

## INTEGRITY PACTS EU'S IMPACT CASE 03

# ROMANIA – CADASTRE OF RURAL AREAS (3)

## PREVENTING CORRUPTION RISKS WHILE BUILDING INSTITUTIONAL CAPACITY

### CONTRACTING PROJECT INFORMATION

Country	Romania
Project	<a href="#">Cadastre of rural areas (RO)</a>
Project description	Provision of technical assistance to increase land registration in rural areas in Romania, aiming to register about 5.758.314 hectares in 660 territorial administrative units/localities.
IP signature date	20/11/2017
Contracting authority	Agenția Națională de Cadastru și Publicitate Imobiliară (National Cadastre Agency, NCA)
Managing authority	Ministerul Dezvoltării, Lucrărilor Publice și Administrației (Managing Authority for the Regional Operational Programme)
Monitoring organisations	<a href="#">Transparency International Romania</a> , <a href="#">Institute for Public Policy</a>
Procedures monitored	1
Contracts awarded	Several (framework contract)
Current stage	Implementation
Impact categories	<ul style="list-style-type: none"> <li>(1) Promote better value for money</li> <li><b>(2) Enhance transparency and accountability</b></li> <li>(3) Foster project timeliness</li> <li>(4) Increase access and participation of citizens</li> <li>(5) Encourage competition and fairness</li> <li><b>(6) Support institutional changes</b></li> </ul>

## IMPACT CASE

Romania faces a challenging backlog in land registration. The country's regulation on the matter mandates a lengthy and costly procedure, which deters registration, particularly in the poorest municipalities and rural areas. With the support of the European Union (EU), Romania's National Cadastre Agency (NCA) has revamped efforts to address the barriers stopping people from registering land and launched a new contracting project to recruit specialised firms to support rural communities throughout the process. Firms are expected to provide assistance for different tasks such as measuring land, reviewing existing legal records, compiling the preliminary land register, and following the formal procedure until the final approval of the local cadastre.

NCA opted for a contracting strategy in the form of a framework agreement. They split the different areas into lots, and firms were expected to bid for them and be awarded an initial contract. After completing it, additional contracts could be awarded again to the same firm without needing a new tender to continue the work in the same lot, progressively expanding land registration services in the area.

In addition to its advantages for managing multiple contracts and easing the administrative burden, another reason for choosing such a strategy was the limited number of firms in this market. Framework agreements provide certain controls to negotiate in advance certain characteristics and maximise value for money. However, working in a niche market with few firms also means working in an environment with additional risks for undue influence and corruption.

In such cases, firm owners and staff are often closely connected to local cadastres offices and authorities since their services are hired mainly by government authorities. There is also the "revolving doors" effect, where former cadastres' employees leave to create their own firm or work for one. Such connections could be used to obtain preferential treatment or sensitive information. Transparency International Romania and the Institute for Public Policy (IPP) – as the project's independent monitors – detected this risk and **commissioned a specialised journalist to investigate potential conflicts of interest** surrounding the different contracts and the firms in the market.

While the investigation did not uncover any legal conflict of interest, it provided additional information about where the risks could be higher. Aside from the revolving door issue, it also showed that some officials and professionals in this market have multiple relationships. Some have known each other since they received their training and specialisation, and others have worked together on past projects. Some of them are even related.

Based on the findings, TI Romania and IPP proposed a series of **measures to prevent any undue influence** and paid particular attention to monitoring of implementation and completion of contracts. For example, NCA agreed on a two-step verification process to review that works were completed in accordance with the contract, first by the local cadastre and later by the NCA. The monitors also provided **training to different cadastre offices** to improve their understanding of the risks involved. This contributed to raising awareness and increasing local authorities' ability to handle these situations and comply with national legislation. Up to date, there have been no reports of irregularities of such nature.

Thanks to the Integrity Pact implemented on the cadastre project in Romania, the monitors were able to seek expert support in identifying corruption risks, and ensure the knowledge is preserved by training contracting authority staff. Monitors' involvement has **enhanced transparency and accountability** of the project and **supported institutional changes**.

This impact case was developed in the framework of the project [Integrity Pacts – Civil Control Mechanism for Safeguarding EU Funds](#), Phase 2 funded by the European Commission. It brought together government agencies, civil society and the private sector in 11 EU countries, to ensure that 18 public contracts were designed, awarded and implemented to the highest possible standards of transparency and accountability. **Last case update:** 16 July 2021.