

1. NARRATIVE REPORT

2.1 Description of results achieved during the reporting period and the work and activities (both planned and unforeseen) that contributed to them.

The tender for the anti flood project was launched by the CA on July 19th, 2018 through the online platform eprocurement.gov.gr. Tender documents included the signed on April 20, 2018 Integrity Pact as well as the relevant Accession Form for bidders. Following the launch the Independent Observer reached out to several associations connected to companies participating in public procurement processes (ind. [Association of Greek Contracting Companies- SATE](#), [Panhellenic association of Engineers Contractors of public Works](#)) in order to inform them of the Integrity Pact initiative.

The tendering process was completed on September 5, 2018 following a 4-hour extension of submissions due to technical problems on the procurement platform. Ten offers were submitted within the prescribed time limit and no objection filled against the tender.¹² The CA received three requests for clarifications, one of which referred to the Accession Form and its submission. The Independent Observer collaborated with the CA on drafting the answer with the aim to provide information that is more comprehensive to the participants. All clarifications were uploaded on the eprocurement.gov.gr platform, as foreseen by law. Along with the announcement of the list of participating bidders, the Independent Observer was informed that one bidder signed the Accession Form. The CA concluded the tender evaluation phase by approving the Evaluation Committee's minutes and the award of the contract to the bidder that submitted the lowest bid. The original budget was estimated by the CA at 12.2M € (taking into account unforeseen conditions and hidden costs such as relocation of existing utilities, archeology etc.) and the winning bidder offered an average discount rate of 58.98%, i.e. the contract will be awarded to the bidder with a total cost of 5.270.678,42 €, as stated in the decision issued by the CA's Financial Committee (decision 3065/23-10-2018). It is also important to note that 6 out of 10 offers submitted contained an average discount over 40% (over 4.9M €) of the budget estimated by the CA.

The CA is currently awaiting approval by the MA on pre-contractual audit in order to proceed to the signature of the contract. Subsequently the CA will review the contractor's

¹ With regard to number of objections compared to previous similar tenders, it is only possible to glean statistics from the 2017 Annual Report from the Public Tenders Review Authority (for the timeframe 26/6/2017 to 31/12/2017). The Authority received 421 appeals out of which 26% are against terms included in tenders and 66% against the selection process. However these statistics are only for supplies and services contracts as until 31/12/2017 the PTRA did not have competence to resolve disputes on pre-litigation proceedings concerning procedures for public works, studies and concessions http://www.aepp-procurement.gr/images/Archiki/AEPP_2017.pdf

² With regard to number of bidders, it is not yet possible to compare this performance with previous tenders. That information is not available somewhere aggregated. It is necessary to search for similar tenders (budget, object etc.), look at each tender separately and find the relevant decisions of the Financial Committee where you can see how many participated, but you cannot extract credible statistics that way. This is something we want to do with our platform and it is not available in any platform that has info on projects ...we discussed it with the MA on 12/2/2019.

updated supporting documents and after their validation is established, the contractor will be required to produce a performance guarantee letter, sign the contract and the IP accession form. The Regional Governor will then sign the contract. After the signature, all documents that are included in the project file will be available to the Independent Observer in order to conclude the monitoring process for the tendering phase.

In order to promote the IP throughout the reporting period and after the launch of the tender, the IO held meetings with several stakeholders, such as SATE ([Association of Greek Contracting Companies](#)) which is one of the largest organizations representing contracting companies (meeting on October 31st, 2018 that included presentation of the IP as well as possibilities for synergies), Vouliwatch (meeting on October 19th, 2018 on open data sharing mechanism) and the Special Service of Institutional Support of the General Secretariat of Public Investment (meeting November 16th, 2018 that included presentation of the IP as well as possibilities for synergies). The Independent Observer received positive feedback from all stakeholders- they were hosted as speakers at TI Greece Clean Contracting Conference. SATE and Vouliwatch expressed interest in supporting TI Greece for the establishment of its Open Data Sharing Mechanism, as SATE has extensive experience in monitoring the progress of tenders for its members and Vouliwatch has vast experience in data visualization. The independent Observer also reached out to the Department of Graphic Design and Visual Communication at the University of Western Attica and explored the possibility of collaboration with the aim to render the whole initiative through a visual display by students. More specifically, the university tutor we contacted informed us that the collaboration proposal will be set in the agenda of the faculty's coming assembly and will be discussed with other tutors. Afterwards, a meeting will be held to identify the space of synergy according to Independent Monitor's needs and with its guidance. In any case, the expected collaboration is estimated to begin in September 2019, the start of the next teaching period.

At the same time, the project website (www.integritypact.gr) was following the tender's progress through the timeline page. Throughout the reporting period 928 new users visited the [integritypact.gr](http://www.integritypact.gr) website.

The IO also coordinated a Conference on December 7, 2018, on the occasion of the International Anti-Corruption Day. The idea was to dedicate the 11th Annual Anti-Corruption Conference of TI-Greece to the vulnerable sector of public procurement with the aim to highlight the importance of transparency and accountability in procurement procedures - a vehicle that, if properly utilized, can make a real contribution to sustainable development in the country. The public event was organized under the auspices of the Region of Attica in the context of the joint efforts to raise awareness and promote tools that contribute to the fight against corruption. The event consisted of three sessions (A' SESSION | PUBLIC PROCUREMENT & LEGAL FRAMEWORK_ADEQUACY, APPLICABILITY AND CHALLENGES, B' SESSION | PUBLIC PROCUREMENT & CITIZENS_TRANSPARENCY, ACCOUNTABILITY & PARTICIPATION: THE "INTEGRITY PACT" AND OTHER INITIATIVES and C' SESSION | PUBLIC PROCUREMENT & THE PRIVATE SECTOR_FAIR COMPETITION & CORPORATE RESPONSIBILITY) bringing together all interested parties, such as actors from the public procurement sector (i.e. governmental reps,

independent bodies), local authorities, businesses and CSOs to discuss about the importance of “clean” public procurement and social accountability. Recent developments in the European and Greek national legislation were presented as well as their practical application in the field of public procurement. More than 240 guests attended the event (reps from Managing Authorities, auditors, lawyers etc.) and 148 additional viewers viewed the event through the on line-streaming portal. Some of the highlighted issues raised during the event where the great importance of fully implementing e-procurement as a tool for transparency in public procurement, stressing that this transparency is greatly enhanced by the introduction of e-pricing and electronic payment, the importance of the institution of self-cleaning in public procurement law, namely the voluntary adoption of compliance measures by a body which would normally fall under an exclusionary reason and the fact that bid rigging is a serious breach of competition and is particularly burdensome for the public. Low bidding was also discussed as it has been the main characteristic in tenders in the last years due to large reduction in the number of auctioned public projects. According to SATE over the three-year period 2015-2017, project tenders worth more than 2 million declined by 60% on an annual basis compared to the previous five years and the average discount rate of bidders jumped up to 56% from 39.8% between 2009-2014. *The competition in this small number of tenders is massive and results in projects being awarded in many occasions at 10% - 25% below cost, which in turn leads to lengthy or non-completion, questionable quality of construction works, use of cheap imported materials and equipment, lowest possible wages and insurance deductions, ambiguous quality of hygiene and safety conditions. A study in 2015 with the characteristic title "Cheap is expensive, showed that a number of projects worth more than 10 million euros end up overcharged through additional/amended contracts and increased financial costs.*

On the occasion of the Conference many stakeholders that are involved in public works' contracts reached out to the Independent Observer and requested to be included as speakers – even though all could not be included this event opened the door for future collaborations.

During the reporting period, TI Greece also produced promotional material (1000 bookmarks, one banner and folders) which were handed out during the event as well as at bilateral meetings.

2.2 Were any planned activities not implemented? Please explain what these were and the reasons why – please explain whether (and if yes, when) you are still intending to implement these activities in the future. If not, explain why.

The IO has not completed the monitoring process for the tender phase, as it will be given access to all documentation after the signature of the contract. The IO has not started monitoring the execution phase as the contract has not been signed yet.

2.3 Was there any staff change in your team over the last 6 months? If yes, please explain.

Contracts for staff members Maria Nini (project Coordinator) and Maria Paschoula (project Assistant and Comms Officer) were extended from 31/12/2018 to 31/12/2019.