



ΔΙΕΘΝΗΣ ΔΙΑΦΑΝΕΙΑ
ΕΛΛΑΣ
οργάνωση κατά της διαφθοράς

INTEGRITY PACTS

CIVIL CONTROL MECHANISMS FOR SAFEGUARDING EU FUNDS

5th & Final Monitoring Report: Greece



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Transparency International - Greece | Athens, November 2021

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THE INTEGRITY PACT

The Integrity Pact (IP) is a tool developed by Transparency International in mid-1990s and has been applied to more than 300 public procurement processes all over the world. It constitutes an agreement signed by actors participating in a public procurement process for a public work contract, a public supply contract or a public service contract (contracting authorities and bidders).

This agreement binds the parties-who enter into the agreement voluntarily-to abstain from any direct or indirect act of bribery, “under the table” agreements and any other corrupt practices during the bidding process and the execution of the contract. It also encourages them to contribute to a more transparent bidding process, by allowing its monitoring from the civil society. For this reason, it provides for the participation of a third party, mainly a civil society organization that operates as an Independent Monitor, observing the participating parties’ compliance to the commitments provided for by the IP.

THE INTEGRITY PACT IN GREECE

In Greece, the Integrity Pact is implemented for the first time as a pilot project through the “INTEGRITY PACTS-Civil Control Mechanisms for Safeguarding EU funds, Phase 2” project, which is funded by the Directorate General for Regional and Urban Policy of the European Commission. Transparency International-Greece monitors the tendering process and the execution of the contract for the public work “Construction of a flood protection pipeline network in areas within the Municipalities of Nikaia-Aghios Ioannis Rentis and Moschato-Tavros”, with Attica Region as the Contracting Authority.



The project foresees the implementation of 18 Integrity Pacts in 11 member states

- **PROJECT OBJECTIVES**
Ensure the best and most responsible management of EU funds available for public contracts.
- Integrate the Integrity Pact, after evaluating its efficiency, in the legislative framework of EU countries, rendering its application obligatory (as in case of Italy).
Encourage raising awareness, interest and engagement of citizens in the awarding and execution of public contracts, which concern works, supplies and services impacting their everyday lives and quality of life.
-

ANTI-FLOOD PIPELINE



RELEVANCE

SECTOR

FLOOD PREVENTION



PROCUREMENT



Construction of a flood protection pipeline network in areas of the municipalities of Nikaia-Agios Ioannis Rentis and Moschato-Tavros

EXPECTED # OF BENEFICIARIES

30,000

KEY STATS



5 OUT OF 54

major flooding incidents in the Attica Region in the last 100 years have occurred in the Municipality of Moschato-Tavros

2 OUT OF 54

major flooding incidents in the Attica Region in the last 100 years have occurred in the Municipality of Nikaia-Agios Ioannis Rentis



The flood protection project monitored is included among

PRIORITY A

projects to be funded by the 2014-2020 Regional Operational Program of Attica

MAIN RECOMMENDATIONS



- The Contracting Authority (CA) should descriptively specify the qualitative selection criteria it chooses to set (economic and financial standing and / or technical and professional capacity), thereby making the essential information clear and readily available for all possible bidders — both domestic and foreign. The recommendation could contribute to increased competition (potential wider participation of bidders). Taken on board.
- The CA should include a detailed description of the publicity activities to promote the flood protection work. This is essential to evaluate and justify the costs incurred. Not taken on board.

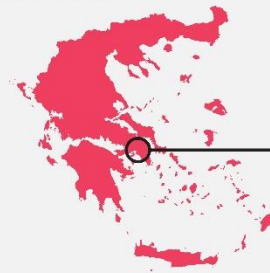
IRREGULARITIES



- During the drafting of tender documents by the CA, eligibility for participation in the contract award procedure was foreseen only for companies registered in specific classes of the Register of Contractors' Enterprises and not for all enterprises operating in the specific category under which the project falls (ex. Hydraulics projects). This limitation could lead to restriction of competition, by excluding bidders who would otherwise be suitable. In the final version of the call, the CA omitted the precondition, as recommended.
- The Funding Decision included a special term regarding the completed expropriation of private properties before the signature of the contract. The term was not fulfilled as foreseen and is still pending, thus creating delays in the execution of works.

PROJECT

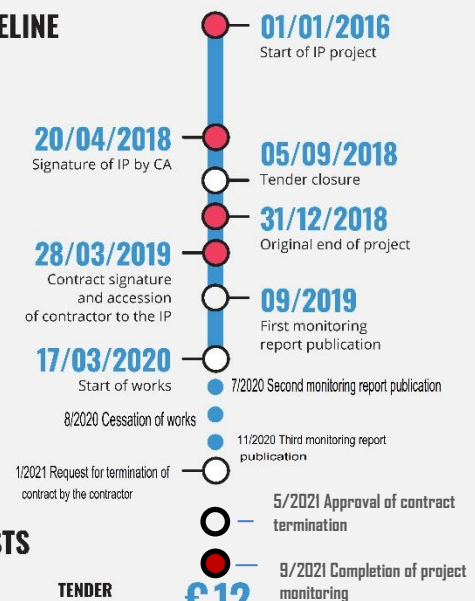
LOCATION



GREECE

Municipalities of Nikaia-Agios Ioannis Rentis and Moschato-Tavros, Attica Region

TIMELINE



COSTS



TENDER BUDGET:

CONTRACT VALUE:

€12.

€5.3 MILLION

European Regional Development Fund: 80%

Public Investments Program (national resources): 20%

MONITORING REPORTS



DOWNLOAD

the periodic monitoring reports at: <http://integritypact.gr/en/ekdoseis/>

WHAT'S NEXT?



- Publication of second monitoring report
- Publication of second newsletter
- Presentations to affected communities/municipalities
- Meetings with students

CSO MONITOR: TI GREECE



οργάνωση κατά της διαφθοράς

Independent Monitor: observations, remarks & recommendations

This is the 5th and final **report** for the public work “Construction of a flood protection pipeline network in areas within the Municipalities of Nikaia-Aghios Ioannis Rentis and Moschato-Tavros” published by the Independent Monitor (Transparency International - Greece//IM) published within the framework of the European Project “Integrity Pacts: Civil Control Mechanisms for Safeguarding EU Funds, phase 2”. The project concerned the **pilot implementation of the 1st Integrity Pact in Greece** from its signing, in April 2018, through to September 2021.

This final report includes i) a brief report on the developments regarding the implementation of the contract that took place after the beginning of January 2021 and up until the completion of the monitoring procedure of the execution of the contract by the IM (September 2021); ii) final observations and recommendations submitted by the IM regarding the most significant issues, which arose throughout the monitoring of the project; iii) recommendations to address identified dysfunctions as well as iv) assessment of the implementation of the Integrity Pact by the co-signatories, the Contracting Authority (Region of Attica//CA) and Tenderer (ILION ELLKAT ATE).



PROJECT DESCRIPTION / BRIEF BACKGROUND

The project's main deliverable was the construction of a rainwater network of a water catchment area of a significant size (total drained area ~ 1,800 decares) at the eastern bank of Kifisos river in Attica region. **The public work is expected to provide anti-flood protection** and, therefore, to resolve main problems of the area, such as the lack of a modern and adequate rainwater drainage network, as well as of a project responding to the needs of channelling its run-off to Kifisos, which constitutes its natural receiver. During the project design, there was a significant reduction in the pipeline routing due to the presence of the ancient Long Walls along Piraeus street, but also in the selection of the estuary positions due to the works for the canalisation of Kifissos, which were in progress. The overall length of the rain water pipeline network is approximately 7.1 km and includes water collection, access, junction, and fall chambers.

The project is included in a Technical Report¹ and in the list of Priority A' works² (where it holds the 2nd position), drafted in 2015 on behalf of the Special Service/Special Managing Authority for the Operational Programmes (EYDEP) for the Management of Operational Programmes (EYDEP) of Attica region. They were drafted in the framework of a contract signed for the provision of identification, evaluation, prioritising and maturity services of selected Flood Protection works in Attica region, aiming at their inclusion in Attica's Regional Operational Programme (ROP) 2014-2017. The priority and hierarchy of the relevant works was carried out taking into account three criteria: 1) the maturity degree of the technical study³; 2) the inclusion of the area in the Potentially High Flood Risk Zones; and 3) the size of the beneficiary population compared to the criticality of the intervention.

The project was included in the “Promotion of Adaptation to Climate Change, as well as Risk Prevention and Management” Priority Axis of the OP “Attica” based on the Head of Attica region's Decision No. 676/27-03-2018, under Integrated Information System code 5023454 (Internet Post No.: Ψ0BΨ7Λ7-ZΘΥ).

¹ The report is available [here](#):

² The list can be found [here](#)

³ It is noted that in accordance with the consultant's report (p.21) : “The degree of maturity is mainly determined by the completeness and the integrity of the project's study which may be quantified taking into account various parameters such as approved final studies, preparation of Tender Documents etc.”

Subsequently, the project was put up for tender with an open procedure/ was tendered through an open procedure and award criterion the most economically advantageous tender based on the lowest price. The tendering process was held via the National Electronic Public Procurement System (NEPPS) with a tender budget (estimated value) of 9,838,709.68 Euro (plus VAT 24%). Ten (10) bidders participated to the procurement procedure, while the range of the average discount of the submitted tenders ranged from 32.05% to 58.98%.

On 28/3/2019, the project construction award contract was concluded between the CA (Attica Region) and the company under the name "ILION GREEK CONSTRUCTION TECHNICAL AND COMMERCIAL SOCIETE ANONYME", which was the selected bidder, signed the contract for the assignment of the project with a total cost of €5,270,678.42, broken down as follows: a) contractual price €4,202,499.74, b) review €48,047.37 and c) VAT €1,020,131.31. According to the Contract, the duration of the implementation of the project was 30 months. The bidder signed the Integrity Pact in March 2019 through the relevant accession declaration.

The project's construction works began on 17/3/2020, while on 12/08/2020 the Bidder submitted to the CA a special declaration for the freezing of works. Following this, in June 2021 the Bidder submitted an official request to the CA for the termination of the contract.



A2. PROJECT PROGRESS, INTERRUPTION OF WORKS & TERMINATION OF THE CONTRACT

From January 2021 until September 2021, two (2) decisions by the Ministry of Infrastructure and Transport were issued on an equal number of objections submitted by the Bidder, based on which both the declaration for the interruption of the works and the application for the termination of the Contract were accepted.

1. As regards the special declaration for the interruption of works submitted by the Bidder in August 2020, it was accepted by the Ministry of Infrastructure and Transport in May 2021 [[Internet Post No. 6II5465XΘΞ-ON1](#)], (accepting the objection against its [rejection](#) by the CA), mentioning in brief inter alia that "...there are insurmountable problems regarding the execution of the project. In particular, Bidder does not have the necessary work fronts in order to proceed to the completion of the project, due to various and multiple problems, concerning/referring to delays in the completion of expropriations, significant delays in the removal the utilities networks, shortcomings in the project's studies, as well as need for revision/amendment of the street planning".

It must be noted that the above-mentioned decision of the Minister of Infrastructure and Transport:

→ Decided **contrary** to the negative - on a majority basis - opinion of the Public Works Council of the General Secretariat of Infrastructure/comes in contrast with the negative-on a majority basis-opinion..., by which the Council had recommended the dismissal of the Bidder's objection. In particular, despite the fact that the Council had deemed every and each claim of the Bidder as unsubstantiated/unjustified, recommending, thus, to the Minister to dismiss the Bidder's objection through his own decision, the Minister of Infrastructure and Transport accepted all of the Bidder's claims demonstrating a total divergence from the Council's position.

→ The Minister mentioned the "need for amendment of the street planning" as an **additional justification** of the insurmountable problems that cause an impact on the implementation of the project, without, though, providing any further explanation or justification. The Independent Monitor found this / argument interesting, especially taking into consideration that such an issue has never before been raised either by the CA or the Bidder.

The IM would also find very interesting, in terms of the merits of the case, a court decision on the content of this ministerial decision, especially due to its complete /divergence from the Council's negative opinion/proposition (and also to the additional, as per the aforementioned as well, justification), which would be the next - according to the law - step for the resolution of such a dispute. However, it is not to be expected, as the ministerial decision/proposition was not eventually challenged before the courts.

2. As regards the application/request for the termination of the contract, submitted by the Bidder, it, was also accepted by the Minister of Infrastructure and Transport (Internet Post No.: [6K0Σ465XΘΞ-Ψ19](#)), chiefly on procedural grounds this time. In particular, the CA, having rejected the Bidder's previous application with the same content, which the Bidder

however withdrew, it did not express an opinion on the subsequent request for the termination in force. This resulted in the application being deemed as automatically accepted following the lapse of the statutory period, resulting to **the automatic termination of the Contract**.

Regarding the progress of the **project**, while the relevant contract was in effect, **no operating part of the anti-flood pipelines** was constructed, and only **certain preparatory works were performed to a part of one of the two Collectors**. Specifically, as of the beginning of works (March 2020) until mid-August 2020, when the works were interrupted, the Bidder performed exploratory sections and proceeded to the relocation of 450m of the existing sewage pipelines of the 1,480 m in total provided for in the study to be relocated, in Thessalonikis street, which is equal to approximately 30% of this specific work to be performed.

Furthermore, in accordance with recent information provided by the CA, in Thessalonikis street, the following utilities networks were relocated by the designated agents:

a) water network, in the part of Spyropourou street up to Artis street, measuring 1,450m approximately, by EYDAP SA.
b) OTE/COSMOTE network, at the parts: Kissavou street towards Parnithos street (41 meters and two manholes), Epidavrou street towards Chrysostomou Smyrnis street (35 meters and two manholes), Adelfon Giannidi street up to Mitilinis street (micro-ditch), lateral “crossing” at the level of Makrigianni street, lateral “crossing” between Makrigianni and Adelfon Giannidi street, lateral “crossing” at the level of Mitilinis street, by OTE SA.

In the remaining subsystem of Σ2 Collector, various other utility networks have been found to block routing (gas pipelines, twin discharge wastewater pipe, etc.), but their relocation must be done in consultation with the respective entities.

At the time of this report’s publication (November 2021), and with the contract have been terminated, the CA continues the procedures for the relocation of the utility networks in collaboration with the competent entities and examines alternatives for the execution of the project, either in the framework of the already carried out open procedure, or by putting it up for tender in the near future again.



B. MONITORING PROCESS DURING THE PANDEMIC - EVALUATION OF THE CA’S AND TENDERER’S RESPONSE TO THEIR COMCOMMITMENTS PURSUANT TO THE INTEGRITY PACT

The new corona virus pandemic created special conditions that made the monitoring of the Project’s development on the spot difficult. For this reason and according to the terms of the Integrity Pact, the CA and the IM mutually agreed on a model of a periodic written update every two months starting from July 2020 onwards. Following this, the CA submitted, at its discretion, a written information note with the most significant developments on the project and the respective accompanying documentation.

The IM from its side - after reviewing the relevant documents - submitted queries and clarification questions to the CA and the Tenderer, asking for their own perspective. The CA’s response was comprehensive, as the authority submitted the above-mentioned reports, as well as its answers to the clarification questions of the IM (on the occasion of the Project’s completion a meeting took place at the premises of the Anti-flood Works Directorate). The, Tenderer’s response was limited, though, with the exception of the period during which its application for the interruption of the project works was pending before the competent bodies when it appeared more responsive to the IM’s requests.

Respectively, both due to the pandemic and to the Contract’s irregular development (works interruption, objections, termination of the Contract), the IM was not offered the possibility to visit the works site as foreseen in the IP.

B. SIGNIFICANT ISSUES RAISED DURING THE MONITORING PROCESS OF THE PROJECT

1. IMPLEMENTATION OF STREET PLANNING IN THE AREAS OF NIKAIKA - AG. IOANNIS RENTIS

The fact that the special term provided by the decision for the inclusion of the Project in the Attica 2014-2020 Operational Programme was not fulfilled was one of the most serious issues that affected the Contract's development, which was highlighted in the [1st](#) Monitoring Report. This particular term concerned the return of all the acquired parts of properties in the area of the Municipality of Nikaia - Ag. Ioannis Rentis in common use, a precondition for the performance of works for the construction of the Σ1 Collector.

The communication of the CA with the competent Municipality of Nikaia - Ag. Ioannis Rentis had begun in 2017, that is a year and a half before the Project was tendered and in total two years before the Contract was terminated. Unfortunately, the relevant procedures for the return of those parts from the Municipality of Nikaia - Ag. Ioannis Rentis, were not made in a timely manner, while the relevant notice to the Region of Attica for the failure of the Municipality for their funding was delayed significantly. Furthermore, the Municipality started the procedures for the inclusion of the relevant works in the Operational Programme when more than half of the contractual time for the Project's construction had elapsed. The Tenderer, citing the foregoing, never began the works for the construction of the Collector S1. Also, the possibility or not to perform the works prescribed for this area was one of the most serious points of dispute between the Tenderer and the CA, as well as one of the reasons for which the Minister of Infrastructure and Transport accepted the declaration for the interruption of the project's works.

Finally, based on a new (4th) Amendment (dated 18-8-2021) of the Act for the inclusion of the Project in the "Attica 2014-2020" Operational Programme, the necessary actions shall also be funded by the Operational Programme, via two sub-projects (with S/N 5 "*Compensations for forthcoming constructions*" and with S/N 6 "*Demolition of overlying buildings on Bisaniou & Averof street (AEKK -excavating, building and demolition waste)*"). The Municipality of Nikaia - Ag. Ioannis Rentis was about to stand as a beneficiary and the total budget for their implementation would reach 820,000.00 euros.

The foregoing, in addition to the issue of the Contract's **maturity** (to which this subject concerns) which is mentioned in detail below, highlight the great importance of the **coordination** of the Contracting Authorities with bodies which may not be immediately involved in the realisation of a Project, but their actions are required for its progress and even its implementation.

Furthermore, the Municipality's failure to respond in a timely manner and the late search for funding for the respective actions (already required four years ago) via the Operational Programme, shows the significance of strict observance of the maturity conditions of a contract and of the evaluation regarding the performance of preliminary works (see below).

2. ISSUES RELATED TO THE TECHNICAL STUDY OF THE PROJECT

The contract for the preliminary hydraulic study was signed between the competent agency and the designer in 2002 and the final hydraulic study was completed in 2008. In 2016, the study was updated, in order for the following to be taken into account: a) **commitments** set by the Archaeological Service, requirements by EYDAP (Athens Water Supply and Sewerage Company) -as regards the existing and future networks within its competence, in accordance with 92nd/17-12-2015 Minutes of the Central Coordination Committee- and b) the **new invoices** for Public Works (2013 Review). In 2018, a few months before the project was put up for tender, the adjustment of the study was approved, since the relocation of Collector S2 in the axis of Thessalonikis Street was approved (located on a parterre under the final study) and the relocation of EYDAP's existing waste water pipes at this location⁴ by the sidewalk.

The foregoing show, firstly, the issue of the great time lapse between the preparation of the technical study and the tendering of a project; this results to the need of the updating and an in-depth examination of a possible overlapping - with other projects that may have been built in the meantime in the area (in our case it is about utilities networks).

⁴ In 2017 EYDAP also assigned to the contractor designer of the final hydraulic study of the project the "Study of Relocation of Waste Water Pipes in Thessalonikis street in Moschato" as well. The study involved the relocation of a part of an oval wastewater collector of 80m approximately, as well as of local wastewater drainage pipelines, measuring 1,480m approximately.

It is noted that although the study was updated and, therefore, close to the time the project was put up for tender, in the project construction phase crucial issues were brought about regarding the study - they were mentioned in the decision of the Minister of Infrastructure and Transport by which the Tenderer's objection to the interruption of its works was accepted - such as the lack of anticipation of a significant number of utilities networks and of a plan for their relocation during the project's design (this issue is analyzed below).

Furthermore, during the project's implementation there were diverging views between the Tenderer and the CA regarding the retaining method proposed by the approved hydraulic study. This issue did not proceed since the Tenderer applied for the interruption of the works. However, it is noted herein because it shows the need for further control of the completeness and integrity of a project's study files.

3. UTILITY NETWORKS

Another important issue that determined the contract's development and the project's progress was the necessary relocations of the utility networks during the construction, so that sufficient space be freed in the pit for the proposed collectors. It is noted that, although in the technical report accompanying the study it is expressly mentioned that:

- existing utility networks
- archaeological findings in the area
- existing and future site acquisition

have been taken into account in the project design, however, at the beginning of the works for the project, it was found that there are extended utilities networks that had not be taken into account in the study and the project's design and had to be relocated. It is clarified that the relocation of the utility networks cannot be performed sketchily and occasionally, and that the involved agency's (EYDAP, OTE, DEI etc.) agreement is required. Furthermore, these specific works (for network relocation) required further funding and include an extended overall study with the final horizontal planning of the position of all the networks, but also their levels, especially in the points where they cross both each other and the new network, as well as additional time during which the Tenderer might have to remain idle.

The issue of the utilities' relocation and of the delays involved is regulated by the General Terms of the Invoice for Water Projects as follows:

"...Par. 1.1.... In accordance with the above, the following shall be included in the unit prices of this invoice, indicatively and not by way of limitation:

.....

1.1.13 Charges due to delays, reduced performance and machine and personnel transport due to:

- (a) obstacles at the work site (archaeological findings, utility networks etc.);*
- (b) the non-completion of expropriation procedures of parts of the work site (given that partial performance of works is possible);*
- (c) any special requirement to address obstacles by the competent agencies (Ministry of Culture, Public Power Corporation Company, Municipal Enterprise for Water Supply and Sewerage etc);*
- (d) in case works are performed in phases due to obstacles mentioned above;*
- (e) the performance of necessary measurements, controls and research (topographical, laboratory, geotechnical etc.); as well as the other obligations of the Tenderer provided for in the Tender Documents, either the above are compensated for specifically or they are converted to a percentage of the General Company & General Partnership of Contract or in other articles hereof*
- (f) taking measures to ensure pedestrian and vehicle traffic;*
- (g) temporary or permanent traffic arrangements in the project's wider area due to any reason (for example holidays, road network and infrastructure maintenance works, damages to other works, carrying out other projects etc.).*

.....

1.1.15 Charges for surveyor works (surveys, pole driving, pole re-driving, trigonometric and polygonometric network densification, installation of compass stations etc.) necessary for laying out individual elements of the project, unless it is otherwise set out in the Special Conditions of Contract, the cost of drafting implementation studies (when necessary for the final study elements to be adjusted exactly to the terrain, existing constructions etc.), construction plans and detail plans, costs for obstacle detection and identification in the work site and preparation of studies to address those (for example existing foundations, high groundwater horizon, utilities networks), in accordance with the provisions of the Technical Specifications of Contract and in general in the tender documents of the project, as well as the costs for the preparation of the Project's Quality Programme, the Safety and Health Plan of the

project, the Project's Safety and Health file and the Project's Register and the production of the number of copies thereof provided for in the tender documents".

Also, in the Special Tender Specifications (4.8.2.2) with a general formulation providing that:

(1) In case that, at the construction stage, aerial or underground installations of Public Services and Utilities or legal persons under by public law are found they should be relocated with the collaboration of the Tenderer and of each utilities agency (EYDAP, DEI, OTE).

(2) The Tenderer is obliged to facilitate without pretexts the execution of the above works, without being entitled to a special compensation due to potential related delays or difficulties that might arise with regard to the works performed by them.

However, at the same time, in case the works are delayed due to the owner of the project, the Tenderer is entitled by law to submit a declaration for the interruption of the works and later to ask for the termination of the Contract (L. 4412/2016, No. 161 par. 3), as was the case in this project.

Based on the above, the issues related to the technical study, as well as the lack of special regulation in the contractual documents (apart from what is mentioned in the General Terms of the Invoice for Water Projects and the Special Tender Specifications), the parameters, results and reciprocal obligations for the relocation of the utilities networks (in order to avoid their arbitrary interpretation by both parties) were factors that according to the IM, lead both independently as well as in combination to the anomalous development of the Contract and the interruption its implementation.

It should be noted that the relevant budget of the sub-project 3 regarding the utility networks provided for in the Act for the Inclusion was increased from the initially provided amount of 100,000 euros to 900,000 euros (the evaluation per agency is as follows: 250,000 euros for OTE (Hellenic Telecommunications Organization), 250,000 euros for PHYSIKO AERIO (natural gas), 350,000 euro for EYDAP (Athens Water Supply and Sewerage Company) and 50,000 euros for DEI (Public Power Corporation), highlighting the significance of this issue, which should be taken into account upon the planning of the project.

ADMINISTRATIVE PROCEDURES: the long-standing issue of delays

Another pathogenesis in public projects that according to the Independent Monitor, should be repeated in the final remarks, are the delays noticed in administrative procedures in general. It is recalled that for this project **the approval of traffic arrangements**, a prerequisite for the starting of works at least in one front (Σ2 Collector), **was completed nine (9) months after it was launched** (see [2nd Report by the IM](#), p.4/8). Furthermore, the decision of the Minister of Infrastructure and Transport, by which the works interruption declaration was finally accepted, was issued five (5) months after the deadline provided for its issuance (which expired in December 2020). This resulted in not only new - unnecessary as subsequently proven - procedures due to it (submission of the Tenderer's appeal to administrative courts to contest the presumption of illicit rejection) but also in the delay of the beginning of the planning of the next phase, that is the launching of the acts needed to address the situation created due to the acceptance of the works interruption declaration.

D. RECOMMENDATIONS

The Independent Monitor's recommendations on the above issues are the following:

- ⇒ Strict compliance with the Law's conditions for the contract's **maturity** pursuant to the provisions of article 49 L.4412/2016.
- ⇒ Specification of said conditions (maturity) and the implementation of the provision above in general (article 49 L.4412/2016), with the issuance of relevant circulars and directives for the Contracting Authorities by the competent bodies.

- ⇒ **Obligatory recording and archiving in the Project's file**, before its being put up for tender, of all **preliminary works** necessary to ensure not only maturity but also the faster and unobstructed performance of the Project, based on case b), par. 2 article 49 L.4412/2016. In accordance with this provision, preliminary are the works that as a whole aim to **ensure that the work sites are free** for the main project, the extraction and depot areas of materials, its accessibility and the **lifting of any real or legal obstacle** for its fast and unobstructed performance. As such are deemed the necessary relocations of Utility networks, archaeological digs and works, landscaping works, access and service roads for the project, necessary geotechnical, geological, environmental, technical, and of any other kind research and licensing, as well as any other research aiming to ensure the main project's maturity. This specific article includes special provisions for works with pending expropriation procedures. Indicative of the seriousness and the range of the problems caused in public projects by such outstanding issues is the fact that those specific provisions were recently amended again, for a second time since 2016, when L.4412/2016 was entered into force for the first time.
- ⇒ **Obligatory inclusion** in the Project's file, also **before** its being put up for tender, of a **feasibility report as well as a report evaluating benefits and drawbacks** of the conclusion (or not) of a separate contract for the performance of all or of part of the above preliminary works **before or at the same time, at the latest** (according to the object of such preliminary works) with the main Project's award and realisation procedure.
- ⇒ **More detailed description of the Tenderer's obligations** in the Special Tender Specifications, especially those related to preparatory works, which in accordance with usual practice are collectively referred to as any work or study necessary for the project's completion. It is also suggested

As regards to specific and significant works/studies, which are a prerequisite for the development of the works in every phase, and their necessity is already known since the phase of the documents' preparation for the tender, is clearly suggested an explicit mention both to them and their implementation in the Special Tender Specifications. In addition, it is proposed to be defined indicative or obligatory deadlines for their performance.
- ⇒ **Creation and keeping of a central electronic file for project measurements** at the Ministry of Infrastructure and Transport and allowed access for researchers and contractors.
- ⇒ The **"maturity" of technical studies** for tendered public projects should **be evaluated, not only based on formal/quantitative criteria** (for example if there are approved studies or not for each one of those projects), but also **whether there has been a prior substantial (re)evaluation** of the content of those studies (including also the approved ones, especially given that significant time between their preparation and their intended putting up for tender has elapsed), based on the real situation at the time of putting up for tender, so that the competent services have previously confirmed whether their implementation is possible or any need for updating has been identified in a timely manner.

This is suggested since in opposite cases there are higher chances, as often noticed, to identify with serious delay issues, which would have been addressed differently, if they had been taken into account in a timely manner (before the project was tendered). In this way, appeals for complementary contracts, the ex-post creation of new sub-projects for the funding of necessary actions etc. or even the risk for the implementation of the main project could be limited.

Furthermore, it is recommended to pay greater attention to the evaluation of the feasibility of the technical studies as well as to the reason for which complementary studies should be prepared before a project is tendered (regardless of the time elapsed between the preparation and the tender phase). It is considered that this would help to control and ensure the "adequacy of the existing condition for the implementation of the project" and subsequently to avoid the "additional contracts" solution at a later stage that finally pertains a much higher overall cost.

OTHER REMARKS

- a. Two issues prioritized by the Independent Monitor in the framework of the pilot implementation of the Integrity Pact programme were:
 - i) Monitoring the grants' allocation at different stages of the Project's implementation
 - ii) Identifying if the project is really feasible to be implemented or not, based on the significant discount offered by the Tenderer (58.98%), which was the highest among bidders, and therefore was finally awarded to him.

Unfortunately, the execution of the Contract not as foreseen (interruption of works and termination of the contract) did not allow for the monitoring and drawing of conclusions on these two very important issues, which stand as a

major precondition in the field of public contracts at a European, national and international level. Particularly with regards to the issue of funds' allocation, as mentioned in the IM's [2nd report](#), the amount of 381,052.00 euros (VAT included) has already been granted for materials kept in warehouses for future works, which had not been implemented until the termination of the contract.

b. Furthermore, it should be highlighted that the Project was tendered briefly after the L.4412/2016 was set into force, a fact that brought major changes in the legal framework for public contracts. Some of the issues emerged during the execution of the project's Contract and the tender's pre-contractual stage (e.g. amendment of Declaration provisions to ensure the candidates' technical and financial suitability according to the new institutional framework) might be related to the transitional period after the new law was put into force; this would include the gradual adjustment and familiarisation with the new procedures and requirements, and the belated issuance of the foreseen ministerial decisions, circulars and directives that were necessary for the implementation of the new law.

However, this event also showcases the importance of a **sufficient and timely preparation required by the State** in order to replace such a serious institutional framework (relating to public contracts, in the present case), as well as its **support** to all bodies affected by this framework change **for their transition to the new scheme**.

The main goals of the pilot implementation of the Integrity Pact were: **a)** to prevent corruption and create conditions for a healthy competition and equal access opportunities for all businesses **b)** to improve the management of public funds and **c)** to enhance the information offered to citizens around the development of the tendering and the execution of a public contract.

To this end, the already [published periodic Monitoring Reports](#) but also this final report drafted and published by the IM includes said award and performance procedures for this specific project and the actions of the parties involved as well as the relevant remarks by the IM. Therefore, in this framework the IM had the opportunity to record and highlight dysfunctionalities and systemic difficulties that formulate a long-standing and wider, plaguing condition for the implementation of public projects; this last remark as has been prior noted in annotated bibliography and relevant studies, can potentially act as the breeding ground for mismanagement, corruption and ineffectiveness.

For this reason, in this final report the Independent Monitor submit suggestions and recommendations for an organised effort to limit and address such dysfunctions.

The IM is not in a position to know what would the Project's development be, if one or more of the above-mentioned issues had a different outcome. Furthermore, the IM cannot take a position whether and which of the parties involved in the execution of the Contract hold responsibility for this development. However, addressing the above issues even partially, as well as contributing-both the IM and other CSOs through the IP mechanism- to the discussion about the chronic, problematic conditions in the public contract sector by suggesting specific action to change them effectively can be considered an important step.

Finally, the IM's suggestions and recommendations developed hereby are made in the citizens' interest who are actually the "essential donors" of public projects as taxpayers, as well as the beneficiaries of a public project's proper implementation.

THE CONTRACTING AUTHORITY'S VIEW ON INTEGRITY PACT

"The Integrity Pact is a good practice and, therefore, its institutional implementation would have positive results in defining moments when crucial decisions must be made by the Contracting Authority during the contract's implementation".

Contracting Authority, Directorate Anti-flood protection works, Region of Attica

It is noted that the Bidder was also asked to assess the IP tool based on its implementation; however, there was no response on its part on this specific request addressed by the Independent Monitor after the termination of the Contract as the Bidder expressed no relevant interest onwards.

ADVOCACY ACTIVITIES



Participation to the **public consultation** for the new law for public contracts (4782/2021) and to the Standing **Parliamentary Committees** for the relevant public discussion.

Letters to Ministries about the new law for Public Contracts and the next programming period.



Colaboration with actors for the enforcement of integrity and transparency in public contracting.

- collaboration with the Hellenic Single Public Procurement Authority for the formulation & addition of a Clause & Declaration of Integrity to the updated tender documents for the award of public contracts on the supply of goods & services.
- participation at bilateral meetings with the National Transparency Authority for the National Strategic Anti-Corruption Plan 2022-2025
- informative material (i.e. Strategic Brief, MR) to CAs and MAs in view of the next programming period (2021-2027)

COMMUNICATION & PROMOTIONAL ACTIVITIES



Annual Conference on "Clean Contracting: a Vehicle for Sustainable Development & Competitive Economy and IP presentation to events at national and international level.

Press Releases, interviews and opinion articles to the media
& e-newsletters to generic and targeted audiences



Open Data Information Sharing Platform for the construction projects of the programming period 2014-2020

Animation video for young audiences on the importance of integrity and transparency in public contracts and the quality of daily life.



INTERNATIONAL AWARDS

"Good Administration"
European Obdusman, Emily O' Reilly

Online Platform for Integrity Pacts from
Basel Institute, non-profit foundation for the research and study in governance issues



Inclusion of Integrity Pacts as good practices between national authorities and private sector by the UNODC)

THE EXPERTS' TEAM



Civil Engineer - Technical Consultant

Stefania-Tereza Giannaki is a civil engineer, holding a Bachelor degree from the National Technical University of Athens with a specialization in hydraulic engineering and a Master's degree from ALBA in business management (MBA). She has over 10 year- experience as an engineering consultant in hydraulic works studies. Her area of expertise lies in the design and conduct of studies in water supply, irrigation and drainage of rainwater and wastewater. She has also participated as a representative of Greece's Technical Chamber in public procurement committees for the conclusion of public contracts, works and studies. She speaks Greek, English and German.

Attorney at Law - Legal Consultant

Emmanouela Papadochatzakis is a lawyer, member of the Athens Bar Association, (entitled to plead before the Supreme Court), while she also holds an LLM from Katholieke Universiteit Leuven in Energy and Environment Law and is a member of the Union of Greek Public Law Lawyers. She is specialized in the field of public contracts, providing legal services as a consultant as well as before courts, both in the pre-contractual and the execution stage of public contracts. She has important court and advisory experience in administrative, civil and commercial law. She speaks Greek, English, German and Spanish.

Learning and Innovation Coordinator

Ioannis Souflis is a Dr. Civil Engineer, business management advisor. He has participated in over 100 works in Greece and abroad in his capacity as a consultant and a project manager. He has experience in the sectors of public administration, public works and electronic governance. He has participated in important EU works and has worked as an expert with the UNEP (1990-1993). He has served as a member of the International Board of Directors of the Network for Environmental Technology Transfer (EU,1990-1992), while he has cooperated with the Greek consultants' company INFOGROUP SA (consultant, 1986-1993), KPMG Consultants SA (consultant, deputy director, director 1997-2007) and OmniLink SA (Director 2007-2010). Since 2010, he has been working as an independent Consultant.

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