



Selected purchased services related to the COVID-19 pandemic

Performance audit

Published: 15.7.2022



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What we audited and why

From May to October 2021, we audited the “Safe hospitality” COVID-19 testing programme and direct awards of advisory services at the Federal Ministry of Agriculture, Regions and Tourism (Ministry of Tourism) and the Federal Ministry of Social Affairs, Health, Care and Consumer Protection (Ministry of Health). The volume of services audited was around €140 million at the Ministry of Tourism, and €2 million at the Ministry of Health.

We also audited additional funding of around €40 million for targeted tourism marketing measures and the services provided by the Austrian Red Cross to support the authorities in the humanitarian field.

We assess the need for and added value of the additional services for the tourism and health sectors, in particular with regard to available skills and resources within the Ministries, as well as compliance with the main rules and the transparency of the procedures. We covered 2020 and the first half of 2021.

What we found

After the first lockdown, in May 2020, the Ministry of Tourism launched initiatives to strengthen confidence in Austria as a safe country for holidays including regular voluntary testing of staff in tourist businesses using PCR tests, what was called the “Safe hospitality” COVID-19 testing programme.

We found that, even if the objectives of the programme were appropriate, initiating a procurement procedure should have been favoured against providing funding. In addition, from October 2020 at the latest, the Ministry should have taken measures to reduce costs by extending the period of the testing programme and offering its support to additional groups.





Providing additional funding to the Austrian National Tourist Office for targeted marketing measures was an appropriate measure in principle, due to the reduction of bookings due to COVID-19. However, the amount of support of €40 million, i.e. an increase of 166 % in the regular contribution of the federal government, was not justified, particularly since it was not possible to assess how the pandemic would develop at the time of payment, and the promotion abroad of Austria as a tourist destination was, in any case, regular core business of the Austrian National Tourist Office. Moreover, the full amount was paid solely on the basis of general planning amounts, without existing an immediate need for the funds.

We also found that reports on the use of funds to the Ministry of Tourism were not required and the transparent use of funds was therefore not sufficiently ensured. At the COVID-19 outbreak, the Ministry of Health was only partially prepared in terms of organisation and staff for a pandemic of such a magnitude (something already highlighted in June 2019 by an internal risk report of the Ministry of Health under the heading “Inadequate crisis management”). In many cases, we could only see the added value of the additional services purchased to a limited extent, since both the service requests and the services provided were poorly documented.

Specifically, we found that the Ministry of Health did not change to the regular procurement regime during the pandemic, always using direct awards without any prior estimate of contract duration or contract value. This applies i.a. to the cooperation agreement with the Austrian Red Cross.

What we concluded

- Where there is a specific need for a clearly defined service (as with the “Safe hospitality” programme), in principle, there should be public procurement instead of direct funding, as this generally ensures transparency, legal certainty and enforceability. In particular, after a contract value estimate, there should be calls for tenders or, at most, direct awards carried out by obtaining comparative offers.
- The “Safe hospitality” programme should have been halted earlier and, in consultation with the Ministry of Health, been integrated as far as possible into the provinces’ easily accessed PCR testing services.
- For specifically earmarked federal funds – such as the additional funding of around €40 million for targeted tourism marketing measures to deal with the consequences of the COVID-19 crisis in tourism – there should be a call for regular reporting to the Ministry, in accordance with the rules applicable to funding, including proof of the appropriate use of funds.
- The services provided to the Ministry by contractors (such as the Austrian Red Cross) should be sufficiently documented in order to ensure transparency, traceability and possible further use of the results of the work at the Ministry.