



INTEGRITY PACTS – CIVIL CONTROL MECHANISM FOR SAFEGUARDING EU FUNDS

Narrative report from civil society monitors: July 2021 – March 2022/entire project

In 2015, Transparency International began a project called “Integrity Pacts – Civil Control Mechanism for Safeguarding EU Funds” that brought together a coalition of government, private sector, civil society and citizens to make sure that 18 major public contracts in 11 EU countries are clean contracts: designed and implemented to the highest possible standards of transparency, accountability and efficiency, according to the public interest. We did this using a tool we call the Integrity Pact in collaboration with 15 local civil society organisations and funded by the European Commission. Here are the reports that include the civil society organisations’ work for the period July 2021 – March 2022 as part of the general, final overview of the project.

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Executive summary

The project *“Integrity Pacts (IP) - Civil Control Mechanism for Safeguarding EU Funds, Phase 2”*, (IP EU project) took place between 1 January 2016 and 31 March 2022 with a total budget of around €8,8 million and a partnership of 15 civil society organisations under the guidance of Transparency International Secretariat (TI-S) and the support from Transparency International EU Office (TI EU). The project aimed at piloting the use of Integrity Pacts (IPs) - a civic monitoring tool to safeguard public procurement from fraud and corruption - for promoting transparency and reducing corruption risks in public procurement investments funded by the European Structural and Investment Fund. The pilot project was made possible by the generous contribution from the European Commission, in particular the Directorate-General for Regional and Urban Policy (DG Regio).

The project was developed and implemented around the monitoring of 18 procurement projects co-financed by the EU. These projects were worth a total of €920 million and covered a range of sectors, including transport infrastructure, cultural heritage and public-sector administrative capacity. The pilot initiative brought together government agencies, the private sector and civil society in 11 EU countries – Bulgaria, Czech Republic, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Portugal, Romania and Slovenia – to ensure that selected contracting projects were designed and implemented to the highest possible standards of transparency, accountability and efficiency in the public interest.

Analysis of the available evidence has demonstrated that IPs have **contributed to ensuring integrity and accountability in 18 projects co-financed by EU Structural and Cohesion Funds**, mainly by preventing, detecting and resolving irregularities, strengthening the integrity capacity of contracting authorities, and contributing to the implementation of more transparent, participatory, and accountable public procurement processes. Notable results were achieved not only at the level of the public procurement processes that were the object of the IP but also beyond. Some partners identified systemic issues, which were subsequently addressed in other public procurement processes too. A few results have been achieved in terms of adopting improved legislation, policies, and guidelines, which also contribute to cleaner public procurement processes general. At the same time, the pilot has shown that the expectation that IPs will ensure integrity and accountability in every single monitored project is over-ambitious, as this depends on a number of external factors (such as the willingness of the contracting authority (CA) to cooperate, the nature of the monitored project, and corruption risks in a determined sector or public entity).

The second project’s objective, to **ensure transparency and access to information in 18 projects co-financed by EU Structural and Cohesion Funds**, was fully met by working on three different levels. The first one was the opening up and sharing of information on the

monitored procurement processes by setting up and maintaining project websites for the 18 monitored projects in their national languages. These covered important aspects of the monitored projects, their facts and figures, updates, blogposts, and the monitoring reports. In addition, the independent monitors published around 80 monitoring reports that disseminate the monitoring findings to a large group of stakeholders. The second level was the dissemination and promotion of the project results to relevant audiences through one central project's website, where key information about all the IP projects, knowledge products, blogs, audio-visual material, and news features were regularly made available. The dissemination also took place through well-attended events at the EU and national events, with the highlight represented by the closing final conference in February 2022. Finally, access to information was also pushed through national and EU-level advocacy with important achievements, such as the inclusion of the IP in national anti-corruption strategies, the replication of IPs, and at the global level with important acknowledgments and recognitions of the tool.

When it comes to the objective to **draw lessons from this pilot for future replication and mainstreaming of Integrity Pacts**, the pilot extracted learnings through a well-designed MEL system. This allowed the production of a number of learning and knowledge products that aimed at extracting, compiling and communicating experiences and evidence regarding the results and effects of the implementation of IPs in 18 projects, analysing the information gathered to develop policy recommendations aimed at enhancing integrity in public contracting in the European Union, and finally providing guidance and practical advice for tailoring and implementing IPs in the future. In addition to extracting lessons learned and producing a variety of learning products for the different range of IP stakeholders, TI-S spent a considerable amount of resources in disseminating them with Managing Authorities, Contracting Authorities, EU institutions, economic operators, and other civil society organizations. For example, the publication *Safeguarding EU-funded investments with Integrity Pacts: A decision-maker's guide to collaborative public contracting monitoring* is being utilized to support new Managing Authorities in the adoption of new Integrity Pacts during the 2021-2027 EU Programming Period. Similarly, the guidebook *Integrity pacts in the EU: Suitability, set up and implementation* has become a key reference for anyone interested in designing and implementing strong Integrity Pacts in Europe.

When it comes to **economic benefits deriving from the monitoring**, measuring the actual value for money implications of the IPs is very difficult, due to methodological problems (e.g. how to estimate the value of the preventive character of the IP). Even if it were possible to calculate the cost savings, the question arises as to whether increased costs might lead to better services. Nevertheless, what was possible to analyse is whether the recommendations provided by the monitors may have had positive/negative cost-effective implications. Many partners reported to have made several recommendations that have been adequately taken on board and had positive cost-effective implications.

Overall, the available data seems to suggest that IPs have contributed to procurement processes that deliver improved value for money, but hard evidence is lacking. In addition, given the complexity of obtaining reliable figures on costs savings, the experience from the IP EU pilot suggests that framing the IP as a cost-saving tool can be misleading and overambitious. Instead, the strengths of the tool should be based on its other added values, such as its corruption preventive feature, more transparent, participatory, and accountable public procurement processes implemented by governments, or improved trust in the public procurement cycle.

The final aspect we analysed was the **relevance of the tool as a social accountability mechanism**. In this regard, the pilot has brought mixed results. Many partners struggled to effectively engage with citizens because of some important factors, such as the monitored project, the participating contracting authority, and the monitor's ability to engage with citizens. Also, developments in the country context, like corruption scandals newly discovered, greatly affect public's trust and are beyond the control of an IP. Increasing trust has proven to be notoriously difficult and requires a long-term effort. At the same time, the project has demonstrated that, under the right circumstances, the IP can indeed have an impact as a social accountability mechanism. Some of the more structured citizens engagement activities, for example the monitoring labs and monitoring schools organized in Italy, provided important insights on how to design and deliver inclusive approaches to clean contracting. The success of these activities will, however, much depend on the contextual factors and the elaboration an adequate strategy to address them. The citizen engagement component should not be "forced" into any project just because an IP is being implemented. Rather, it makes more sense to first analyse the project characteristics, and then determine whether citizen engagement can bring an added value or not.

Status of monitored projects

From the pilot's onset, it was agreed that within the lifetime of the project it will not be possible (timewise) to monitor the 18 projects throughout the whole procurement cycle – from the planning to the implementation. This was initially considered being a marginal problem in light of the fact that it was a pilot project with a strong experimental component.

However, some of the Integrity Pacts started their activities with a significant delay. This led TI-S to discuss and negotiate with DG REGIO a project extension in 2019 to allow the continuation of the monitoring activities and to create a critical mass of experience and know-how to draw lessons learned and sustain the IP tool.

Contrary to what was initially considered, the limited number of monitored stages did represent a barrier. The initial selection of the projects, in conjunction with the selection of the monitored projects, made the monitoring of the planning phase of the procurement impossible in all cases with the exception of the IP on the e-catalogue in Romania. This was only made possible because the project suffered very long delays and had to be re-launched several times. In addition, with the cut-out date of the monitoring set for September 2021 (in agreement with DG REGIO), this represented a reputational risk for the work conducted by the independent monitor, as they were not in a position to continue with the monitoring. Another difficulty was to maintain the trust gained with bidders, the CA, and/or the affected community after the Integrity Pact had officially come to an end. Some of the independent monitors - TI Bulgaria, TI Romania, TI Lithuania, and TI Italy – towards the end of the project were trying to continue the independent monitoring for their respective unfinished procurement projects through alternative funding or pro-bono.

As of the end of September 2021, 7 contracting projects were completed, 9 were in the implementation phase, one was still in the pre-tendering phase, and one had been terminated. The list below illustrates the final status of monitored projects as of September 2021:

INTEGRITY PACTS COMPLETED:

- Technical supervision services for the operation of the MS2014+ Information System (Czechia)
- Technical assistance to the European Social Fund 2014-2020 in Lombardy (Italy)
- Energy efficiency of 2 hospitals (Slovenia)
- Construction of M6 motorway between Boly-Ivandarda and the country border¹ (Hungary)
- Tisza-Túr Flood Reservoir on the Upper-Tisza (Hungary)
- Conservation and Restoration of the Alcobaça Monastery (Portugal)
- Works on the railway line No. 1 on the section Częstochowa – Zawiercie (Poland)²

¹ On 26 January 2021 the CA informed TI-HU about the decision to finance the construction of the M6 highway from national budget instead of EU funds, so TI-HU concluded their monitoring activities

² The official closure of the project was contended between the CA and bidder. At the centre of the dispute was the validity of the takeover certificate for the works on the railway line. By the end of the project, the contracting authority and the contractor remained at their positions, with one of the parties – the CA – not recognizing the takeover certificate issued at that time, while the other – the bidder – considered it effective.

IPs CONCLUDED WHILE PROJECTS STILL BEING IMPLEMENTED:

- Cagliari city rail (Italy)
- Modernisation of Neris river embankments and creation of innovative spaces and other infrastructure for public spaces (Lithuania)
- Rehabilitation of the Archaeological Site Sybaris (Italy)
- Construction of a flood protection pipeline network in the Municipalities of Aghios Ioannis Rentis, Tavros and Moschato (Greece)
- Zhelezniitsa Tunnel as part Lot 3 of Struma Motorway (Bulgaria)
- E-culture: The Digital Library of Romania (Romania)
- Enhancing Coverage and Inclusiveness of the Property Registration System in Rural Romania (Romania)
- Service contracts financed under Priority Axis 3 "Technical Assistance" of the Operation Programme on Administrative Capacity (Romania)
- Rehabilitation of Archaeological Site Sybaris (Italy)

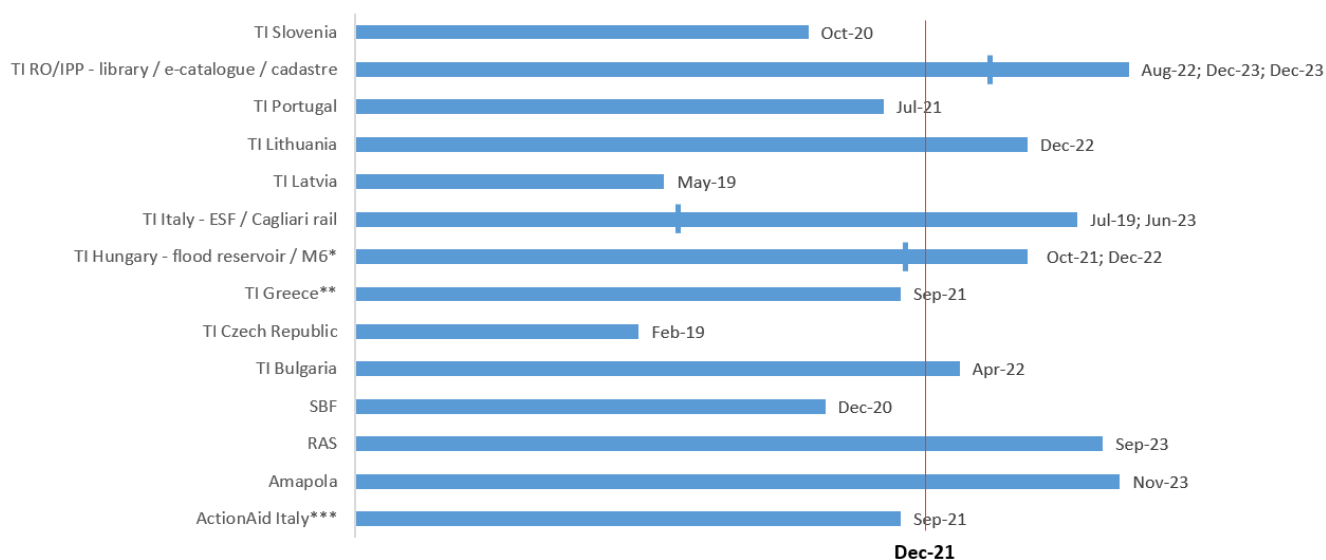
IP CONCLUDED AT THE LAUNCH OF THE TENDER:

- Electronic Catalogue ("The Information System for School Management") (Romania)

TERMINATED IP:

- Development of Riga tram infrastructure (Latvia)

Estimated duration of projects monitored as of 30 September 2021



The two projects that did not reach an advanced monitoring stage are the electronic catalogue in Romania and the development of the Riga tram in Latvia. In Romania, the Contracting Authority suffered staffing shortages and delays throughout the project. While the tender being published in December 2020, it was later withdrawn after receiving comments from the National Public Procurement Agency in the ex-ante control process. Despite the very slow progress of the project, TI Romania and IPP were the only independent monitor to be involved in the planning of a procurement process. In addition, the two monitors revised the changes to

the tender documents and recommended organising a public consultation on the e-catalogue functions as well as a market consultation for the requested solution.

CONSTRUCTION OF THE ZHELEZNITSA TUNNEL – Bulgaria

The ongoing construction and modernisation of the Struma Motorway in Bulgaria is an important piece of the transport connectivity puzzle – for both Bulgaria and the EU. Bulgaria has struggled to overcome widespread corruption in public procurement³ following the country's transition to democracy.

The road under construction carries the heaviest volume of traffic of any route crossing Bulgaria in the north-south direction, and provides citizens with easy access to the large cities in the country's western part. The project has considerable strategic importance for South-Eastern Europe, given that the motorway provides access to the Aegean Sea through Bulgaria.

The Road Infrastructure Agency, which manages the complex project, signed an integrity pact with Transparency International Bulgaria to monitor the construction of a two-kilometre tunnel between the municipalities of Blagoevgrad and Simitli. The public contracting project was divided into three different contracts. Despite multiple delays during the planning, tendering and awarding stages, the €128 million tunnel is currently under construction and completion is expected in 2022.

TI Bulgaria mobilised an expert monitoring team consisting of legal, social and engineering specialists. The monitoring covered all stages of the procedure: the preparation of the tender documents, the selection procedure for contractors, the conclusion of contracts with the approved contractors and the execution of the procurement contracts.

Monitoring through the integrity pact allowed TI Bulgaria to identify potential risks in the implementation of the public procurement. They highlighted risks such as a potential increase in financial resources for unforeseen activities to prevent landslides at the construction site and the potential failure to meet the deadline for implementation of contracts. During the on-site monitoring meetings, the contracting authority's experts concluded that it was necessary to take steps to mitigate the identified risks and they acknowledged the role of the integrity pact in the process.

To boost citizen engagement, TI Bulgaria designed and launched an online reporting tool called *Tunnel.report*. With it, they aimed to collect feedback on the implementation of the project from citizens, especially the affected communities living nearby. Using the tool, people could submit questions and share observations, including reports about potential breaches of contract. They could also upload images and geo-references, and make anonymous reports.

Through TI Bulgaria's tool, citizens found a channel to reach out to the contracting authority, share their doubts and concerns, and receive answers to their questions. In all cases, the monitor collected the authority's responses – either written or verbal – and published them online.

³ https://ec.europa.eu/commission/presscorner/detail/en/IP_16_153

Key achievements

- Designed by the monitor, an online reporting tool successfully channeled people's doubts and concerns about the project to the contracting authority. The authority also responded to all queries on a publicly available platform.
- TI Bulgaria developed a methodology for monitoring infrastructure projects and used it to carry out independent civil society monitoring.
- The monitor formulated recommendations for amendments to public procurement legislation, which have been submitted for the attention of public institutions.
- TI Bulgaria developed a platform to present quantitative and qualitative assessments of the implementation of the commitments under the integrity pact in comparative terms.

TECHNICAL ASSISTANCE FOR THE DEVELOPMENT OF MS2014+ - Czech Republic

Audits carried out in the Czech Republic by both the Czech national audit authority and the European Commission have repeatedly uncovered significant challenges in the management of EU funds,⁴ leading to some EU investments being blocked or reduced in size and seriously affecting the benefits that could have resulted if implemented in full.

To remedy the situation, the government decided to launch a unified monitoring system (MS) to manage, collect and store all data on EU-funded projects. Realising the strategic importance of implementing such a system properly, they also contracted a technical supervisor to develop the system.

Transparency International Czech Republic and the Ministry of Regional Development signed an integrity pact (IP) to monitor the supervisor procurement process and stipulated in their agreement that any winning contractor would also have to sign an IP.

During the procurement process, monitors issued 18 recommendations, mostly of a technical nature, relating to the specific requirements for bidders and the elements of contracts. A large majority of the recommendations were addressed appropriately by the contracting authority and the contractor. No significant corruption risks were identified.

Apart from monitoring the development of MS2014+, TI Czech Republic took further steps to strengthen clean contracting practices in the country, both within and beyond IPs.

During the last year of the pilot project, they noticed an unexpected change. The Czech Office for the Protection of Competition – the institution supervising public procurement – suddenly introduced a rather excessive fee for anyone who wanted to submit a motion to review a contracting procedure.⁵ TI Czech Republic saw the fees as a deterrent to the reporting of any potential wrongdoing in procurement and initiated a strategic litigation procedure. They won and the fees were declared unconstitutional and abolished.⁶

The story of IPs in the Czech Republic continues with new monitoring projects. Since the start of the pilot, TI Czech Republic has started monitoring four more projects, which are related to the reconstruction and refurbishment of public buildings belonging to academic and healthcare institutions in Prague.

Key achievements

- All concerns about potential restrictions to competition or limited transparency were successfully addressed during the procurement process.

⁴ https://ec.europa.eu/regional_policy/sources/policy/how/improving-investment/public-procurement/study/country_profile/cz.pdf

⁵ <https://www.transparency.cz/transparency-slavi-vitezstvi-ustavni-soud-zrusil-poplatek-10-000-korun-za-podnet-k-uohs/>

⁶ https://images.transparencycdn.org/images/6-Partner-narrative-reports_July-December-2019.pdf

- During the pilot project, the monitor achieved legislative change that supports anti-corruption actions in public procurement. TI Czech Republic was able to do the advocacy work because they had an expert public procurement team during the period.
- Civil monitoring has gained ground in the Czech Republic, with four new IPs starting since the pilot project began: two with the Institute for Clinical and Experimental Medicine to reconstruct buildings and two on rebuilding and refurbishing the Czech Academy of Sciences institutes.

CONSTRUCTION OF A FLOOD PROTECTION PIPELINE NETWORK – Greece

Almost every winter, heavy rains in Athens cause devastating floods that sweep away cars and ruin homes and businesses.

In response, the region of Attica is implementing a series of anti-flood projects that will upgrade existing networks or connect them with new ones. One is a project to create a massive, complex network of pipelines to carry floodwater safely away from the municipalities of Aghios Ioannis Rentis-Nikaia and Moschato-Tavros, two areas that have suffered repeatedly from major flooding. The estimated number of beneficiaries – residents and visitors alike – amounts to approximately 30,000 people.

Similar large-scale public works frequently face corruption challenges in Greece. To ensure that this critical infrastructure project would meet the highest transparency standards, the region of Attica as the contracting authority signed an integrity pact (IP) with Transparency International Greece in 2018, marking the first use of the tool in the country. The monitoring team consisted of two managing members (a project coordinator and a project assistant/communication manager) and three external experts (a legal expert, a technical expert and an innovation and learning coordinator).

In the monitoring of the pre-tendering phase, TI Greece identified a provision in the tender that limited eligibility for participation to economic operators registered in specific classes of Greece's company register, which could lead to a restriction of competition by excluding bidders who would otherwise be suitable, for example, foreign bidders or domestic bidders operating on hydraulic projects but not yet registered in the specified classes. The contracting authority accepted the relevant recommendation in the revised call for tenders and omitted the precondition of registration in a specific class. The measure also received the backing of the managing authority as it contributed to the equal treatment of bidders.

While the building works did begin in March 2020, the bidder submitted to the contracting authority a special declaration for the cessation of works as early as August 2020, citing insurmountable difficulties in the implementation of the project, including a failure to secure building permits from one of the municipalities concerned, major delays in the issuance of traffic licences, errors in the feasibility study and other logistical problems. Subsequently, the contractor submitted an official request in January 2021 for termination of the contract, which was accepted with the issuance of the relevant ministerial decision in June 2021. TI Greece's findings concurred with the decision.

Even though the contract was terminated, TI Greece's monitoring work brought substantial benefits to the overall process, improving public procurement policies, citizen engagement, and collaboration with public institutions. Among other things, TI Greece

designed and developed an open data platform to monitor construction projects funded by the Operational Programme of Attica (2014-2020).

Recognising the value of IPs, the Attica region proposed implementing the tool in selected, significant projects over the next programming period (2021-27). In addition, TI Greece is currently at work with the National Transparency Authority to include IPs in the next national anti-corruption plan, and with the Single Procurement Authority to include a formal integrity pledge as part of standard tender documents for the procurement of goods and services.

Key achievements

- Integrity pacts have been taken on board in the region: the head of the managing authority for the Attica region proposed implementing the tool in selected, emblematic projects over the next programming period 2021-2027.
- The monitor established contacts and shared monitoring reports with civil society organisations that have a strong interest in the field of public procurement, strengthening the level and quality of the public's engagement and oversight of public procurement processes.
- TI Greece designed and developed an open data platform⁷ for construction projects financed by the Operational Programme Attica 2014-2020 that continues to aid the public in monitoring the use of public funds. The platform consists of a useful, free tool available to institutions like managing authorities that could use open-source capabilities to integrate information on all their projects into a single platform that can facilitate citizen access.
- The National Transparency Authority, which is a key actor in the public procurement field, assessed the tool as a potentially useful addition to the National Strategic Anti-Corruption Plan 2022-2025 on the condition that a relevant provision is included in the institutional framework for the Programming Period 2021-2027 by the Ministry of Development and Investment.

⁷ <https://open-data.integritypact.gr/>

M6 HIGHWAY, Hungary

Highway construction and maintenance in Hungary are notorious for corruption.⁸ Construction work on the M6 highway, which proved to be no exception, was marred by scandals from the beginning.⁹ Given the obvious need for additional oversight, Transparency International Hungary signed an integrity pact with the National Infrastructure Development Corporation in 2016 to monitor the construction of the final stretch of the highway. When completed, the M6 will connect to the A5 motorway in Croatia and provide a new international link to the wider Balkans, leading to anticipated reductions in fatal accidents and serious injuries.

The monitor took part in the preparation of the procurement documents, acted as an observer on the selection committee and conducted a detailed background check on the bidders. During the process, the monitor noted a cartel suspicion among three of the bidders and submitted a formal notification to the Hungarian Competition Authority. Even though the authority decided not to proceed with a formal investigation¹⁰ after its review of the document, the monitor did provide another layer of oversight to the process.

Upon reviewing the financial estimations for the highway design contract with the support of an expert engineer, the monitor concluded that the value of the contract (€4.9 million) was inconsistent with the value of similar projects. After presenting the evidence and discussing the findings with the contracting authority, the latter agreed to lower the contract value to €4.2 million, thus generating a savings of €700,000.

TI Hungary also provided recommendations on the selection criteria. They found that the initial description was too narrow – requiring bidders to be fully specialised in highway design – and were concerned that it could reduce the chances of participation and competition. The criteria were changed, opening the door to a wider array of potential bidders. In the end, the contracting authority received three bids from five bidders (one proposal was from a consortium) and awarded the contract for an amount closer to the adjusted estimate.

In January 2021, the contracting authority decided to fund the construction of the segment with national funds rather than EU funds. As a consequence, TI Hungary decided to conclude its monitoring work.

Key achievements

- The estimated contract value of the project was reviewed and adjusted based on the monitor's financial estimations, resulting in better value for money.
- Selection criteria for bidders were adapted to more closely meet the needs of the project and the realities of the sector, encouraging competition and fairness.
- Anti-corruption training for the managing authority ensured the longevity of the effects of the monitor's work.

⁸ <https://www.transparency.org/en/projects/integritypacts/data/ip-hungary>

⁹ http://www.crcb.eu/wp-content/uploads/2013/12/Fazekas-Toth-King_Corruption-manual-for-beginners_v2_2013.pdf

¹⁰ https://transparency.hu/wp-content/uploads/2020/03/TI_Hungary_M6-motorway_report.pdf

TISZA-TÚR FLOOD RESERVOIR, Hungary

Historically, the region where the rivers Tisza and Túr meet in eastern Hungary has been flood-prone. In recent decades, however, the overflows have caused large-scale evacuations, put people's lives at risk, and caused damage estimated in the hundreds of millions of euro. To protect the approximately 130,000 people living in the region, the Hungarian government decided to build a flood reservoir, and in 2016 signed an integrity pact with Transparency International Hungary to ensure transparency and accountability in the complex contracting procedure.

Involved from the planning stage onwards, the monitoring team was joined by a hydro engineering expert who was able to provide in-depth knowledge and assist in on-site checks. The checks were carried out once before construction started and again while works were ongoing. Paying two visits allowed the monitor to ensure that the works were carried out in accordance with the contract and that a proposed contract modification was justified. They confirmed that external circumstances – including bad weather and Covid-19 – justified extending the final deadline. The contractor also requested a contract price increase, which was rejected as unjustified by agreement among all parties.

Also central to the monitor's work was anti-corruption training for the staff of the managing and contracting authorities. The training consisted of three modules that covered the topics of corruption, public procurement and EU funds. Participants also took part in an interactive game that confronted them with examples of potential ethical dilemmas at work. Given its success, the anti-corruption training held by the monitor has now become part of the official training curriculum of the contracting authority.

The monitor met with affected communities during on-site visits and reached out to mayors and other local stakeholders. In doing so, the monitor aimed to identify key issues of interest to the local community and then raise the issues with the contracting authority and the contractor. The key findings of the consultation were summarised in a publicly available video, which also included information on the integrity pact.

Key achievements

- The monitor managed to convey the concerns of local citizens to the contracting authority and the contractor.
- The monitor was able to review and discuss the need for a contract modification during the implementation phase, which can be prone to corruption in general.
- Anti-corruption training for the managing and contracting authorities ensured the longevity of the effects of the monitor's work. The anti-corruption training held by the monitor has now become part of the official training curriculum of the contracting authority.

RESTORATION OF THE ARCHAEOLOGICAL SITE OF SYBARIS, Italy

Rediscovered in the mid-20th century, the ruins of the 2,800-year-old Greek city of Sybaris are one of southern Italy's most important archaeological sites.

To protect the site's cultural value and support the development of neighbouring communities, the Ministry of Cultural Heritage (MiBACT) decided to undertake two major science and tourism projects to preserve and revitalise Sybaris. The first project involved the modernisation of Sybaris's museum, while the second sought to give visitors access to a Roman-era religious temple known as the "White House".

Making the site suitable for visitors required the contracting of specific construction and renovation works and a series of services to provide guidance and information to visitors, such as signs and multimedia installations. To enhance transparency in the awarding and execution of the contracts, MiBACT agreed to use an integrity pact, with ActionAid Italy joining as the monitoring organisation.

The monitor teamed up with a legal consultant and an archaeologist to support technical monitoring, which required an analysis of the two public procurement projects from design to execution. In one of the main improvements to the procurement process, the monitor's recommendations prompted the contracting authority to revise and simplify their contracting strategy. The change made the strategy more appropriate for the required services, promoting better value for money and fostering project timeliness.

ActionAid Italy involved people, associations and initiatives from the whole Calabria territory in civic monitoring, which gave rise to networking opportunities and an increase in the level of mutual trust. The independent monitor designed civic monitoring schools to support local actors from civil society who had an interest in monitoring interventions beyond the ones covered by the integrity pact. Representatives of the contracting authority and bidders participated in debates around national legislation on public procurement and transparency, European funds planning, and the governance of cultural heritage, which gave both parties an opportunity to get closer and build relationships of trust and collaboration.

Key achievements

- Following the monitor's recommendation, MiBACT revised the contracting strategy by merging various service contracts into one, making the process more appropriate for the required services. This, in turn, promoted better value for money and fostered project timeliness.
- The contracting authority's officers and the contractor's staff took part in anti-corruption training and refreshed their knowledge on concepts, tools and procedures that allowed them to undertake anti-corruption efforts with a multi-stakeholder participatory approach.
- Local communities and associations involved in monitoring schools gained knowledge and a deeper understanding of public contracting and their power in monitoring the process.

- The project contributed to the inclusion of the integrity pact as a best practice in the Italian National Anti-Corruption Plan. Issued in November 2019, the plan includes a section relating to civic monitoring, where the integrity pact is defined as a tool to "strengthen participatory approaches for civil society in the various phases of the assignment and execution process of public contracts".

LOCAL DEVELOPMENT IN SICILY, Italy

The Madonie is an inland region of Sicily that is characterised by a constellation of small municipalities scattered over a wide mountainous area. Regional well-being is threatened by loss of the younger population, infrastructure problems and a lack of essential services connected to health and education.

Seeking to tackle these challenges, 21 municipalities have joined together in the Unione Comuni Madonie to share resources and public services. Under a €39 million development project called "Resilient Madonie: laboratory of the future", Amapola assumed the role of civic monitor for public procurement procedures in two crucial development areas: interventions to increase energy efficiency and independence, and interventions connected to public education.

In one of the most significant issues to affect the procurement processes, the contracting authority in the energy project became aware before the final awarding of the contract that the winning company's technical director had been convicted of environmental crimes.¹¹ They shared this information with Amapola, which further investigated the case and found that the director was also involved in a corruption investigation in a separate public contracting procedure in Palermo.¹² None of this information had been disclosed by the bidder.¹³ The independent monitor's legal team reviewed the case in-depth and provided a legal opinion, backing the decision to withdraw the winning bidder's award. Thanks to civic monitoring, the authority was able to act upon a red flag and protect an important public investment.

In the public education project, Amapola also made sure to put civic engagement at the heart of its pilot integrity pact (IP). To give local youth a better understanding of public investment and its importance in their everyday lives, they conducted civic monitoring workshops in schools. Students came out of the labs with an increased awareness and interest in public contracting and public spending. Before participating in the labs, all the students had heard the term "public contracting". However, few knew exactly what the process entailed. Only one-third of the students could correctly define public contracting before the labs. By the end, 85 per cent of the students got the definition right.

Key achievements

- Based on the monitor's recommendations, improvements were made to the tendering procedure, including changes to the tender documents and back-end access to the tender management platform used by the contracting authority.
- The monitor provided legal support to the contracting authority, which resulted in withdrawal from a contract with a company whose director had been convicted of environmental crimes.¹⁴
- Engaged students now understand how a tendering process works and how public money is spent and distributed. Most importantly, they know the difference

¹¹ https://monitorappalti.it/wp-content/uploads/2021/12/04_Report-di-monitoraggio_Energia_Set2021_V2.pdf

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

between when a public administration operates transparently and efficiently and when it operates in an inefficient and unclear manner.

- The project contributed to the inclusion of the integrity pact as a best practice in the Italian National Anti-Corruption Plan. Issued in November 2019, the plan includes a section relating to civic monitoring, where the integrity pact is defined as a tool to "strengthen participatory approaches for civil society in the various phases of the assignment and execution process of public contracts".

CAGLIARI CITY RAIL, Italy

Owing to the large investment involved, public procurement for the development of transport infrastructure is one of the areas that is most vulnerable to corruption and infiltration by organised crime in Italy.¹⁵

To provide an extra layer of protection against such risks, an integrity pact (IP) was signed to monitor the construction of a tram service extension in Cagliari, Sardinia's capital city, by Transparency International Italy, Sardinia's Transport Agency and Sardinia region. Observing the process from the planning stage, the monitoring team provided useful recommendations early on, ensuring that the aims, outcomes and activities described in the tender documents were clear and that no ambiguity would cause delays. Based on their recommendations, the contracting authority added the failure to comply with the IP to the list of causes for excluding a bidder from the procedure.

Nevertheless, delays did affect all procurement stages, upsetting the relationship between the contracting authority and the bidder. To remedy the situation, TI Italy enlisted the help of procurement and engineering experts to investigate previous procurement contracts of similar size in Italy's railway sector in order to better understand the causes of the delays.

The monitor also took several steps to prevent the delays from negatively affecting public trust in the project. Actions included the publication of a report detailing the reasons for the slow rollout of the project, an update of the project's public timeline, and the publication of an interview with the contractor's project manager. To encourage and maintain the affected community's interest in the project, TI Italy also organised a photo exhibition on the history of railways in Cagliari and the social importance of the tramline, as well as a geo-mapping exercise where participants could easily explore the construction site.

Even though the procurement procedure went on longer than expected, TI Italy's efforts ensured that public interest remained high and that the people of Cagliari became more sensitive to transparency and integrity issues.

Key achievements

- The contracting authority developed an anti-corruption plan in line with the legal obligations of Italian public bodies.
- The monitor promoted integrity tools, such as a code of ethics, whistleblowing systems and anti-corruption training, both to the contracting authority and to the bidder.
- Through different forms of civic engagement activities, the public remained informed about the progress of the project and the reasons behind delays.
- The project contributed to the inclusion of the integrity pact as a best practice in the Italian National Anti-Corruption Plan. Issued in November 2019, the plan

¹⁵ https://web.archive.org/web/20210720164505/https://ec.europa.eu/home-affairs/sites/default/files/what-we-do/policies/organized-crime-and-human-trafficking/corruption/anti-corruption-report/docs/2014_acr_italy_chapter_en.pdf

includes a section relating to civic monitoring, where the integrity pact is defined as a tool to "strengthen participatory approaches for civil society in the various phases of the assignment and execution process of public contracts".

TECHNICAL ASSISTANCE TO THE LOMBARDY REGION, Italy

Throughout the EU, the European Social Fund supports Member States in financing activities that promote employment, such as educational and professional training schemes for the most vulnerable residents. In Italy, the Lombardy region decided to launch a procurement process for the provision of technical support to local authorities in order to improve their access to and use of the funds. Ultimately, the contracting project would directly involve approximately 280,000 people in the region.

Recognising the project's social and economic importance, Transparency International Italy signed an integrity pact (IP) with the region of Lombardy in 2016 to increase transparency, ensure value for money, and improve the effectiveness and efficiency of the procurement process.

The introduction of the IP went smoothly as the Lombardy region had already used the tool in previous procurements. Unlike the previous IPs, however, civic monitoring was added to the process this time and all bidders had to sign on to the pact, strengthening the overall commitment to integrity from the start.

The main red flag in the procurement process was spotted in the tender evaluation phase, when the only two bidders proposed the same estimated value for their work, thus giving rise to suspicions of collusion. As no formal procedure had been envisaged for such an event, the monitor arranged a meeting to report the case to the National Anti-Corruption Authority. While the latter did not detect any irregularity, the Lombardy region now has a blueprint for how to react to similar occurrences in the future.

The monitor's recommendations also improved the contractor's internal anti-corruption procedures. Before the project, the contractor provided employees with nothing but an email address to report suspected irregularities. Now it has a modern, secure and reliable whistleblowing channel, as well as up-to-date anti-corruption guidelines on its website.

Key achievements

- The project's integrity was strengthened through the signing and publishing of declarations of absence of conflict of interest and declarations of moral integrity from the employees of the contracting agency.
- Detection of an irregularity in the bidders' estimated project value was resolved by alerting the National Anti-Corruption Authority and obtaining their opinion on the matter.
- The contractor's integrity safeguards were further improved by adopting a modern complaint reporting system and anti-corruption guidelines.
- The project contributed to the inclusion of the integrity pact as a best practice in the Italian National Anti-Corruption Plan. Issued in November 2019, the plan includes a section relating to civic monitoring, where the integrity pact is defined as a tool to "strengthen participatory approaches for civil society in the various phases of the assignment and execution process of public contracts".

DEVELOPMENT OF THE RIGA TRAM INFRASTRUCTURE, Latvia

The Skanste district in the north-west area of Riga, Latvia's capital, is regarded as a key area for the city's future development because of the major sporting venues located there and the planned investments in real estate and cultural activities. However, residents have often complained of poor access to public transport, traffic jams and a lack of parking spaces, especially during big events such as concerts and international hockey matches.

To solve the problem, Riga Traffic, a transport enterprise owned by the municipality of Riga, envisaged a project to improve viability in the district by expanding the city's tramline network. The project, which was worth €97.4 million (€70 million from EU funds), entailed procurement procedures for the design and construction of the expansion of tram infrastructure, the purchase of 12 energy-efficient low-floor trams, and additional works to build the tram stops and adapt the roads in the area.

In November 2016, Riga Traffic signed an integrity pact with Transparency International Latvia to mitigate the high corruption risks that beset this kind of project. The monitoring team included TI Latvia staff members and external experts on public procurement legislation and tramline construction. The team was immediately required to improve communication around the integrity pact in response to public opposition to the tramline expansion, which related to its negative impacts on a cemetery of significant cultural value and to misunderstandings about the role of TI Latvia.

Upon the launch of the first tender, TI Latvia noticed that the documentation seemed to be tailored to a specific bidder and they raised the issue with the contracting authority.¹⁶ As the authority proceeded with the tender anyway, TI Latvia flagged the problem to the Procurement Monitoring Bureau, which confirmed the problem and requested Riga Traffic to cancel and redraft the tender.¹⁷ In the ensuing process, the contracting authority accepted TI Latvia's recommendations to improve the technical requirements and publish the documents online rather than only providing them physically at its facilities.

In the tendering process for the second procurement involving the purchase of low-floor trams, the monitoring team identified excessively restrictive technical requirements, which the contracting authority failed to address with valid arguments. In the tendering process, the authority also appeared to favour one of the two bidders by agreeing to its request to extend the deadline for submission of the proposal while not informing the other bidder.¹⁸ TI Latvia had to step in and notify the bidder about the change.

In December 2018, as the tendering process for the third procurement was being finalised, anti-corruption authorities arrested key members of the board and evaluation committee of Riga Traffic for alleged bribes and money laundering related to previous procurements (2013-2016) for the supply of transport vehicles.¹⁹ In the following weeks, TI Latvia cooperated with authorities, informing them of the issues encountered in the monitoring

¹⁶ <https://delna.lv/lv/2017/01/12/11952/>; https://delna.lv/wp-content/uploads/2017/01/Starpatzinums_RS_2016_34_KF_2-kopija.pdf

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Ibid.

process.

In early 2019, TI Latvia resumed its activities, met with the new Riga Traffic officials in charge of the procurement process, and highlighted several red flags in the technical specifications for the third procurement. However, most of the red flags went ignored.²⁰ In May 2019, in light of the significant corruption risks and mismanagement besetting the project, the Central Finance and Contracting Agency of Latvia – the managing authority for EU funds – decided to terminate the contract with Riga Traffic.

With this decision, the integrity pact ended as well. Despite its premature termination, however, the managing authority and the government acknowledged the value of the integrity pact in addressing irregularities and improving the quality of and access to tender documentation, and they committed to the use of integrity pacts in future EU-funded projects.

Key achievements

- Early identification of irregularities related to tailored bidding
- Improved quality of and access to tender documentation
- Improved cooperation and trust among managing authorities and oversight institutions

²⁰ Ibid.

RECONSTRUCTION OF THE NERIS RIVERSIDE, Lithuania

The River Neris runs through the centre of Vilnius, Lithuania's capital, and its banks are one of the city's most beloved public spaces. At present, the Vilnius municipality is revitalising the riverside area with new paths, cycle lanes and other amenities.

The city's municipal authorities know that construction and infrastructure are one of the areas that is most vulnerable to corruption. Aiming to spend money in the best interests of Vilnius citizens, therefore, they have committed to work with Transparency International Lithuania through an integrity pact to open the process up to greater public scrutiny. The total budget for the project as of 2022 January stood at approximately €15.1 million.

TI Lithuania's team and external legal and contracting experts have been monitoring six contracting procedures step by step to ensure that any allocated funds are well spent. Together with the external experts, the monitor evaluated the procurement documents and provided the representatives of the Vilnius city municipality and the Vilnius Development Company with almost 500 comments on how to improve the procurement documents from a legal standpoint. In addition, approximately 150 comments from an engineering standpoint were provided for the technical projects. TI Lithuania also reviewed the procurement committee's reports to better understand the validity and legitimacy of the decisions.

In general, TI Lithuania observed that in each newly announced contracting procedure (six in total), more and more comments on tender conditions were taken into account. Overall, the conditions in the public procurement documents have improved in quality. For example, the contracting authority has established an examination of the grounds for removal for any economic operators whose capacity the suppliers rely on; adjusted the qualification requirements and the criteria for assessing the cost-effectiveness of proposals; and corrected any ambiguities and inconsistencies in public procurement contracts, which, if not eliminated, could have caused disputes between the procuring entity and the contractor during the implementation of the contracts.

As part of the initiative, TI Lithuania aimed to support the contracting authority in strengthening its capacity to identify and manage corruption-related risks through activities such as meetings with the municipality's management and staff, seminars, targeted comments on corruption prevention documents, and a review of the internal reporting channel.

During the monitoring, TI Lithuania also advocated for the implementation of a secure whistleblowing channel to report on corruption, non-compliance and other irregularities. They provided recommendations to the contracting authority on its internal reporting channel and carried out advocacy activities to implement the Whistleblower Protection Act in Lithuania. They are actively cooperating with the Prosecutor General's Office on the topic of whistleblower protection.

Key achievements

- The quality of tender documents was improved with regard to the grounds for removal of economic operators, qualification requirements, cost-effectiveness criteria, and the risks of disputes during implementation.
- Understanding the challenges faced by bidders in Lithuania increased because of TI Lithuania's study, which received a considerable amount of media attention.
- The integrity capacity of the contracting authorities increased after TI Lithuania's assessment and recommendations on how to improve, including rotation principles for the members of public procurement committees and regulations allowing access to a published justification of the evaluation of a winning bidder's proposal.
- Following TI Lithuania's recommendations, progress has been made in discussions on secure whistleblowing practices within the contracting authority in relation to its internal reporting channel. In addition, TI Lithuania has been continuously involved in advocacy activities for the effective implementation of the Whistleblower Protection Act in the country.

RAILWAY MODERNISATION – Poland

Although the Polish railway network is extensive, its age and lack of maintenance mean that buses and cars often outcompete rail as a means of transport. Recognising that any upgrades to the network would have immense value for the public, the Stefan Batory Foundation signed an integrity pact with Polish Railways in 2016 to monitor the modernisation of a 50km section of the Warsaw to Vienna railway line. Although the project only covered a relatively short section, it was challenging because it required the reorganisation of traffic on a busy line. Many people travel daily to work between Częstochowa and Zawiercie, the section in the bustling Upper Silesia region where the works took place.

Initially, the monitoring team was joined by a legal consultant who supported the process of preparing the integrity pact. In total, eleven staff members and two external companies worked on the pilot throughout. In the first phase, the monitor, together with the contracting authority and the managing authority, worked on the preparation of the integrity pact. In the second phase, the monitor observed the tender preparation procedure, analysing draft documents as well as questions from bidders and replies from the contracting authority. Direct monitoring also covered the work of the tender committee, whose members included three representatives of the monitoring team.

The monitoring stage, which lasted for more than five years, came to an end in September 2021 upon completion of the main activities in the pilot. Throughout the monitoring, the Stefan Batory Foundation established contacts with local social organisations, local governments in the vicinity of the modernised line, local media and experts. In the area of project implementation, the monitor organised meetings with residents. The monitor also updated the project website on an ongoing basis in order to provide all interested parties with maximum information about the monitored investment, and it created a secure whistleblowing channel.

In Poland, the integrity pact has proven particularly effective as a tool to increase transparency in the investment process, control conflicts of interest, and promote good practice in organisations, such as whistleblower protection systems.

Key achievements

- The pilot demonstrated that there is room for a participatory watchdog instrument in the Polish legal system and in practice.
- As part of the monitoring, the Stefan Batory Foundation created a secure channel for whistleblowers to report on irregularities.
- The monitor took part in the tender committee and prevented a potential conflict of interest by alerting the contracting authorities and the contractor of their findings.
- The monitor provided the contractor with support and a template for a whistleblower protection system. Throughout the project, the system was further developed into a compliance management system, which today remains in operation.

RENOVATION OF THE ALCOBAÇA MONASTERY, Portugal

Portugal's Directorate-General for Cultural Heritage is the government entity responsible for managing the country's architectural heritage, including regular investment in maintenance, renovation and preservation works on buildings of historical, artistic or scientific value. As its budget tends to be limited and highly dependent on EU funds, the directorate was interested in piloting integrity pacts in its contracting procedures for the programming period 2014-2020 to assess how the tool could achieve better value for money while also fostering transparency and accountability.

This aim led to the establishment, under the framework of the Integrity Pacts EU project, of a constructive and trusting relationship with Transparency International Portugal, which supported the directorate's securing of EU funds and provided advice on the project that would most benefit from independent monitoring. In the end, the parties agreed on a contract for conservation and renovation works at the Alcobaca Monastery, a UNESCO World Heritage site that stands out as a wonderful example of Portuguese medieval architecture, with parts of the structure dating back as far as the 12th century.

The integrity pact (IP) was signed in December 2018. TI Portugal's monitoring team included experts in law, finance, architecture, engineering and open procurement data. In the pre-tendering stage, TI Portugal reviewed the documentation and provided a set of recommendations that led to the adjustment of the criteria to define the price and cost of the intervention based on an analysis of similar contracts undertaken in the past three years, including criteria for awarding the contract in the event of a tie. The tie-breaker involved a lottery method.

The monastery is one of the most popular cultural sites in the country and represents the main economic base for the small town where it is located, so the affected community was naturally keen to better understand the rationale behind the renovation works and also become involved in the project. To encourage citizen interest, TI Portugal set up a website to provide all the necessary information about the IP together with an interactive feature to enable virtual monitoring of progress. In addition, they organised on-site meetings and events to provide updates on the main IP milestones.

Since the end of the project, the Directorate-General for Cultural Heritage remains the only public agency in Portugal to have implemented an IP. However, this is likely to change soon, as the Portuguese government has committed to implementing further IPs in projects funded with EU Recovery Funds under Portugal's next Open Government Partnership (OGP) National Action Plan.²¹ In addition, the government has recommended the IP as a valuable tool to prevent fraud and the misuse of public funds in its National Anti-Corruption Strategy.

Key achievements

²¹ https://www.opengovpartnership.org/wp-content/uploads/2021/09/Portugal_Action-Plan_2021-2023_EN.pdf

- TI Portugal's review of tender documentation led to an adjustment of price and cost criteria based on similar contracts in the past three years, as well as to the inclusion of "tie-break" criteria for awarding the contract in the event of a tie among bidders.
- Following the successful pilot project, a commitment to implement integrity pacts in projects financed with EU Recovery Funds has been included in Portugal's OGP National Action Plan.
- The integrity pact was included as a tool to prevent fraud and the misuse of public funds under the National Anticorruption Strategy.

ADMINISTRATION OF EU FUNDS, Romania

The managing authority of the Operational Programme for Administrative Capacity (MA OPAC) in Romania provides technical support to Romanian public agencies that receive EU funding, helping them to administer the incoming subsidies. To improve the quality of the service, MA OPAC decided to implement a project aimed at building the capacity of OPAC beneficiaries and improve communication. The project, which is worth €1.8 million (€970,000 from EU funds), is expected to affect up to 90,000 employees in 250 public and judicial institutions.

To implement the project, MA OPAC decided to carry out contracting for three framework agreements to cover the following: consultancy services to measure the awareness and satisfaction of OPAC beneficiaries, training for OPAC beneficiaries to build their capacity for effective procurement and project management, and the organisation of awareness-raising events and the provision of necessary equipment.

To ensure good governance in awarding the contracts, MA OPAC signed an integrity pact with the Romanian Academic Society (RAS) in May 2019. The monitoring team, which included three experts in public procurement (one of which specialised in legal aspects), began monitoring activities in the same month. RAS was involved in all stages of the procurement procedures except for need identification.

They faced challenges monitoring the award phase, as Romania's legislative framework does not allow external participants to follow the evaluation phase in real time. Accordingly, most recommendations could not be taken on board because the procedure was already over. After the contracts were awarded, RAS encouraged all successful bidders to sign the integrity pacts. While two refused to do so to avoid extra administrative burdens, the other one cooperated willingly with RAS and underwent monitoring in the implementation phase.

RAS carried out training on transparency and integrity for the contractors, which reportedly increased their capacity to detect unethical behaviours in their operations. As none of them had any internal procedures on these aspects, RAS also supported them in drafting an integrity strategy that they agreed to adopt and implement. In addition to provisions on procurement integrity, the strategy covered whistleblower and data protection.

While monitoring under the integrity pact formally ended in September 2021, RAS continues its work at reduced capacity until the conclusion of the framework agreements between July 2022 and September 2023. The final phases of monitoring will take place outside of the pilot project financed by the European Commission.

Key achievements

- A positive precedent set for third-party monitoring of procurement
- Increased capacity of economic operators to monitor integrity in future procurement procedures

- A study of procurement completed during the state of emergency, exposing heightened corruption risks

LAND REGISTRATION PLATFORM, Romania

Databases of real estate and farmland data are crucial to improve land management in a country, because they can facilitate transactions among different stakeholders and enable more efficient use of resources. Romania maintains a publicly accessible and easily searchable database of real estate data called eTerra. However, only 12% of the "territorial administrative units" are registered, resulting in negative repercussions on transactions in the real estate market, landowners' access to agricultural funds, the consolidation of farmland and the competitiveness of Romanian farms in the EU.

To solve the problem, the Romanian National Agency for Cadastre and Land Registration began in 2015 to plan a project worth €313 million (€260 million from EU funds) to register properties in 793 territorial administrative units, amounting to a total of 5,756,387 hectares. Implementation was to be carried out by awarding service contracts for systematic cadastre registration by specialised companies working at the local level to support rural communities in the various steps of the administrative procedure.

In December 2017, in response to Romania's problems of corruption in public contracting, the presence of vested interests in land registration, and the shortcomings identified in previous similar contracts, the agency signed an integrity pact with Transparency International Romania and the Institute for Public Policy to monitor the process. The monitoring team included not only internal staff from the two organisations, but also three external experts (one in procurement and two in cadastre registration) and an investigative journalist whose work focuses on the area.

As the project entailed the awarding of hundreds of different contracts, the integrity pact focused on seven contracts in seven different counties, chosen on the basis of their level of perceived risk. The monitoring, which started in September 2018, yielded significant benefits across all stages of procurement from planning to implementation.

The monitoring team helped to improve the contracting strategy by providing a framework agreement that allowed for a more flexible expansion of services in the target areas. It also contributed to improving tender documentation with better selection criteria and penalties for delays and failures in contract implementation.

In response to the low participation in several tenders, the monitoring team advised the contracting authority to carry out a market consultation, and assisted in its organisation. The consultation provided valuable information on relevant barriers for economic operators and helped to increase the number of offers received.

The monitoring team also helped to mitigate any conflict of interest in the awarding of contracts by working with an investigative journalist to inquire into any connections between local cadastre officials and potential bidders and proposing measures to prevent undue influence. These efforts were followed up by training for cadastre offices to improve their understanding of corruption risks.

In the implementation phase, the monitoring team supported performance tracking across different contracts through monitoring meetings between the contracting

authority, local authorities and contractors.

Key achievements

- The tender documentation was improved with better selection criteria and penalties for delays and failures in contract implementation.
- A market consultation, which was proposed by the monitor, provided valuable information on relevant barriers for economic operators and helped to increase the number of offers received.
- An investigation into connections between local cadastre officials and potential bidders mitigated conflicts of interest.
- The contracting authority raised its capacity for integrity.

NATIONAL EDUCATION PLATFORM, Romania

Innovative digital solutions for information management are crucial to improve the efficiency and effectiveness of education systems. In 2015, the Romanian Ministry of National Education and Scientific Research, together with the Directorate-General Programmes for Competitiveness, decided to create a centralised national platform or catalogue for the management and collection of information on Romanian children's school results and daily educational activity. The resulting platform will be accessible to students, teachers and parents.

With a budget of €34.8 million (€30.1 million from EU funds), the project envisaged the awarding of contracts to implement a software solution for the e-catalogue, ensure interconnection among platform users, and provide training to the staff who will use it. It is expected to affect 6,250 educational institutions, 180,000 teachers, and 2.25 million students. The preparation of the project, which began in 2015, has faced several delays because of high political instability and limited capacity at the Ministry of National Education to manage such a complex project.

To detect and prevent potential fraud and conflicts of interests in the awarding of the contract, the ministry signed an integrity pact with Transparency International Romania and the Institute of Public Policy (IPP) in September 2017. The monitoring team included a project manager and two internal staff members with expertise in education from TI Romania, a project assistant and a procurement expert from IPP, an external procurement expert, and three external IT experts.

The monitoring team's work mostly focused on improving the quality of the procurement planning process. In 2018 and 2019, TI Romania and IPP carried out an assessment of the project relevance and strategy to confirm whether the monitoring was needed by the affected communities and Romanian society. The monitoring team also proposed revisions to the first draft of the Terms of Reference to limit the risk related to restrictive conditions. The recommendations were fully considered and implemented in the final Terms of Reference.

The main contract of the project – for the design and development of the platform – was prepared in 2019-2020. In early 2020, however, the Covid-19 pandemic delayed the process of contract preparation, because core staff had to be diverted to the immediate response to the crisis. Meanwhile, to improve the quality of the tender documentation and draft contract, the monitoring team recommended that the contracting authority carry out a market analysis and public consultation.

The recommendation was taken on board. In September 2020, the monitoring team and the contracting authority organised a debate on the platform's development with student representatives. The debate was followed up by separate consultation meetings with representatives of teachers and parents in order to better incorporate the concerns of beneficiaries.

In December 2020, the Ministry of National Education was ready to launch the procurement, but it was forced to withdraw the procurement in the wake of comments

made by the Romanian National Procurement Agency. In response, the quality of the documentation was improved in line with recent technological developments. The tender is now planned for publication in early 2022. While the integrity pact monitoring concluded at the end of 2021, it did help to improve the procurement planning documents and duly incorporate the final beneficiaries' concerns into the process.

Key achievements

- Background study on project relevance for the beneficiaries
- Limitation of risks related to restrictive conditions for bidders in the Terms of Reference
- Organisation of public consultations with project beneficiaries

DIGITAL LIBRARY, Romania

To boost public accessibility to Romania's vast cultural heritage, the country's Ministry of Culture and National Identity decided to create an online catalogue within the Digital Library of Romania, bringing together cultural items that are currently only available for view in person. The project, which is worth €11.5 million (85% from EU funds), aims to digitalise over 550,000 items stored in more than 30 cultural institutions, including museums, libraries and archives, and make them fully explorable through text, audio, video and 3D visualisation.

To carry out the project, the ministry planned several procurements to develop the digital platform, the servers to host it, and the necessary equipment to digitise cultural resources. Project activities also included staff training on digitisation techniques and publicity activities.

To foster transparency and accountability in the process, the ministry signed an integrity pact with Transparency International Romania and the Institute for Public Policy (IPP). The monitoring team included internal staff from the two organisations, as well as external experts with qualifications in procurement, IT and culture. The integrity pact covered all phases of the procedure from procurement planning to execution.

In the planning and pre-tendering phase, the monitoring team assessed the quality of the business case for the project by carrying out an independent review of the project's strategic relevance for Romanian society. It also helped to refine the tender documentation by providing recommendations to limit the risks related to restrictive requirements in the Terms of Reference and clarifying any ambiguous aspects.

While the monitoring team detected no irregularities in the tendering or awarding phase, the implementation phase proved longer than expected. Also, discrepancies arose between the ministry's high expectations of quality and the contractor's underperformance. To resolve the situation, the monitoring team approached the contractor to encourage compliance with the contract terms and supported dialogue between the contracting authority and the contractor to smooth out any disagreements.

The monitor's presence in discussions between the contracting authority and the contractor ensured that the discussions, even when touching on delicate aspects of the contract and sparking disputes, were approached with moderation and always by putting the public interest first. As a result of the constructive approach, the parties agreed to a no-cost extension to finalise and deliver the services, which was a much better outcome than an uncertain lawsuit and any further delays that would have resulted from restarting the contract with a new contractor.

Key achievements

- Background study on project relevance for the beneficiaries
- Limitation of risks related to restrictive conditions for bidders in the Terms of Reference
- Increased level of trust between the contracting authority and the contractor

- The contracting authority raised its capacity for integrity

ENERGY RENOVATION OF HOSPITALS, Slovenia

Given the European Commission's support for energy renovation as part of the European Green Deal, it is essential to provide examples of civic monitoring in energy renovation that seeks to protect related funds from mismanagement, fraud and corruption. The renovation of energy systems in two general hospitals in Slovenia offers a case in point.

In Slovenia, the sectors of energy, construction, urban planning and healthcare are regarded as particularly susceptible to corruption because of their close connection to the political domain. A project aimed at reducing energy consumption, therefore, was an obvious choice for an integrity pact (IP). In 2016, Transparency International Slovenia signed an IP with the Ministry of Health, general hospitals in Trbovlje and Novo mesto, and selected bidders. External experts in procurement, energy renovation and construction joined the monitoring team and provided additional expertise to oversee the procurement documentation, selection and implementation phases.

Observing the project from the pre-tendering phase allowed the monitoring team to propose improvements early on. In one intervention, they realised that the tender documents required bidders to prepare a safety plan for construction work. According to Slovenian legislation, however, this obligation falls to the contracting authority, ensuring that the party setting up any safety plans has no financial interest in their implementation. As a result, the clause was removed after the monitor's intervention.

The fact that TI Slovenia monitored two similar, but successive projects afforded them a unique opportunity to observe some long-term effects of their work. During the first monitoring project in Trbovlje, they found two significant ways to improve the procurement contract: the contractor's head engineer could be required to be present at the building site and in weekly coordination meetings; and the procurement contract should forbid extension requests for predictable external circumstances. The contracting authority took the recommendations on board in Novo mesto and in some future construction projects that are not monitored by an integrity pact.

Medical infrastructure greatly affects local communities, so the monitor ensured that they were aware of the ongoing work and monitoring activities. In Trbovlje, TI Slovenia engaged with the local community through project presentations, workshops and outreach materials that explained the monitoring process and clean contracting. They also prepared special activities for the hospital staff, focusing on the importance of reporting irregularities and ensuring safe whistleblowing channels.

Key achievements

- The contracting authority changed the tender documents and removed the requirement for bidders to prepare a safety plan for the construction work. The change brought the documentation in line with Slovenian law and ensured that the party setting up any safety plans had no financial interest in their implementation.

- The monitor noted health and reputational risks when coordination meetings were not conducted in line with Covid-19 measures²². After the contracting authority was notified of breaches of rules in force at the time, appropriate recommendations and guidelines were put in place.
- Nominated staff of the bidder selected for the Novo mesto general hospital renovation project started to attend coordination meetings as a consequence of a recommendation issued by the monitor to the contracting authority. Their presence is key to preventing misunderstandings and unnecessary delays in the construction works.

²² <https://www.transparency.si/wp-content/uploads/2021/10/ti-porocila-sbnm-web-2.pdf>