



“So long and thanks for all your taxes”

How much Amazon makes from public contracts in Europe

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July 20th, 2021 was Jeff Bezos' *“best day ever”* as he travelled to space. It was not long after stepping out of his shuttle that the richest man in the world was thanking all Amazon employees and customers, adding *“because you guys paid for all of this”*.

This new [UNI Europa](#) research report shows that **an important (and growing) part of those ‘customers’ are public institutions** such as ministries, local governments, public service companies and health or educational institutions. Through public contracts, Amazon is receiving millions in taxpayer's money to manage the data infrastructure of these public institution. So, in a way, not only Amazon's workers or direct costumers financed Bezos's trip into the orbit, but all taxpayers did.

That Amazon is receiving public money through public procurement is not unknown. Already in 2014, news broke about a contract between the [CIA](#) and Amazon worth roughly \$600 million. Amazon Web Services would be hosting the data of the CIA and its related agencies for the coming 10 years. More recently in February 2021, the news that the [NHS](#) in the UK signed a large contract with Amazon Web Services to host the clinical data, sparked questions on the dependence of governmental agencies on this private corporation.

What remains unclear, however, is the scope of Amazon's activity in the public market. **How much money is Amazon receiving through public contracts?** This is the focus of this UNI Europa research report.

Taking into account data limitations, the main **conclusions** of the research are:

- Over the years, Amazon has greatly **expanded** its activities in the public market mostly through its cloud services grouped under **Amazon Web Services**.
- In the last three years, the total estimated value of those contracts comes close to and even exceeds **half a billion EURO a year**.
- Compared to reported corporate **taxes paid** by Amazon, the company receives multiples in taxpayers' money.
- Although Amazon receives millions in public money, the company **avoids public accountability**.

The research therefore indicates a dire need for a public debate on the role of Amazon in public services and what this means regarding its responsibilities on the social field.

1 Methodology

In order to track Amazon's activity in the public market, four sources of data have been inspected: (1) the EU TED (Tenders Electronic Daily) [database](#) which groups information on public tenders across the EU crossing certain thresholds, (2) bidstats.UK which sources data on public tenders in the UK, (3) opentenders.eu which groups tenders from the European Union, Norway, Iceland, Switzerland and Georgia and (4) the Amazon public procurement webpage which advertises some corporations with public organizations. These databases have been searched to identify public contract awards that went to Amazon in the latest years. The result of this search can be found in the Annex of this research paper.

The collected data has some limitations, namely:

- (i) The search is focused on awarded contracts which are [less often published](#) than open tenders.
- (ii) Quite often the contract award statements do not indicate the value of the contract, or provide an overall value and not a value per contractor. This means that some values are estimations and in a number of cases, no price could be fixed.
- (iii) In many cases, Amazon has received contracts which did not go through an open tender. In such cases the publication of the awarded contract is not always guaranteed.
- (iv) For some sectors, the EU has established parallel frameworks of public tendering such as the [OCRE](#) system of research institutes.

All this means that the data shown below is most certainly a serious **underestimation** of the real number of contracts awarded to Amazon and the total value of those contract.

The research has looked at all available data until **August 2021**.

2 Results: Amazon received 80+ contracts for over a billion euros

In total, **82 contracts between public organizations and Amazon were identified** (see annex). The first graph shows the number of contracts (dots) registered and the total value of those public contract (bars). In terms of number of contracts and in terms of the total value, Amazon is taking up an increasingly larger part of the publicly procured money over the years. In the last three years, **Amazon was awarded almost half a billion euros in public contracts**.

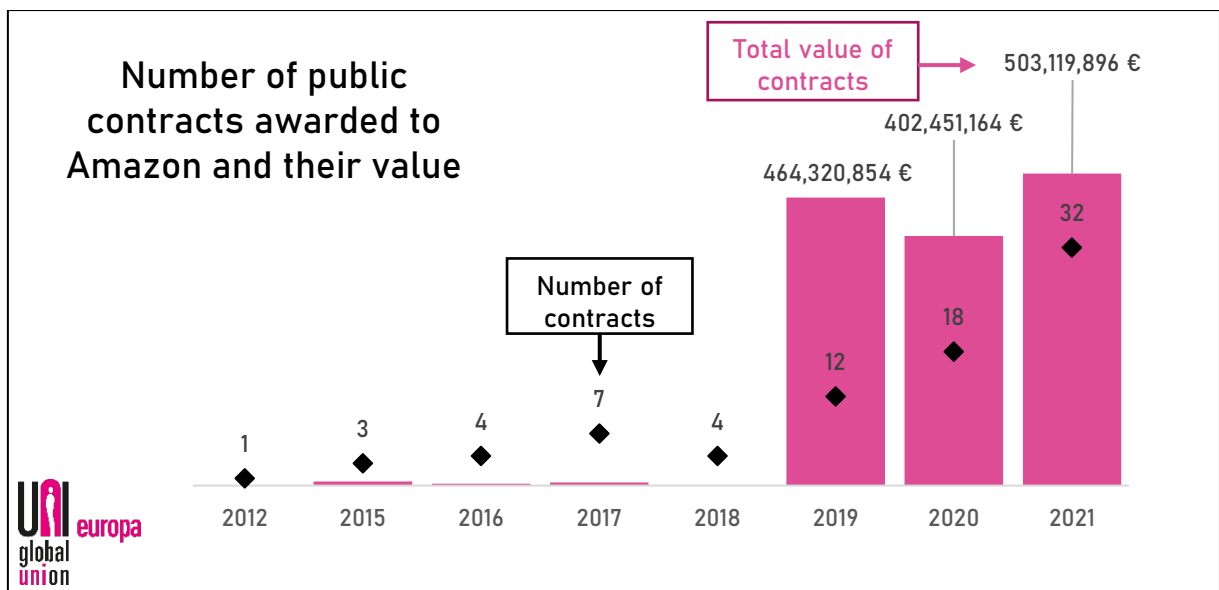


Figure 1 - Number and total value of public contracts with Amazon per year. Figures until August 2021. For data limitations see above.

In terms of countries, the majority of the contract (and the value) are concentrated in **the United Kingdom**, in which we registered **63 contracts for almost 1 billion €**.

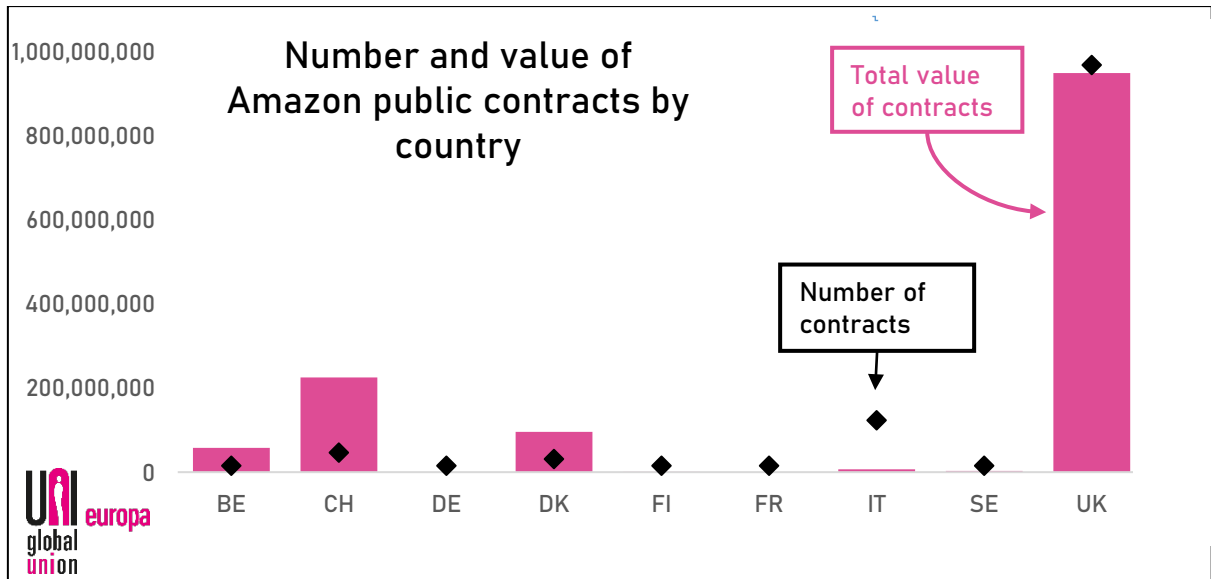


Figure 2 - Number and total value of public contracts with Amazon per country. Figures until August 2021. For data limitations see above.

The absolute majority of public contracts identified were concluded with governmental services such as **ministries** (about 60%). Next to these, Amazon also concluded contracts with **public services related to health** (7%) or **education** (5%), and with **local governments** (6%) and **publicly owned companies** (7%).

The large majority of contracts concern Amazon Web Services (> 90%). Only a few are framework contracts through which local authorities aim to purchase products via the Amazon website.

Some of the larger (and significant) contracts are the following;

- In 2020, the **EU commission** concluded a contract with Amazon Web services for a total value of almost €58 million concerning the EU Cloud II project. Interestingly the contract followed a *restricted* rather than open procedure. Almost an equal sum has been given to Microsoft. [Concern](#) has risen about these contracts, mostly from a data privacy perspective as the two companies work with US based [providers](#).
- In 2020 the **Danish ministry of taxation** signed a 96 million DKK contract with Amazon Web Services in 2020 for its IT services. Amazon Web Services equally have contracts with the UK Revenue & Customs office.
- The **Yorkshire Purchasing Organisation (YPO)** was one of the first publicly owned organizations in 2019 to sign a framework agreement with Amazon Business. This [consortium](#) of 13 local communities provides goods for local schools, care homes, nurseries, local authorities etc. Many of the communities already purchased via amazon as a regular customer but can now do so under the terms of this framework agreement which is worth up to 400 million GBP and is valid for four years. The main [advantage](#) for the local communities is that they can now purchase on invoice.
- The **UK Home Office** concluded a contract with Amazon Web Services on 7 January 2020 valuing roughly 120 million GBP over a four year period. Through this contract can [continue](#) to provide cloud services to the Home Office.
- In April 2021, the **HM revenue and Customs** signed a contract with Amazon Web Services for 94 million GBP running over three years. Interestingly, the contract was a renegotiation of a 41 million GBP contract signed [earlier](#) in September. An earlier contract between the HMRC and amazon was criticized by the [GMB](#) as Amazon was getting more taxpayer money than it was paying.
- **SBB informatik**, the IT service of the Swiss federal railway company SBB, signed a contract with Amazon web services in 2020 valuing over 100 million Swiss Francs. A similar contract for a similar value was concluded in 2021 with the federal construction and logistics office.
- In 2021 **the UK's Cabinet Office** [concluded](#) a large contract for the **crown commercial services** worth in total 750 million GBP. Amazon Web Services, together with other players like Google, Microsoft, IBM and some local players gained a spot on this framework agreement that runs for three years.
- In 2020, the UK signed a large contract with amazon regarding the delivery of products in the fight against the **COVID pandemic**.

3 Conclusion

Taking into account the known data limitations, this research paper shows that Amazon is increasingly moving into the public market. The number of contracts awarded to Amazon in the public market is steadily increasing, as is the total value of those contracts.

The public contracts with Amazon are predominantly (yet not exclusively) related to Amazon Web Services through which Amazon manages and hosts cloud computing of public institutions. As such, it hosts the data of a number of crucial public authorities in the UK including parts of the NHS, the revenue and taxes office and other ministries. At the European Union level, Amazon (together with Microsoft) has a large contract with the European Commission and several important public services of Member States.

Another way in which Amazon is moving in the public market is through its e-commerce platform. As such, Amazon signed a large framework contract in which it became the main purchasing platform for a number of public authorities. Also here, it is clear the figures are an underestimation of the real money spent by public authorities on Amazon platforms. As such, another 112 contract awards were found for the Amazon web shop. Unfortunately, these contracts did not include any data on values.

The large public expenditure through Amazon is significant for the following reasons:

1. While Amazon receives millions from public contracts, it actively **avoids paying corporate taxes** (Figure 3). In 2020 Amazon paid **no** corporate taxes in Europe and only roughly 14 million pounds in [2019](#) in the UK, through a complex [system](#).



Figure 3 - Corporate taxes paid by Amazon in Europe vs. money received through public contracts

2. While Amazon receives millions from public contracts, it actively **avoids** public accountability. In May 2021, the European Parliament organized a [hearing](#) on workers' rights and union activity at Amazon which Bezos [refused](#) to attend.
3. While Amazon is increasingly active in the area of public services, the company does not respect fundamental workers rights. Amazon is [known](#) to be a **union busting** company which avoids as much as possible to negotiate with trade unions and does not respect its employees' fundamental right to organise.
4. While Amazon is managing and storing a lot of public data, the company is [known](#) for putting its workers under **intensive digital surveillance** pushing them to the edges of what is humanly feasible and denying even them the rights to bathroom breaks.
5. While Amazon is managing and storing a lot of public data, it is unclear what the **data security** risks are, especially because the EU public data is often hosted in US based servers.

The European rules on public procurement establish that Member States should take *"appropriate measures to ensure that in the performance of public contracts economic operators comply with applicable obligations in the fields of environmental, social and labour law established by Union law, national law, collective agreements"* (2014/24/EC, article 18).

Channeling large amounts of public money to a company that is known to for its labour exploitation, extreme employee surveillance, tax avoidance and union busting can hardly be seen as part of the envisaged '*appropriate measures*'.

UNI Europa, 2021

This is a UNI Europa research paper. This publication is published to promote discussion and debate. The views expressed are those of the authors and do not necessarily represent the views of UNI Europa and/or its member organisations.

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4 Annex: Overview of the contracts

| Country | Year | Total sum | Currency | Buyer | Contractor |
|---------|------|-------------|----------|---|-----------------|
| UK | 2021 | 12,000,000 | GBP | Cabinet Office | AWS |
| UK | 2021 | 7,700,000 | GBP | Driver & Vehicle standards agency | AWS |
| UK | 2021 | 11,349 | GBP | MCA maritime & Coastguard agency | AWS |
| UK | 2021 | 153,082 | GBP | FCDO Services | AWS |
| UK | 2021 | 730,000 | GBP | Peterborough city council | AWS |
| CH | 2021 | 110,000,000 | CHF | Office fédéral des constructions et de la logistique OFCL | AWS |
| UK | 2021 | 25,327 | GBP | Crown Commercial Service | AWS |
| UK | 2021 | 3,300,000 | GBP | UK Shared Business Services | AWS |
| UK | 2021 | 562,000 | GBP | Police ICT | AWS |
| UK | 2021 | 83,333,333* | GBP | The Minister for the Cabinet Office acting through the Cabinet Office | AWS |
| UK | 2021 | 9,000,000 | GBP | Department of Health and Social Care | AWS |
| UK | 2021 | 15,000,000 | GBP | NHS Education for Scotland | AWS |
| UK | 2021 | 498,000 | GBP | National institute for Health & Care Excellence | AWS |
| UK | 2021 | 5,000,000 | GBP | Companies House | AWS |
| UK | 2021 | 85,300 | GBP | Ministry of Housing Communities and local government | AWS |
| UK | 2021 | 191,000 | GBP | Competition and Markets Authority | AWS |
| UK | 2021 | 50,000,000 | GBP | Ministry of Justice | AWS |
| UK | 2021 | 94,000,000 | GBP | HM Revenue & Customs | AWS |
| UK | 2021 | 61,000 | GBP | Department of Health and Social Care | Amazon services |
| UK | 2021 | 6,700,000 | GBP | Driver & Vehicle Licensing Agency | AWS |
| UK | 2021 | 4,500,000 | GBP | HM Land Registr | AWS |
| UK | 2021 | 56,800 | GBP | Leicestershire Police | AWS |
| UK | 2021 | 13,900 | GBP | Public Health England | AWS |
| UK | 2021 | 8,000,000 | GBP | Ministry of Justice | Amazon services |
| UK | 2021 | 10,000 | GBP | Ministry of Housing Communities and local government | AWS |
| UK | 2021 | 41,000,000 | GBP | HM Revenue & Customs | AWS |
| UK | 2021 | 2,000,000 | GBP | HM Revenue & Customs | AWS |
| SE | 2021 | 3,000,000 | SEK | Sveriges Television Aktiebolag | AWS |
| FI | 2021 | 385,000 | EUR | Helsingin kaupunki, | AWS |
| UK | 2021 | 2,000,000 | GBP | Foreign Commonwealth and development office | AWS |
| UK | 2021 | 516,000 | GBP | Crown Commercial Service Cabinet Office | AWS |
| UK | 2021 | 500,000 | GBP | Lodon Borough of Hackney | AWS |
| UK | 2020 | 120,000,000 | GBP | Home Office | AWS |
| DK | 2020 | 96,000,000* | DKK | The Danish Ministry of Taxation represented by The IT and Development Agency of the Danish Ministry of Taxation | AWS |
| UK | 2020 | 2,000,000 | GBP | Department of Health and Social Care | AWS |
| UK | 2020 | | EUR | Thames Water Utilities Ltd | AWS |
| UK | 2020 | 57,000,000 | GBP | Department of work & pensions | AWS |
| UK | 2020 | 9,130,857 | EUR | Department of Health and Social Care | Amazon Services |
| UK | 2020 | 6,600,000 | GBP | Government Digital Service | AWS |
| UK | 2020 | 313,000 | GBP | Public Health England | AWS |
| UK | 2020 | 80,000 | GBP | Northamptonshire county council | AWS |

| | | | | | |
|----|------|--------------|-----|---|-----------------|
| UK | 2020 | 250,000 | GBP | Department of Transport | AWS |
| UK | 2020 | 72,000 | GBP | Competition and Markets Authority | AWS |
| BE | 2020 | 57,945,201 | EUR | European Commission, Directorate-General for Informatics, Directorate A: Strategy and Resources, Unit A3: | AWS |
| UK | 2020 | 13,902 | EUR | Crown Commercial Service | AWS |
| CH | 2020 | 115,644,909* | CHF | SBB Informatik | AWS |
| UK | 2020 | 50,000 | GBP | Ofsted | AWS |
| IT | 2020 | | | Politecnico di Torino | AWS |
| IT | 2020 | | | CRS4 S.r.l. uninominale | AWS |
| IT | 2020 | | | Unite Progetti Pubblica amministrazione (UPP) | AWS |
| UK | 2019 | 400,000,000* | GBP | YPO | Amazon services |
| UK | 2019 | 80,000 | GBP | Foreign & Commonwealth Office | AWS |
| UK | 2019 | 57,000 | GBP | Cheshire East Borough Council | AWS |
| UK | 2019 | 40,000 | GBP | Competitions and Markets Authority | AWS |
| IT | 2019 | 25,934 | EUR | CRS4 S.r.l. uninominale | AWS |
| UK | 2019 | 22,742 | GBP | MET OFFICE | AWS |
| UK | 2019 | 20,000 | GBP | MINISTRY OF HOUSING, COMMUNITIES & LOCAL GOVERNMENT | AWS |
| IT | 2019 | 12,000 | EUR | ETRA | AWS |
| UK | 2019 | 11,371 | GBP | MET OFFICE | AWS |
| UK | 2019 | 10,025 | GBP | MET OFFICE | AWS |
| IT | 2019 | 3,200 | EUR | CRS4 S.r.l. uninominale | AWS |
| IT | 2019 | | | Universite degli Studi di Trento | AWS |
| FR | 2018 | | EUR | SNCF | AWS |
| UK | 2018 | 141,145 | GBP | West Midlands Combined Authority | AWS |
| UK | 2018 | 72,000 | GBP | Crown Commercial Service | AWS |
| UK | 2018 | 60,000 | GBP | MOIXA TECHNOLOGY LIMITED | AWS |
| UK | 2017 | 1,800,000 | GBP | Northern Gas Networks | AWS |
| DK | 2017 | | | Obviux A/S | AWS |
| UK | 2017 | 2,487,156 | GBP | MET OFFICE | AWS |
| UK | 2017 | 250,000 | GBP | THE NATIONAL ARCHIVES | AWS |
| UK | 2017 | 25,837 | GBP | MET OFFICE | AWS |
| UK | 2017 | | GBP | DISCLOSURE AND BARRING SERVICE | AWS |
| CH | 2017 | | | SBB Informatik | AWS |
| UK | 2016 | 2,500,000* | GBP | Financial Conduct Authority | AWS |
| UK | 2016 | 96,000 | GBP | H M LAND REGISTRY | AWS |
| UK | 2016 | 20,000 | GBP | MINISTRY OF DEFENCE | AWS |
| UK | 2016 | 10,000 | GBP | HEALTH AND SOCIAL CARE INFORMATION CENTRE | AWS |
| DE | 2015 | | | DB Systel GmbH | AWS |
| IT | 2015 | 6,800,000 | EUR | Enel Italia Srl | AWS |
| UK | 2015 | 6,000 | GBP | HOME OFFICE | AWS |
| UK | 2012 | | | Train Information Services Limited | AWS |

* Budget is an estimate

