensions of procurement performance, rather than focusing exclusively on legislative compliance. Specifically, the paper compares Croatia, Albania, the Czech Republic and Romania on strategic planning, institutional capacity, transparency, corruption risks, innovation procurement, e-procurement and policy integration. Rather than ranking countries solely on formal legal harmonisation, the analysis assesses how effectively their procurement systems contribute to the broader objectives of sustainable economic development and European integration. The study argues that successful procurement reform depends not only on legislative harmonisation, but also on administrative capacity, political commitment, strategic planning and institutional learning. Countries able to integrate these dimensions are more likely to transform procurement into a strategic instrument that supports innovation, competitiveness and sustainable development.

Literature Review

Public procurement has evolved considerably over the past three decades. It is no longer understood solely as an administrative mechanism for acquiring goods, services, and public works, but increasingly as an instrument of public governance capable of supporting economic development, innovation, environmental sustainability, social inclusion, and institutional integrity. Contemporary research therefore emphasizes that procurement should not be evaluated only according to legal compliance, procedural efficiency, or the lowest purchase price. It should also be assessed according to its capacity to generate long-term public value and contribute to wider policy objectives (Fazekas & Blum, 2021; OECD, 2019).

Within the European Union, this transformation became particularly visible with the adoption of the 2014 public procurement framework. Directive 2014/24/EU expanded the possibilities for contracting authorities to consider life-cycle costs, environmental and social criteria, innovation, accessibility, and quality when evaluating tenders. The Directive therefore created a stronger legal basis for moving beyond a narrow lowest-price approach and for using procurement in support of broader economic, environmental, and social policies (European Parliament & Council of the European Union, 2014). The legal development of public procurement at the EU level reflects a broader shift from procedural purchasing toward strategic public governance.

One of the central concepts emerging from this literature is *strategic public procurement*. Strategic procurement connects purchasing decisions with wider

governmental priorities, including economic competitiveness, environmental objectives, digital transformation, social inclusion, and the modernization of public services. Under this approach, procurement is not treated as an isolated administrative activity but as part of the broader policy cycle. Procurement decisions should consequently be coordinated with budgetary planning, sectoral policies, investment strategies, and long-term development objectives (OECD, 2019).

The strategic dimension of procurement is especially important during the planning phase. Procurement planning determines institutional needs, expenditure priorities, technical specifications, market engagement, implementation schedules, and the allocation of financial resources before a competitive procedure begins. Weak planning may result in fragmented purchasing decisions, restrictive specifications, cost overruns, implementation delays, limited competition, and contracts that fail to meet users' needs. By contrast, effective planning allows contracting authorities to assess market capacity, define functional requirements, consider life-cycle costs, identify sustainability objectives, and connect individual contracts with national or sectoral development strategies (Fazekas & Blum, 2021; OECD, 2019). The OECD's (2019) review specifically treats strategic integration, capacity, integrity, efficiency, evaluation, and risk management as interdependent components of an effective procurement system.

Closely related to strategic procurement is the concept of sustainable public procurement. Sustainable procurement broadens the traditional emphasis on price and short-term efficiency by incorporating environmental, social, and economic considerations into purchasing decisions. Contracting authorities may therefore consider energy efficiency, emissions, resource consumption, waste reduction, labour conditions, accessibility, social inclusion, and the total cost of ownership over the life cycle of a product or service. Sustainable procurement is based on the premise that public purchasing decisions have consequences extending beyond the immediate contractual relationship between the public authority and the supplier. Because governments represent major purchasers in national markets, their demand can influence production practices, technological choices, employment standards, and the diffusion of environmentally sustainable products and services (Brammer & Walker, 2011).

However, the inclusion of sustainability criteria in legislation does not automatically guarantee sustainable procurement outcomes. Implementation depends on the capacity of contracting authorities to translate policy objectives into tender specifications, award criteria, contract clauses, monitoring indicators, and enforceable supplier obligations. Procurement officials must also be able to balance environmental and social objectives with competition, proportionality, transparency, and value for money. Sustainable procurement should therefore be understood as both a legal possibility and an organizational capability. Its

effectiveness depends on institutional knowledge, political support, market readiness, reliable data, and contract-management capacity.

Another important stream of scholarship concerns public procurement of innovation. This literature understands procurement as a demand-side policy instrument through which governments can stimulate the development, commercialization, and diffusion of new products, technologies, and services. Rather than purchasing only established solutions, public authorities can define unmet needs or functional problems and allow suppliers to propose innovative responses. Public demand can thus reduce market uncertainty, provide an initial market for new solutions, and encourage private investment in research and development (Edler & Georgiou, 2007).

The literature nevertheless distinguishes between several related concepts. Public procurement of innovation concerns the purchase of a new or significantly improved solution; procurement for innovation refers more broadly to procurement practices designed to stimulate innovative activity; and innovative public procurement may refer to innovations within the procurement process itself, including electronic platforms, data analytics, and new organizational procedures. Obwegeser and Müller (2018) organize this literature into three broad streams: innovation in procurement processes, innovation in public services through procurement, and procurement as a demand-side innovation-policy instrument. This conceptual distinction is important because the digitalization of a tendering procedure does not necessarily mean that the resulting contract is innovative or that it produces wider innovation effects.

Empirical research also indicates that procurement can stimulate firms' innovative behaviour when public demand is supported by appropriate tender design and a suitable regulatory framework. Evidence from a German legislative reform suggests that greater contractual flexibility and the possibility of purchasing innovative solutions can positively affect innovation-related activity among suppliers (Czarnitzki et al., 2020). Nevertheless, innovation procurement involves uncertainty and requires capabilities that are not equally distributed across contracting authorities. Public buyers must be able to identify needs, engage with the market without distorting competition, use functional rather than excessively prescriptive specifications, assess technological risks, and manage contracts whose final outputs may not be completely known at the beginning of the procedure.

Digital technologies can further strengthen the innovative function of procurement. Electronic procurement platforms, interoperable databases, automated risk indicators, data analytics, and artificial intelligence may improve access to information, reduce administrative burdens, standardize procedures, and support the identification of irregular bidding or contracting patterns. In the Albanian context, Shurdha and Sqapi (2025) argue that artificial intelligence has the potential to improve the efficiency and transparency of procurement

and to assist in identifying corruption risks. However, they also emphasize that technological instruments cannot function effectively without high-quality data, appropriate legal regulation, cybersecurity safeguards, qualified personnel, and effective institutional oversight. Their analysis therefore illustrates an important distinction: digitalization may support procurement reform, but it cannot substitute for institutional capacity or eliminate political and governance problems by itself.

The governance dimension of public procurement has likewise received extensive attention. Procurement systems must ensure open competition and value for money while also safeguarding integrity, accountability, equal treatment, and public trust. Procurement is especially vulnerable to corruption because it brings together substantial public expenditure, administrative discretion, technical information, and interactions between public officials and private economic actors. Risks may arise during the planning of a contract, the drafting of technical specifications, bidder qualification, tender evaluation, contract modification, subcontracting, or the monitoring of performance. For this reason, transparency in the tendering stage alone is insufficient. Effective governance must cover the entire procurement cycle, from needs assessment and planning to contract execution and ex-post evaluation (OECD, 2019).

These governance challenges are especially significant in countries undergoing institutional and democratic transition. Ateljevic and Budak (2010), in their analysis of Croatia, demonstrate that corruption in public procurement is closely connected with broader weaknesses in institutions, political accountability, and the transition environment. Procurement irregularities should consequently not be interpreted only as technical violations committed by individual officials. They may also reflect informal networks, political influence, weak control institutions, limited enforcement, and close relationships between political and economic actors.

This argument is also relevant to Albania. Sqapi (2022) shows that the absence of an adequately regulated and transparent framework for lobbying can allow relationships between interest groups and decision-makers to remain informal and largely hidden from public scrutiny. In post-communist and weakly consolidated institutional environments, such informal relations may facilitate clientelism, undue influence, tailor-made decisions, and the pursuit of private interests at the expense of the public interest. Although Sqapi's (2022) analysis focuses primarily on lobbying and policy influence, its conclusions are relevant to procurement governance because procurement decisions may also be exposed to pressure from politically connected or economically powerful interests (See also Sqapi & Shurdha, 2025). Transparency must therefore include not only publication of tender documentation but also greater accountability regarding who influences public decisions and how those decisions are made.

European integration provides an important reform framework for addressing these problems. Alignment with the EU procurement *acquis* requires candidate countries to approximate their legislation to EU standards, establish review and oversight institutions, improve competition, develop electronic systems, and strengthen administrative capacity. However, formal legislative approximation does not necessarily produce effective implementation. The Albanian experience demonstrates that progress in legal and electronic procurement reform can coexist with continuing concerns regarding competition, institutional capacity, contract implementation, corruption risks, and the effectiveness of oversight (European Commission, 2023).

The difference between formal compliance and effective implementation is therefore central to the literature. A procurement law may formally incorporate European principles while contracting authorities continue to lack professional staff, strategic planning, market knowledge, data-management systems, or effective contract-monitoring mechanisms. Similarly, electronic procurement may improve procedural transparency without addressing restrictive specifications, weak competition, unjustified contract modifications, political influence, or poor implementation. Procurement performance must consequently be assessed through institutional practice and outcomes, not only through the existence of legislation or digital platforms.

Existing studies have examined individual dimensions of procurement reform, including legal harmonization, anti-corruption mechanisms, sustainability, innovation, electronic procurement, and institutional modernization. However, comparatively fewer studies integrate these dimensions into a common framework explaining how public procurement contributes simultaneously to European integration and sustainable economic development. Legal studies frequently concentrate on compliance with EU rules, while innovation studies examine procurement as a demand-side instrument. Governance research often focuses on corruption and transparency, whereas sustainable-procurement scholarship emphasizes environmental and social outcomes. These approaches are closely connected but are not always examined together.

This study contributes to the literature by combining strategic planning, procurement governance, institutional capacity, anti-corruption mechanisms, innovation procurement, sustainability, and technological modernization within one comparative framework. The comparison of Croatia, the Czech Republic, Romania, and Albania is analytically relevant because the countries share post-socialist institutional trajectories but differ in EU membership status, administrative development, reform experience, and implementation capacity. The inclusion of three EU Member States and one candidate country makes it possible to examine whether EU membership and legislative approximation are sufficient to generate strategic procurement capacity or whether implementation continues to depend on domestic institutions and political commitment.

Building on the reviewed literature, the paper argues that legislative approximation is necessary but insufficient for the creation of an effective procurement system. Sustainable procurement outcomes depend on the interaction of several factors: strategic planning, professional and organizational capacity, technological infrastructure, transparent decision-making, independent oversight, market engagement, and sustained political commitment. Public procurement should therefore be understood not merely as a legal procedure required by European integration but as a strategic governance instrument whose developmental impact is determined by the quality of its implementation.

Methodology

This study employs a qualitative, structured, and focused comparative case-study design. This approach is appropriate for examining a small number of national cases through the same analytical questions and dimensions while preserving the institutional context of each case (George & Bennett, 2005; Lijphart, 1971). The units of analysis are the national public procurement systems of the four countries. The four countries were selected purposively. Croatia, the Czech Republic, and Romania are European Union Member States, whereas Albania is an EU candidate country. All four share post-socialist institutional legacies, but they differ in the timing and depth of European integration, administrative capacity, governance performance, and procurement modernization. This combination permits a controlled comparison between broadly similar institutional backgrounds and different levels of procurement reform and implementation. In this study, sustainable economic development is treated as a policy-oriented outcome reflected in public value creation, innovation, environmental and social considerations, market competition, and institutional quality, rather than as a directly measured macroeconomic effect. The analysis principally covers the period 2019–2025. Evidence was collected through documentary analysis of European Commission country, enlargement, procurement, and innovation-policy reports; OECD and World Bank publications; national legislation and policy documents; technical reports; and peer-reviewed academic studies (European Commission, 2023, 2024d; Fazekas & Blum, 2021; OECD, 2019). Older publications were used only where they provide relevant conceptual or historical foundations. Comparable categories of documentary evidence were used wherever available, although the precise sources differed according to country coverage and data availability. Because the documentary sources report data for different reference years and Albania is not included in the 2024 European Innovation Procurement Observatory benchmarking, the country assessments reflect the latest available evidence rather than a fully harmonized single-year dataset. This limitation is taken into account in interpreting the findings.

The comparative framework consists of four dimensions derived from the literature review and the substantive analysis: (1) strategic planning and policy integration; (2) governance, transparency, and resistance to corruption and political influence; (3) digitalization, innovation, and sustainability; and (4) institutional capacity, professionalization, and staff training. Numerical ratings are used only for the first two dimensions, for which the available documentary evidence permits a more structured comparison. The third and fourth dimensions are examined qualitatively because the available cross-country evidence is not sufficiently harmonized, particularly since Albania is not included in the 2024 European innovation-procurement benchmarking. For each scored dimension, every country is assessed on a scale from 0 to 10 by summing five sub criteria: the existence of a legal or policy framework; institutional arrangements; evidence of practical implementation; monitoring and publicly available data; and demonstrated coverage or outcomes.

The scores used in Sections IV and V summarize patterns and facilitate comparison rather than establish precise causal effects. The qualitative analysis therefore remains primary and explains the evidence underlying each rating. The study identifies plausible relationships between European integration, governance capacity, and procurement performance while recognizing that documentary comparison cannot independently demonstrate causality.

TABLE 1: Scoring Framework for the Comparative Assessment

Sub criterion	0 points	1 point	2 points
Legal or policy framework	Absent or seriously deficient	Exists but remains incomplete	Comprehensive and aligned with relevant standards
Institutional arrangements	Absent or ineffective	Partially established or fragmented	Clearly established and operational
Practical implementation	Little or no implementation	Partial or inconsistent implementation	Substantial and systematic implementation
Monitoring and public data	No meaningful monitoring or data	Limited or irregular monitoring	Regular monitoring and accessible evidence
Coverage or demonstrated outcomes	No demonstrated progress	Mixed or limited progress	Broad coverage and documented progress

Note. Each scored dimension has a maximum score of 10. Scores are analytical assessments constructed by the author from documentary evidence and do not represent official rankings issued by the European Union or another international organization.

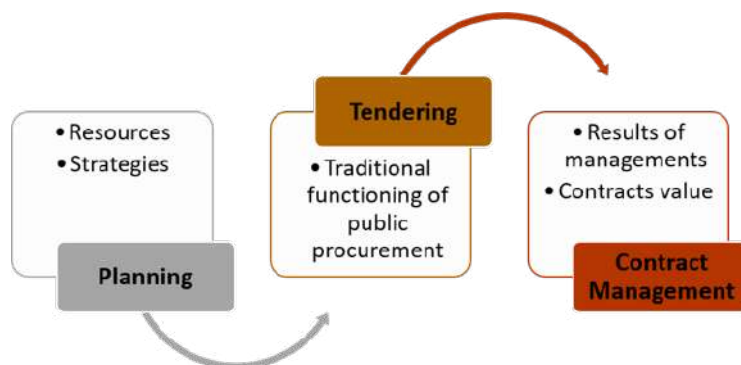
The Strategic Function and Planning of Public Procurement

Public procurement is one of the most important activities undertaken by public administration because it enables institutions to acquire the goods, services, and works required for the delivery of public services. Nevertheless, procurement should not be understood exclusively as a formal or administrative process. It also has a strategic function through which governments can connect public expenditure with long-term economic, social, environmental, and innovation objectives (Fazekas & Blum, 2021; OECD, 2019). The strategic function of public procurement includes the identification of public needs, long-term expenditure planning, market analysis, supplier engagement, contract design, and the coordination of procurement decisions with wider governmental policies. When these elements are integrated effectively, procurement can generate added public value by improving service quality, encouraging innovation, strengthening competition, and contributing to sustainable economic development. By contrast, when procurement is treated primarily as a procedural obligation, contracting authorities may focus narrowly on completing tendering requirements rather than assessing whether contracts produce sustainable and socially valuable outcomes.

A recurring weakness across the four countries examined in this study is the limited integration of procurement planning with broader national development strategies. The extent of this weakness differs considerably between the cases, but public procurement is still frequently approached as an administrative and budgetary process rather than as an instrument for implementing economic, industrial, environmental, and innovation policies. This challenge concerns both EU Member States, such as Croatia, Romania, and the Czech Republic, and a candidate country such as Albania.

The planning phase is particularly important because the strategic value of procurement is largely determined before the formal tendering procedure begins. Decisions concerning needs assessment, budget allocation, technical specifications, contract division, award criteria, sustainability requirements, and market consultation shape the level of competition and the outcomes that can subsequently be achieved. Poorly developed planning can result in fragmented purchases, restrictive specifications, delays, cost increases, limited participation by small and medium-sized enterprises, and contracts that fail to respond adequately to public needs. Effective planning, in contrast, connects procurement decisions with institutional priorities and allows contracting authorities to consider quality, innovation, sustainability, life-cycle costs, and long-term social value (Fazekas & Blum, 2021; OECD, 2019).

FIGURE 1: The Strategic Function of Public Procurement



Source: Author's elaboration based on Fazekas and Blum (2021) and OECD (2019).

As Figure 1 demonstrates, the traditional procurement function is generally concentrated on tendering, contract award, and procedural compliance. A strategic procurement model expands this process by connecting available resources, governmental strategies, procurement planning, contract management, and the evaluation of results. The effectiveness of procurement should therefore be assessed not only by whether a legally compliant procedure was completed, but also by whether the contract achieved its intended economic, social, environmental, and institutional objectives. In more developed procurement systems, this broader orientation is commonly expressed through the concept of value for money. Value for money does not necessarily mean selecting the tender with the lowest initial price. Instead, it concerns the optimal relationship between cost, quality, performance, risk, and the results delivered throughout the life cycle of a contract. Similarly, the principles of economy, efficiency, and effectiveness—the “3E” approach—require contracting authorities to consider whether resources are obtained at an appropriate cost, used efficiently, and transformed into the intended results.

Although these concepts are increasingly reflected in European procurement policy, their implementation depends on institutional capacity and political commitment. Formal legislative alignment does not ensure that contracting authorities possess the knowledge, incentives, market information, or administrative autonomy required to use procurement strategically. This distinction between formal rules and implementation is particularly relevant in countries that have undergone difficult post-socialist transitions.

The four cases share aspects of this institutional legacy, including periods of administrative instability, changing legal frameworks, uneven professional capacity, and tensions between formal rules and informal political or economic influence. Political conflict, clientelistic relationships, state-capture risks, and informal networks may redirect procurement decisions away from broader public

objectives and toward narrower interests (Ateljevic & Budak, 2010; Sqapi, 2022). In such circumstances, weak planning does not represent merely a technical deficiency. It can also reduce transparency by allowing procurement priorities, specifications, and expenditure decisions to be shaped without sufficient public justification.

Comparative Developments and Implementation Challenges

The comparison shows that the Czech Republic and Croatia have moved further toward integrating procurement with strategic policy priorities. Their EU membership, longer experience with the application of EU procurement rules, and comparatively stronger administrative structures have supported the development of more established planning and coordination mechanisms. Nevertheless, implementation remains uneven across contracting authorities, particularly at decentralized and local levels. The presence of a formal strategic framework does not always ensure that sustainability, innovation, or life-cycle considerations are applied consistently in individual procedures.

The Czech Republic receives the highest assessment among the four cases. Its procurement framework demonstrates a comparatively stronger connection between public expenditure, efficiency principles, digitalization, and policy planning. The use of economy, efficiency, and effectiveness as guiding principles indicates a more developed understanding of procurement performance. However, the implementation of these principles can differ among contracting authorities, and the strategic use of procurement remains dependent on professional competence and organizational capacity.

Croatia has also developed a clearer strategic orientation, particularly following EU accession. European rules and funding mechanisms have encouraged greater standardization, digitalization, transparency, and attention to sustainable and innovative procurement. However, implementation remains uneven, particularly where local administrative capacity is limited or where large and technically complex projects require stronger market analysis and contract-management expertise.

Romania has undertaken substantial legal and institutional reforms, but procurement planning continues to be affected by fragmentation, changing regulatory arrangements, and uneven inter-institutional coordination. Strategies formulated at the central level do not always translate consistently into contracting practices. This gap between policy formulation and implementation can produce delays, administrative uncertainty, and difficulty in connecting procurement decisions with wider development goals.

Albania has achieved substantial formal alignment with the EU procurement framework and has established electronic procurement procedures. Nevertheless, strategic planning remains less developed and is not always systematically

connected with sectoral development priorities, innovation policy, sustainability, or measurable long-term outcomes. Annual procurement plans may fulfil formal and budgetary requirements without necessarily functioning as comprehensive strategic instruments. Limited monitoring capacity and uneven professional expertise further restrict the ability of contracting authorities to move from procedural compliance toward public-value creation (European Commission, 2023).

The comparative evidence therefore suggests that EU integration provides an important legal and policy stimulus but does not automatically create strategic procurement capacity. EU rules, technical assistance, and benchmarking can facilitate reforms, yet the domestic effect of these instruments depends on administrative professionalism, institutional coordination, monitoring, political commitment, and the ability to adapt European principles to national and local conditions. The European Commission's benchmarking of innovation-procurement policy frameworks provides an additional reference for evaluating the extent to which procurement is integrated with innovation and strategic policy objectives (European Commission, 2024d).

TABLE 2: Strategic Planning and Policy Integration

Country	Legal or policy framework	Institutional arrangements	Practical implementation	Monitoring and public data	Coverage or demonstrated outcomes	Total	Comparative interpretation
Albania	1	1	0	1	0	3/10	Strategic planning remains weak and fragmented, and procurement reforms are not yet systematically integrated with wider policy objectives.
Romania	1	1	0	1	0	3/10	Planning remains fragmented, with uneven implementation and limited inter-institutional coordination.
Croatia	2	1	1	1	1	6/10	A clearer strategic orientation has developed, although implementation varies across institutions and administrative levels.
Czech Republic	2	2	1	1	1	7/10	Procurement is more strongly integrated with strategic and efficiency-oriented principles, although implementation challenges remain.

Note. Scores were constructed by the author using the coding framework presented in Table 1. Each sub-criterion ranges from 0 to 2. The assessments synthesize documentary evidence from European Commission reports, Fazekas and Blum (2021), OECD publications, relevant national frameworks, and academic literature. They are comparative analytical scores only and not official national rankings.

The ratings indicate a gradual difference in strategic maturity rather than a simple division between EU and non-EU countries. Albania's lower score reflects the continuing gap between formal reforms and strategic implementation. Romania's similar score demonstrates that EU membership alone does not eliminate institutional fragmentation. Croatia's intermediate result reflects more developed policy structures but uneven application, while the Czech Republic's higher score indicates comparatively stronger strategic integration without implying that its system is free from implementation weaknesses.

The comparison also demonstrates that strategic procurement is cumulative. A comprehensive legal framework is important, but it must be supported by operational institutions, implementation capacity, monitoring systems, publicly accessible data, and demonstrable outcomes. A country may therefore score strongly for formal policy development but less strongly for implementation or results. This explains why none of the cases receives the maximum score. Overall, the comparison confirms that the strategic function of procurement depends on more than legislative harmonization. Countries must develop the organizational capacity to link procurement plans with policy priorities, assess market conditions, integrate sustainability and innovation criteria, manage contracts effectively, and evaluate whether public expenditure produces the intended results. Without these elements, procurement may remain largely procedural and reactive rather than becoming a proactive instrument of sustainable economic development.

Governance, Political Influence, and Corruption in Public Procurement

Public procurement is essential for the management of public finances and the delivery of fundamental services to citizens. At the same time, it is particularly vulnerable to corruption because it combines substantial financial resources, administrative discretion, technical complexity, and frequent interaction between public officials and private economic operators. Procurement-related corruption can arise during any phase of the procurement cycle, including needs assessment, planning, the preparation of technical specifications, bidder qualification, tender evaluation, contract award, contract modification, and performance monitoring (OECD, 2019).

Corruption in public procurement can take different forms, including the deliberate restriction of competition, tailor-made technical specifications, collusion among bidders, conflicts of interest, unjustified use of negotiated procedures, manipulation of evaluation criteria, and favourable treatment of politically connected companies. It may also involve clientelist allocation of contracts, trading in influence, uncontrolled lobbying, or contract modifications that alter the economic balance of an agreement after the competitive procedure

has been completed. These practices reduce competition, increase expenditure, weaken service quality, and redirect public resources away from broader social and economic objectives.

The consequences extend beyond the direct financial loss associated with an individual contract. Corruption can operate as an additional and arbitrary cost imposed on economic activity, discouraging participation by firms that do not possess political connections and weakening confidence in the fairness of public markets. When procurement funds are misallocated, fewer resources remain available for healthcare, education, infrastructure, social protection, and other public services. Procurement integrity is therefore closely connected to sustainable economic development, equality of market access, and citizens' trust in public institutions (Ateljevic & Budak, 2010; OECD, 2019).

Political factors influence public procurement by shaping legislation, institutional appointments, budgetary priorities, oversight arrangements, and the degree of autonomy granted to contracting authorities. Political direction is not inherently improper because elected governments must determine public policy priorities. The risk emerges when political authority is used to influence the selection of suppliers, design specifications around predetermined beneficiaries, weaken supervisory institutions, or prevent the investigation and sanctioning of irregularities.

This distinction is particularly important in post-socialist and transitional contexts. Formal procurement rules may coexist with informal relationships connecting political actors, public officials, and private economic interests. Sqapi (2020, 2022) demonstrates that where lobbying and interest-group influence remain insufficiently regulated, interactions between private interests and decision-makers may take place outside public scrutiny. In such circumstances, legitimate interest representation can become difficult to distinguish from privileged access, trading in influence, clientelism, or tailor-made public decisions. Although Sqapi's analysis addresses the broader policymaking process in Albania, the argument is directly relevant to public procurement, where non-transparent influence may affect planning decisions, technical requirements, tender evaluation, and contract implementation.

The effectiveness of anti-corruption policies consequently depends on more than the formal criminalization of bribery or the establishment of electronic procurement platforms. It also requires independent review bodies, effective audit and prosecution institutions, transparent access to procurement information, clear conflict-of-interest rules, protection for reporting irregularities, meaningful sanctions, and the capacity to identify risk patterns across the entire procurement cycle. Electronic systems can reduce direct interactions and generate data that support monitoring, but they do not automatically eliminate biased specifications, political pressure, collusion, or manipulation of information entered into the system.

Comparative Assessment of the Four Countries

Albania

Albania has undertaken substantial legal and technological reforms, including the development of electronic procurement procedures and further alignment with the EU public procurement acquis. Nevertheless, the implementation of procurement rules continues to face challenges related to effective competition, administrative capacity, monitoring, contract implementation, and corruption risk (European Commission, 2023).

The principal weakness is not the complete absence of formal rules but the gap between formal regulation and consistent enforcement. Political influence, limited institutional independence, informal networks, and privileged access to decision-makers may weaken equal treatment among economic operators. The context described by Sqapi (2022), in which lobbying remains unregulated and relationships between political and economic actors frequently occur outside formal transparency mechanisms, increases the risk that procurement decisions may serve narrow interests rather than public interest. Electronic procurement and proposed AI-supported controls may increase transparency and assist in identifying anomalies. Nevertheless, digitalization cannot by itself address political influence, poor data quality, weak oversight, or deficiencies in contract management. Albania's governance score therefore remains low because the presence of legal and technological reforms has not yet produced sufficiently consistent implementation and demonstrated outcomes (European Commission, 2023; Shurdha & Sqapi, 2025).

Romania

Romania has developed a comparatively extensive anti-corruption framework, including specialized institutions such as the National Anticorruption Directorate. Investigations and prosecutions involving high-level corruption have demonstrated that the institutional system possesses the capacity to address serious offences. EU integration has also contributed to the development of procurement legislation, electronic procedures, review mechanisms, and integrity requirements (European Commission, 2024c).

Nevertheless, the existence of specialized institutions does not eliminate procurement-related risks. Romania continues to experience difficulties associated with fragmented administration, uneven preventive controls, inconsistent implementation, and the translation of central reforms into the routine practices of contracting authorities. The country's score therefore reflects a mixed position: its formal legal and institutional architecture is stronger than Albania's, but the

effectiveness and consistency of implementation remain insufficient to justify a high rating.

Croatia

Croatia has strengthened its procurement and anti-corruption framework, particularly during and after the EU accession process. The country has more developed control, review, audit, and prosecution mechanisms than during the earlier post-socialist transition. EU rules and EU-funded projects have also increased requirements relating to documentation, transparency, competition, and financial control (European Commission, 2024a).

However, procurement remains a corruption-sensitive area, particularly in high-value, technically complex, and infrastructure-related contracts. Ateljevic and Budak (2010) show that procurement corruption in Croatia was closely connected to the wider institutional environment, political accountability, and relationships between public authorities and economic actors. Although the study relates to an earlier stage of Croatia's development, its core argument remains analytically important: legal reform cannot be separated from the quality of governance and enforcement.

Croatia's intermediate score reflects the development of stronger institutions and control mechanisms together with continuing implementation risks. The country performs better than Albania and Romania in this comparative framework but has not achieved a level at which political influence and procurement-related corruption can be regarded as marginal.

Czech Republic

Among the four cases, the Czech Republic demonstrates the most consolidated combination of procurement regulation, institutional oversight, public access to information, and anti-corruption mechanisms. Its longer experience with EU procurement requirements and comparatively stronger administrative structures have contributed to a more stable governance environment (European Commission, 2024b).

Nevertheless, a higher comparative score does not imply that corruption risks have been eliminated. Complex infrastructure, defence, information-technology, and other high-value contracts can remain vulnerable to limited competition, conflicts of interest, or insufficient transparency. Differences in capacity between central and decentralized contracting authorities may also affect the consistency of implementation.

The Czech Republic is therefore assessed as the strongest of the four cases rather than as a corruption-free model. Its score reflects comparatively more effective institutional safeguards and greater resistance to political influence, while also recognizing continuing vulnerabilities.

Comparative Interpretation

The comparison demonstrates that the relationship between EU integration and procurement integrity is neither automatic nor linear. EU membership can strengthen legal standards, reporting obligations, institutional controls, and access to supranational oversight. However, membership alone does not guarantee effective implementation. Romania’s lower assessment relative to Croatia and the Czech Republic illustrates that countries operating under the same EU legal framework may achieve different outcomes because of differences in institutional coordination, administrative professionalism, enforcement, and political commitment.

Albania’s experience similarly shows that legislative approximation and electronic procurement are necessary but insufficient. When oversight bodies lack adequate authority, independence, information, or professional resources, formal transparency may coexist with informal influence and weak accountability. The decisive variable is therefore not simply whether procurement procedures are regulated, but whether the institutions responsible for applying, reviewing, auditing, investigating, and sanctioning those procedures can operate consistently and independently.

TABLE 3: Governance, Transparency, and Resistance to Corruption and Political Influence

Country	Legal and integrity framework	Institutional arrangements	Practical implementation	Monitoring and public information	Demonstrated enforcement and outcomes	Total	Comparative interpretation
Albania	1	1	0	1	0	3/10	Formal and electronic reforms are present, but political influence, weak implementation, limited competition, and insufficiently demonstrated enforcement remain important concerns.
Romania	2	1	1	0	0	4/10	A developed legal framework and specialized anti-corruption institutions coexist with fragmented prevention and uneven implementation.
Croatia	2	1	1	1	1	6/10	Control and enforcement mechanisms have developed substantially, although risks remain in complex and high-value procurement.

Country	Legal and integrity framework	Institutional arrangements	Practical implementation	Monitoring and public information	Demonstrated enforcement and outcomes	Total	Comparative interpretation
Czech Republic	2	2	1	1	1	7/10	Comparatively consolidated institutions and oversight mechanisms provide stronger resistance to political influence, although sector-specific risks continue.

Note. Scores are author-constructed analytical assessments based on the framework established in Section III. Each subcriterion is coded from 0 to 2. The values summarize the documentary evidence and do not constitute official corruption rankings issued by the European Union, OECD, or another institution.

Albania's score reflects progress in formal regulation and transparency alongside major implementation weaknesses. Romania's score recognizes its stronger legal and anti-corruption architecture but also its inconsistent practical effects. Croatia's score reflects more established control mechanisms and EU-related governance improvements, while the Czech Republic's higher result indicates the most consolidated institutional environment among the four cases.

Overall, the comparison indicates that successful anti-corruption reform requires an integrated system combining preventive and punitive measures. Transparency must cover planning, tendering, award, contract modification, implementation, and final results. Oversight institutions must possess sufficient independence, authority, expertise, and access to information, while sanctions must be credible and consistently applied. Digital tools, open procurement data, and artificial intelligence may reinforce these mechanisms, but their contribution depends on the institutional environment in which they operate.

The evidence therefore does not support a simple causal conclusion that EU membership automatically produces procurement integrity. A more defensible interpretation is that European integration creates legal, financial, and institutional incentives for reform, while the strength of domestic institutions determines whether those incentives generate durable improvements. This distinction helps explain the different scores of the three EU Member States and the continuing implementation gap observed in Albania.

Digitalization, Innovation, and Institutional Capacity

Electronic procurement has become an essential mechanism for modernizing public administration and improving the transparency, accessibility, and efficiency of public expenditure. It enables contracting authorities to publish procurement information, receive bids electronically, standardize documentation, and create data that can be used to monitor procurement activity. Nevertheless, electronic procurement should not be equated automatically with strategic or innovative procurement. Digitalizing an existing administrative procedure may improve its efficiency without necessarily changing the quality of planning, competition, contract management, or final public outcomes (OECD, 2019).

The strategic value of digitalization depends on whether electronic systems are integrated with other administrative databases, provide accessible and reliable data, support effective monitoring, and enable contracting authorities to evaluate performance throughout the procurement cycle. Digital platforms may also facilitate the participation of economic operators by reducing administrative costs and geographical barriers. However, complex interfaces, inconsistent data, excessive documentation, and inadequate technical support may create new difficulties, particularly for small and medium-sized enterprises.

Innovation in public procurement includes both innovation within procurement processes and the use of procurement to stimulate innovative goods, services, and technologies. The European Commission's 2024 benchmarking initiative evaluates national innovation-procurement frameworks through elements such as action plans, expenditure targets, incentives for public buyers, and specialized competence centres. The benchmarking covers 30 European countries and illustrates that an electronic tendering system alone is insufficient: innovation procurement also requires policy coordination, professional support, financial incentives, and institutional expertise (European Commission, 2024d).

The available evidence indicates that all four countries have expanded electronic procurement, but the relationship between digitalization, an innovative procurement, and institutional capacity remains uneven. Croatia and the Czech Republic benefit from longer experience with EU procurement requirements and established electronic systems; however, this does not necessarily translate into comprehensive innovation-procurement policies or consistently strong capacity across contracting authorities. Romania has developed electronic procurement infrastructure, but its effects remain constrained by institutional fragmentation and uneven implementation. Albania introduced electronic procurement comparatively early, yet limited technical expertise, weaknesses in data quality, insufficient interoperability, and uneven institutional capacity continue to restrict

the strategic use of procurement data for planning, monitoring, risk analysis, and policy development.

Institutional capacity is the principal factor connecting digitalization with procurement performance. Public officials must possess legal, economic, technical, environmental, and contract-management skills. They must be capable of conducting market analysis, developing functional specifications, evaluating quality and life-cycle costs, managing technological risks, and monitoring contractual performance. Professionalization is therefore not limited to procedural training; it requires continuing education, specialized career structures, practical guidance, institutional knowledge management, and access to expert support (OECD, 2019).

This capacity is also necessary for sustainable procurement. Environmental and social requirements must be translated into measurable specifications, award criteria, contract conditions, and performance indicators. Without suitably trained personnel, sustainability clauses may remain symbolic or may be applied inconsistently. Similarly, procurement of innovation requires officials who can engage with markets, evaluate unfamiliar solutions, manage uncertainty, and avoid unnecessarily restrictive tender requirements.

The comparative evidence does not support a simple hierarchy across all dimensions of digitalization, innovation procurement, and institutional capacity. The European Commission's (2024d) benchmarking identifies important weaknesses in the innovation-procurement policy frameworks of Croatia, the Czech Republic, and Romania, although Croatia demonstrates comparatively stronger performance in ICT-based innovation procurement. Albania is not included in this benchmarking, which limits direct numerical comparison. Accordingly, the findings in this section should be interpreted qualitatively rather than as a precise cross-country ranking.

Across all four cases, the main implication is that investment in digital systems must be matched by sustained professional development, organisational support, and contract-management expertise. Technological modernisation is therefore more likely to produce meaningful procurement outcomes when it is embedded in capable institutions and supported by appropriate professional skills.

Conclusions and Policy Implications

This study compared public procurement systems in Albania, Croatia, Romania, and the Czech Republic, focusing on strategic planning, governance, digitalization, innovation, and institutional capacity. The findings indicate that all four countries have made progress in aligning procurement legislation and procedures with European standards, but significant differences remain in implementation.

The Czech Republic and Croatia receive higher assessments in the strategic-planning and governance dimensions examined in this study, although important weaknesses remain in innovation procurement and capacity-building. Romania presents a mixed picture, combining substantial legal and technological reforms with institutional fragmentation and uneven implementation. Albania has advanced in legislative approximation and electronic procurement, but still faces the largest gap between formal reform and the effective strategic use of procurement. The comparison therefore suggests that EU membership and legal harmonization alone do not automatically produce better procurement outcomes; their impact depends on domestic institutional capacity, political commitment, oversight, and consistent enforcement.

Public procurement can contribute to sustainable economic development only when it is treated as a strategic governance instrument rather than merely as a procedural activity. Albania and Romania should prioritize professionalization, institutional coordination, contract management, and the systematic use of procurement data, while Croatia and the Czech Republic should focus on ensuring more consistent implementation across contracting authorities and strengthening outcome evaluation. Digitalization and artificial intelligence may improve transparency, efficiency, and risk detection, but they cannot replace reliable data, independent oversight, legal safeguards, and professional judgment. Overall, the main policy challenge is not simply to adopt additional rules or technologies, but to ensure that procurement systems are capable of linking public expenditure with innovation, sustainability, fair competition, and measurable public value.

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