

INTEGRITY PACTS IN COHESION POLICY 2021-2027

SESSION 1 – INTEGRITY PACT INITIATION

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The training has been organised by EIPA and CPVA under the Framework
Contract Nr 2023CE160AT004.

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TRAINING OVERVIEW

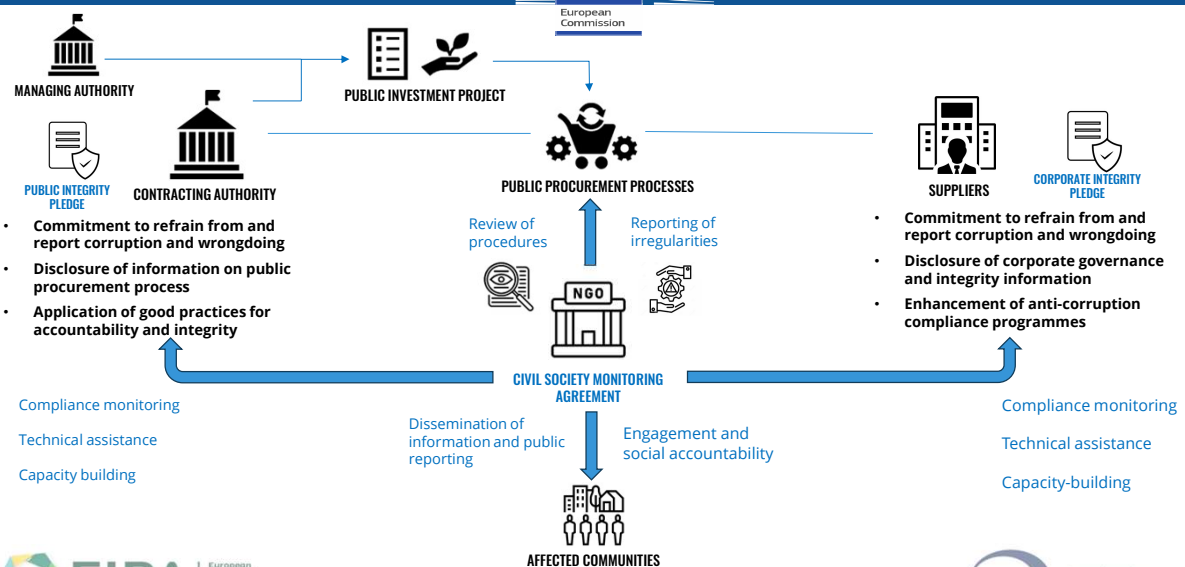


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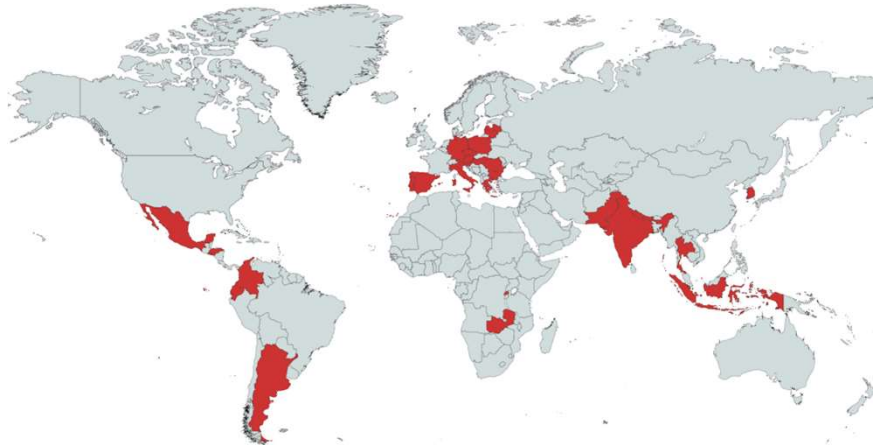
WHAT IS COLLECTIVE ACTION?

Collective action is a **structured and collaborative effort** that brings together stakeholders from **government, private sector, and civil society** with the aim of **preventing corruption, fostering good governance, and improving the business environment** in a particular context (sector, industry, procurement market, etc.)

WHAT IS AN INTEGRITY PACT?



INTEGRITY PACT IMPLEMENTATION WORLDWIDE

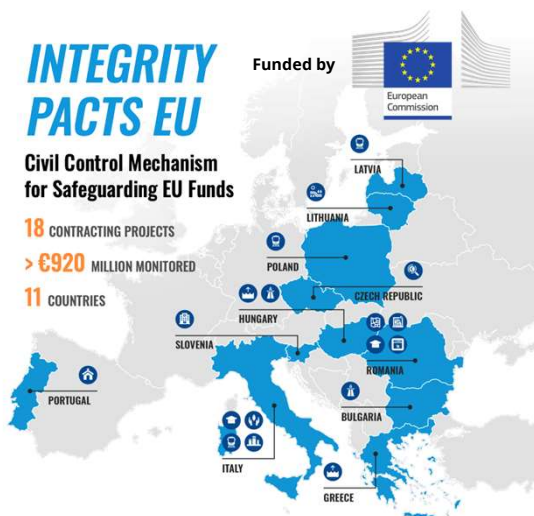


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INTEGRITY PACTS EU

Civil Control Mechanism for Safeguarding EU Funds

18 CONTRACTING PROJECTS
> €920 MILLION MONITORED
11 COUNTRIES



Implementation period – 2016-2022

ACTORS INVOLVED IN THE MONITORED PROCESSES

33 PUBLIC AUTHORITIES
61 CONTRACTORS
15 CIVIL SOCIETY ORGANISATIONS
152 MONITORING TEAMS MEMBERS

- Increased **quality and effectiveness** of contracting procedures, **timeliness, cost savings**
- Prevention, early detection, and resolution of irregularities**, including corruption
- Transparency and social accountability** through Open Contracting
- Challenges in business engagement** → passive role in IP preparation, concerns on administrative burden, lack of clear value proposition

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GOAL OF THE INTEGRITY PACTS IN EU COHESION POLICY

The goal of the Integrity Pacts in Cohesion Policy is to contribute to the **successful achievement of the policy objectives of EU-funded Operational Programmes**, by fostering the **transparent, effective, and inclusive implementation of public projects**.

The IPs should be deployed as part of a **broader integrity framework** in EU Cohesion Policy, including:

- Comprehensive **anti-corruption policies and anti-fraud strategies**
- Openness and **transparency of public projects and related financial flows**
- Mechanisms to ensure **integrity of economic operators** and beneficiaries
- Mechanisms to **meaningfully involve civil society and citizens** in the elaboration and implementation of Operational Programmes



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IP ACROSS ESIF PROJECT FLOW



UPSTREAM PHASE

PUBLIC PROCUREMENT PROCESS



Signature of IP by contracting authority and CSO

Signature of IP by suppliers



Application approach
Project identification and selection
Objectives, budgeting and financing
Civil society monitor selection
Governance arrangements

Integrity Pact documents

- Public integrity pledge
 - Corporate integrity pledge
 - Civil society monitoring agreement
 - Dispute resolution, sanctions, incentives
- Implementation of commitments
- Review of procurement procedures
- Technical assistance / capacity building
- Transparency and social accountability activities

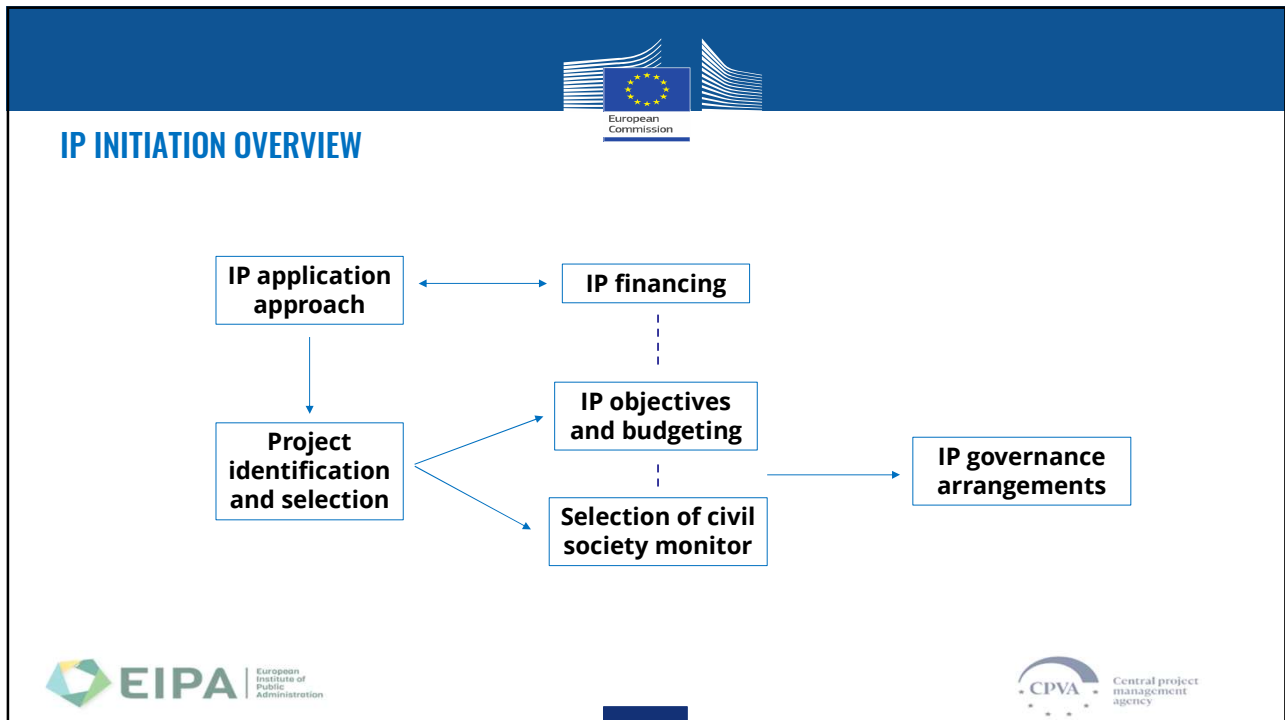
Communications

Risk management

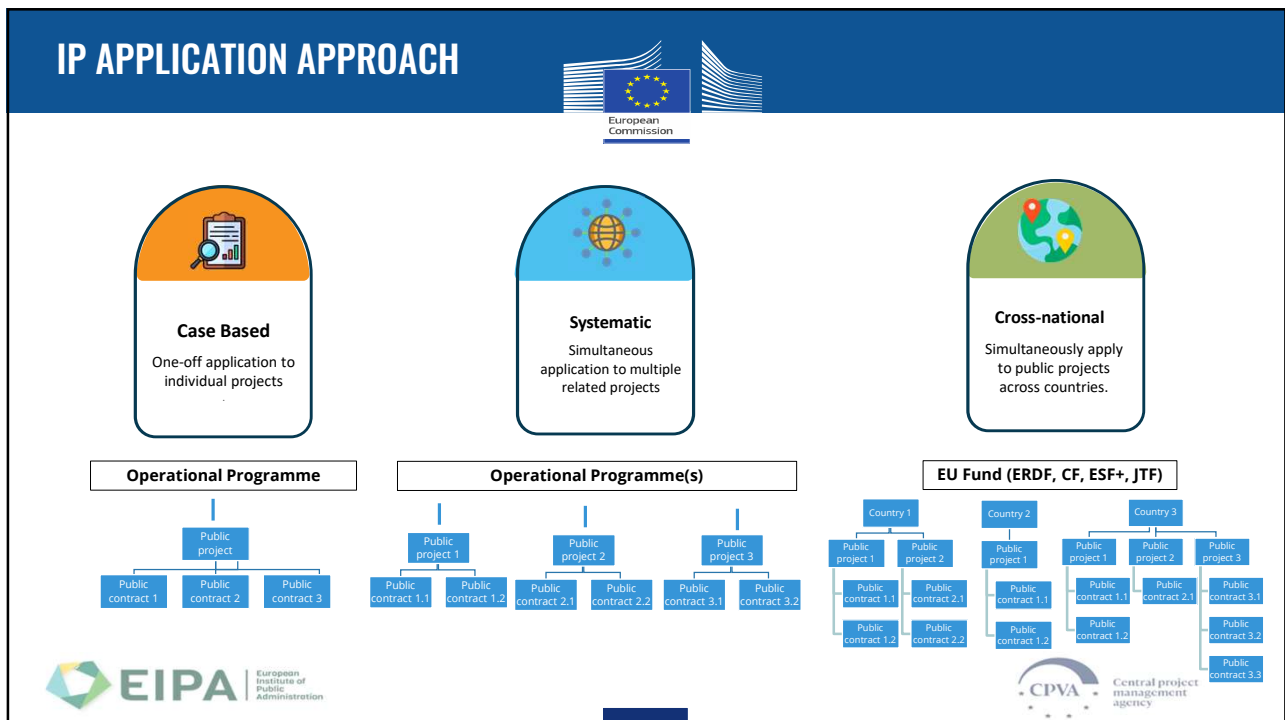
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SOURCE OF FINANCING FOR THE IP

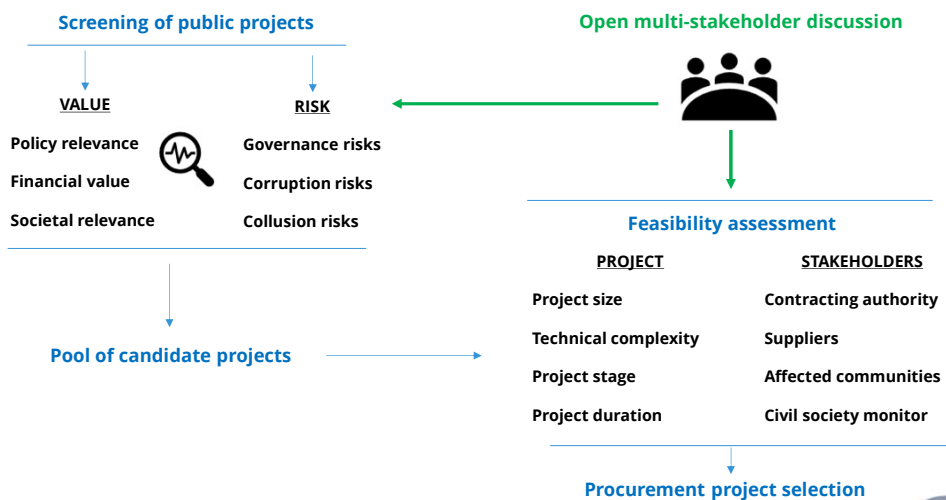
EU funds earmarked for Technical Assistance

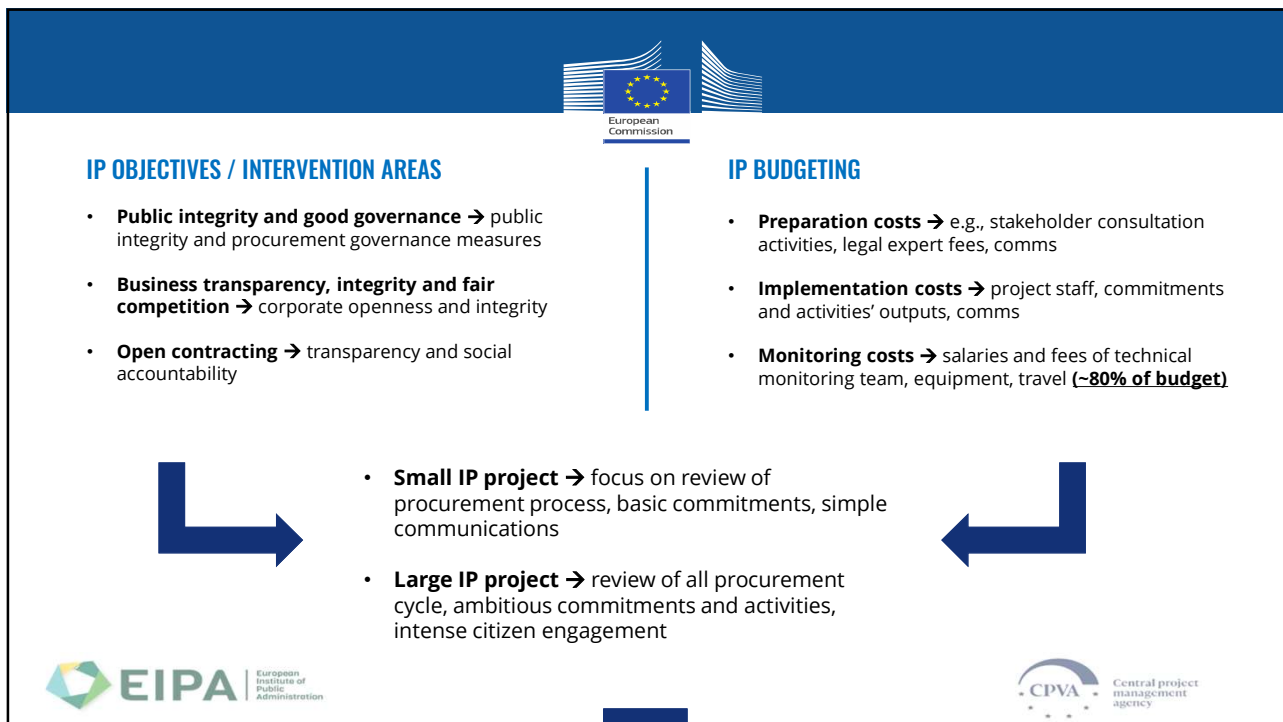
It is advisable to allocate a **“pot” of funds**, for example as % of the total allocated funds to the Operational Programme. This will allow for more flexibility when considering the strategic selection of projects for IPs.

IP COST ESTIMATES

Average “large” IP cost (5 years)	€325,000
Average IP cost per year	€65,000
Project value	Average “large” IP cost (%)
Small projects (€1-4 mln)	15-20%
Medium projects (€12-15 mln)	2-3%
Large projects (€100-150 mln)	0.2-0.3%

PROJECT IDENTIFICATION AND SELECTION





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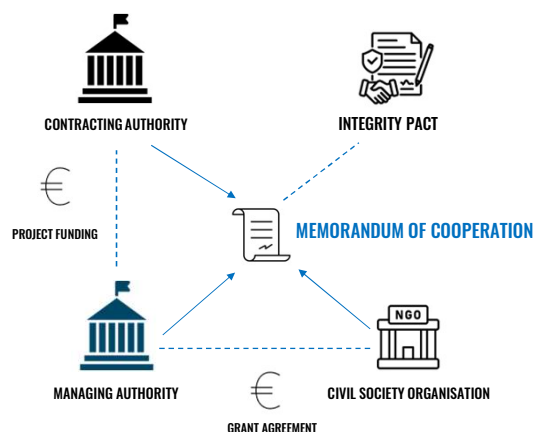
COMPOSITION OF MONITORING TEAM

- **CSO in-house staff**
- **Independent technical experts** (including private consultants)
- **Consortium of CSOs**

CONFLICT OF INTEREST PROVISIONS

- **Declaration** from each of the members of the monitoring team that they have not worked for the contracting authority or potential bidders in a specific period before the IP
- **Interest and asset declaration** before and after monitoring + **ad-hoc reporting** of new conflicts of interest
- **Prohibition** for each member to work for the CA and any bidder, contractor, or sub-contractor for a period of time after the conclusion of the IP
- Experts from private consultancies must also provide information on codes of ethics and compliance programmes

IP GOVERNANCE ARRANGEMENTS



- **Commitment to develop and apply IP to one or more public projects** → objectives, areas of intervention, timeframe, etc.
- **Preparation activities** → stakeholder consultations, drafting of text
- **Roles and responsibilities** in the preparation and implementation of the IP



THANK YOU!

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