

MOLDOVA

PUBLIC MONEY - MY MONEY TOO MOLDOVA'S CIVIL SOCIETY MONITORS PUBLIC PROCUREMENT

By Dmitriy Kalak

In 2014, Moldova signed more than 36 thousand contracts for the purchase of goods and services by public authorities. To this end, central and local budgets allocated more than 10 billion lei, circa \$800 million, at last year's exchange rate.

A study conducted last year by "Expert-Grup", as well as audits carried out by the Accounting Chamber of Moldova, have revealed widespread violations and an inefficient use of budgetary funds in public procurement. According to the authors of the study, hidden partisan interests are the main obstacle towards legitimate public procurement. *"Moldova faces the full spectrum of applied manipulation: collusion, conflicts of interest and other violations in the field of public procurement.* This is facilitated by high levels of corruption, weak supervision by law enforcement and civil society actors, a non-transparent business environment

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and above-all, the murky desire of public authorities to finance their party interests by gaining a profit on tenders." says Dmitriy Budyanski, one of the experts from the group.

In many ways, the collective findings of the Accounting Chamber and Non-Governmental Organisations (NGOs) gave civil society the renewed impetus to monitor public procurement. April 2015 marked the onset of the "Government Budget - my money too" project, an initiative financed by the European Commission in the framework of the EU's Neighbourhood Policy. It is being implemented by the Association for Efficient and Responsible Government (AGER) and the Centre for Investigative Journalism in Moldova with a budget worth up to 244 thousand euros that is expected to last until the end of March 2017.

"The main goal of our project is to

strengthen civil society's activities and make its monitoring of public spending more effective." says AGER President and Project Director Olesya Stamate. "It is very important to engage NGOs and media from across the country's regions. Ultimately, this will lead to



greater transparency in public procurement and more efficient and responsible budgetary expenditure at all levels of government.'

In the framework of the AGER Project, 10 regional NGOs were selected from a grant competition worth up to four thousand euros. The organisations will carry-out a monitoring of public spending in their regions to make sure that it is transparent and legitimate. Prior to the announcement of the competition in early April, a seminar, attended by 18 NGOs from across the country, was held to inform civil society actors about violations in the field of public procurement and the control mechanisms to prevent abuse in tendering processes.

Following the selection of winners, AGER held a training on 13-15 August in Chisinau for all of the project's participants. "The purpose of the training was to instruct our partners on what to look for, how to present the evidence, what preventative measures to take and so on." says Svetlana Shagova.

"We also invited experts from Romania, who shared experience of monitoring in their country, emphasising the particularities of tenders in different domains."

On the basis of a preliminary analysis carried out by AGER, the procurement



of 20 regional and 10 capital institutions will henceforth be monitored. Particular attention will be paid to tenders in the field of food and catering for kindergartens and schools, medicine, urban road reparations and the delivery of equipment to schools and hospitals.

The participants of the project say the grants will allow them to more effectively counter violations in the field of public procurement and government spending. “I worked in government bodies for 18 years, including municipal administration” says Eugenia Rosca, founder and chief of “Concordia”, an NGO based in Telenesti. “About 30 per cent of the budget is intended for purchases of different kinds. Unfortunately, violations in these fields are often observed. As I myself am well-versed in tendering procedures, monitoring the use of public funds has become one of Concordia’s priorities since its inception in 2000.”

Eugenia Rosca’s organisation has already conducted investigations of

violations in a project for urban water supply and medicine procurement, among others. For this reason, they applied to participate in the AGER project without any hesitation: *“Government and local budgets - they are really our money. As soon as unscrupulous officials and businessmen try to profit from procurement, we are perfectly aware that they are stealing from our pockets. We cannot approach this with indifference.”* she says.

Mihai Gandrabura, President of “Chivis”, a public association based in the town of Bravichen, Orhei admits that the main push factor behind their participation in the monitoring project was the misuse of funds allocated to school renovations in their region:

“They are stealing from our children and taking advantage of inactive authorities in Chisinau and a weak civil society” says Mr. Gandrabura with concern.

“Our association has already been working for 10 years. We are actively promoting tourism and have established partnerships with our colleagues in Poland and other countries. The monitoring of public procurement is a new focus in our activities, but will quite possibly become one of our priorities. *The seminars led by AGER have helped to better understand the scale of the problem and improve our monitoring methods.*” he added.

AGER and the National Agency for Public Procurement have agreed on mutual cooperation following a meeting between their respective representatives. The NGO is now conducting similar meetings at the regional level with heads of local and regional authorities: “It is no accident that we have placed emphasis on tenders in this area” says Olesya Stamata. It is precisely here that nepotism, conflicts of interest, and a neglect of the legal framework are succeeding to thrive. But, we also have a great deal of problems at the national level.”

Every five months, the NGOs will prepare a report on their monitoring activities and results which will be presented to citizens and authorities. The most striking viola-

tions in public procurement will be reflected in the media (it is no accident that the Center for Investigative Journalism is AGER's partner in the project). The NGOs will also share their experience of disclosing unlawful practices undertaken by the grants' recipients: "One of the main goals of the project is

to raise the population's awareness of government spending. The more aware people are, the less indifferent they are. We are convinced that our project will give impetus to develop civil society in Moldova and its wide role in monitoring the activities of government authorities."



Images by Alex Dimitrov
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