



# Recent Slovak Anti-corruption Measures

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## SUMMARY

The following policy paper summarizes recent transparency and good governance measure implemented in Slovakia and describes their anti-corruption potential. Whenever applicable, the measure is discussed from the state – business perspective including implementation costs and risks. The paper includes few measures that had not been implemented in Slovakia; however, we consider them good candidates for implementation.

The paper is structured around measures within a specific topic. Individual measures are linked to specific governance problem; their internal logic is then explained. Where possible, a brief illustration of Slovak experience is provided and finally the implementation of the measure is deliberated.

Based on our experience we hold that from the measures discussed mandatory reverse electronic auctions as well as contracts publishing are most likely to have highest anti-corruption impact. In second tier, we recommend implementation of business and cadastral registers, legislation portals and publishing of judicial rulings.

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## A. SPENDING

### 1. Mandatory publication of public contracts online (Contracts Register)

Problem: Lack of spending transparency, over-priced contracts

Measure: Mandatory publication of contracts in a central database

Benefits: Deterrence effect, institutional (internal) transparency, potential for control by the businesses and the citizen

Cost: Low to medium (especially political costs regarding traditionally more autonomous actors such as municipalities)

Risks: Poor and rushed implementation without standards.

In an unprecedented move, Slovakia started publishing a great share<sup>1</sup> of its public contracts online from January 1, 2011 allowing anyone interested to quickly find and read through contracts on stationery or large subvention contracts. Contracts are valid only after they had been published on the internet.

The measure was a reaction to great creativity demonstrated in Slovakia when it came to ineffective spending of the public money – ranging from overpriced deals with ‘friendly’ companies to unfavorable, often irrevocable contracts signed shortly before the elections, put in the drawers and waited for new administration to be paid. While all contracts were technically accessible by the Freedom of Information (FOI) request, constant surveillance would require permanent fillings. Usually, when the public found out about the unfavorable contracts, it was already too late.

Under the new law, almost all institution who are subject to FOI have to publish their contracts, orders and received invoices online.<sup>2</sup> For example – contracts of the ministries and other central institutions can be found here - <http://crz.gov.sk/index.php?ID=114372>. While there are hard data to measure impact of the contracts publication, Transparency is confident that the measure has several effects.

- *Improved access to spending information*

Having a quick access to contract or invoice or having to request the information makes a huge difference. Not only had the mandatory publication of contracts helped to uncover several inefficient spending cases, the drastically improved access to information. More than 9% percent of Slovaks actually took a look at contracts online in 2011. The usage is

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<sup>1</sup> The major categories of excluded contracts are employment contracts, contracts of security and intelligence forces. Please refer to [http://spectator.sme.sk/articles/view/42280/14/new\\_anti\\_corruption\\_act\\_in\\_slovakia.html](http://spectator.sme.sk/articles/view/42280/14/new_anti_corruption_act_in_slovakia.html) for the brief summary of the original act.

<sup>2</sup> Where contracts have to be published in full, for invoices and orders only basic accounting data have to be provided.

twice as high compared access to information legislation in 10 years of its existence according to a public poll commissioned by Transparency Slovakia.<sup>3</sup>

- *Creates a mindset of 'automatic-transparency'*

Knowing that contracts will be automatically published, officials are less likely to act under “nobody will find out soon” assumption. With contracts having to be published online prior to their fulfillment, automatic transparency has to be taken into account.

- *Creates an invaluable prize benchmarking database*

With all the contracts, invoices and orders published online, businesses are provided with a massive benchmarking database as a result of radical prize transparency. Businesses are thus provided with opportunity to see full contracts of their competitors and offer better bids next time. Tapping into their self-interest, it is the competitors who can guide journalists and watchdogs to problematic contracts.

- *Creates “internal transparency” within the institutions*

Publishing streamlined the circulation of documents and “tided up the office”, created transparency within the organization itself as well. Employees see contracts they previously did not and can work with them.

While mandatory contract publication is not too technically demanding, it is still a measure requiring both changes in the legal framework, designing for participation and significant determination for fine tuning.

Major challenges in Slovakia were/are:

- Missing publication standards (what does it mean to publish a contract?)
- Lacking single place to publish the data – while central government has a single web page for contracts, municipalities and other institutions under FOI have their own portals
- Different portals for contracts and invoices/orders even for the central government. Linking contracts with the orders and invoices (where possible) is crucial for public control
- Designing for participation – the first version of the site was rather user unfriendly and did not provide effective tools for searching the documents. The target group to use the portal should be clearly defined and appropriate tools should be created for them.

The measure bears some political costs (especially if mandatory for autonomous actors such as municipalities or state businesses) as well as operating costs.

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## **2. Online database of subsidies (state grants, subventions and pre-accession EU funds)**

Problem: Lack of structured information on provided subsidies, duplicate spending, clientelism

Measure: Creation of an online database tracking projects supported by state subsidies, grants and pre-accession EU funds

Benefits: Potential for better scheme managements, savings, ex-ante accountability.

Cost: Low (cost of the IT infrastructure, some coordination costs).

Risks: Poor implementation and poor data quality

Even if people talk about “the government” and “the state” as if it were a single person, in reality the state is often an uncoordinated network of power hubs. State officials often do not know what their colleagues are doing and individual ministries or other agencies often lack capacities to coordinate their activities. At the same time, European governments distribute significant share of public money back into economies as subsidies, grants or other forms of financial aid.

Excellent access to information is one of the ways to secure integrity of subvention schemes. Timely and good quality information on “who got what and why” is crucial for controlling of the processes both from the government’s point of view as well as citizen vigilance.

While at the moment, there is no single central database with information on *all schemes*, the site of Audiovisual Fund ([http://registracia.avf.sk/statistiky verejne.php](http://registracia.avf.sk/statistiky_verejne.php)) provides an excellent example of what such a site should provide. The site provides plentiful of details for those interested – including short project summary, proposed budget, and bid evaluation by individual committee members<sup>4</sup> as well as the subsidy contract itself. A click on the recipient shows her all other request.

While the site could be considered best practice as of 2012 in Slovakia, it is missing two important functionalities: advanced search and bulk data access (so called API or data dumps). The first is important for locating items of interest, the second one is important for using the data outside of the ‘official’ application (for example in an external application, or offline use).

A good online database of state subsidies, grants and other financial help should make sure that it includes:

- Standardized identification of both donor and recipient
- Grant scheme and the scheme matrix (if changed over the years) including links to scheme statute;
- Value of financial help (standardized VAT)
- Project evaluation by the individual committee members
- Project outputs (where applicable) and implementation reports.

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<sup>4</sup> However, the names of the committee members are left out, they are listed by numbers only.

The site should allow for easy data imports and schemes administration on the side of state. Benefits of public database of state subventions are manifold. It allows better management of different subvention schemes, especially preventing multiple financing of the same project.<sup>5</sup> Transparency by default might deter the crudest forms of nepotism. Finally, the database allows for inspection by public –different businesses might be interested in looking into subventions provided to their competitors, public might be interested in finding out what is going in their neighborhoods and report on any discrepancies in reporting/reality.

There are no significant risks associated with the project besides operating costs.

hlavná stránka → štatistiky → zoznam žiadostí Audiovizuálny fond

Zoznam žiadostí

výzva: všetky výzvy podprogram: 1.1 zobraz: podporené žiadosti

p.č.	žiadateľ	názov projektu	pod-program/vyzva	celkové náklady	požadovaná suma	odporúčanie komisie	schválená suma
1.	AH production, s.r.o. Irkutská 14/D, 851 10, Bratislava - Rusovce IČO: 36806951 číslo žiadosti: 1444/2011-4/1.1.1	STANKO	1.1.1 (4/2011)	11 150	10 000	10 000	10 000
	<b>Hodnotenie komisie</b>	<b>Kritérium 1 PROJEKT</b>	<b>Kritérium 2 ROZPOČET</b>	<b>Kritérium 3 ŽIADATEĽ</b>	<b>Kritérium 2 a 3 spolu</b>		
		294 z 405	196 z 270	158 z 225	354 z 495		
		72,59 %	72,59 %	70,22 %	71,52 %		
2.	ALEF Film a Media Group, s.r.o. Pavlovičova 3, 821 04, Bratislava - Ružinov IČO: 35718463 číslo žiadosti: 83/09/1-2010/1.1.1	Horšie už to nebude	1.1.1 (1/2010)	66 848	33 347	20 700	20 700
	<b>Hodnotenie komisie podľa kritérií</b>	<b>obsah</b>	<b>financie</b>	<b>prínos</b>	<b>body spolu</b>	<b>body v %</b>	<b>max. počet bodov</b>
		20	17	15	52	64,20	81
3.	ALEF Film a Media Group, s.r.o. Pavlovičova 3, 821 04, Bratislava - Ružinov IČO: 35718463 číslo žiadosti: 1535/2011-4/1.1.1	Babie leto	1.1.1 (4/2011)	11 000	9 900	9 900	9 900
	<b>Hodnotenie komisie</b>	<b>Kritérium 1 PROJEKT</b>	<b>Kritérium 2 ROZPOČET</b>	<b>Kritérium 3 ŽIADATEĽ</b>	<b>Kritérium 2 a 3 spolu</b>		
		305 z 405	168 z 270	132 z 225	300 z 495		
		75,31 %	62,22 %	58,67 %	60,61 %		
4.	ALEF Film a Media Group, s.r.o. Pavlovičova 3, 821 04, Bratislava - Ružinov IČO: 35718463 číslo žiadosti: 649/2011-3/1.1.1	Reverz of Babylon	1.1.1 (3/2011)	71 750	33 750	25 600	25 600
	<b>Hodnotenie komisie</b>	<b>Kritérium 1 PROJEKT</b>	<b>Kritérium 2 ROZPOČET</b>	<b>Kritérium 3 ŽIADATEĽ</b>	<b>Kritérium 2 a 3 spolu</b>		
		298 z 405	165 z 270	182 z 225	347 z 495		
		73,58 %	61,11 %	80,89 %	70,10 %		

**Voľba:**

- úvodná stránka
- registrácia žiadateľa
- podať žiadosť
- príručka k registrácii
- príručka k vyúčtovaniu
- vzor formulára
- vzory príloh na stiahnutie
- prihlásenie žiadateľa
- štatistika pre verejnosť

**Iné:**

- stránka audiovizuálneho fondu (<http://www.avf.sk>)

**Kontakt:**

Audiovizuálny fond  
Grosslingová 53  
811 09 Bratislava

Tel: +421 (2) 5923 4545  
Fax: +421 (2) 5923 4461  
E-mail: avf@avf.sk

verzia pre tlač

### Grant detail (Audiovisual Fund, Slovakia)

<sup>5</sup> While government might want to sponsor a given project by more than agency, it should have the knowledge that the project had been already supported by another agency.

## B. ACCESS TO INFORMATION

### 3. Online legal information portal

Problem: Access to valid legal sources

Measure: Creation of a portal on laws, regulations

Benefits: Easy access to legal information including historical development, potentially savings from eliminating paper-based Gazette (collection of laws)

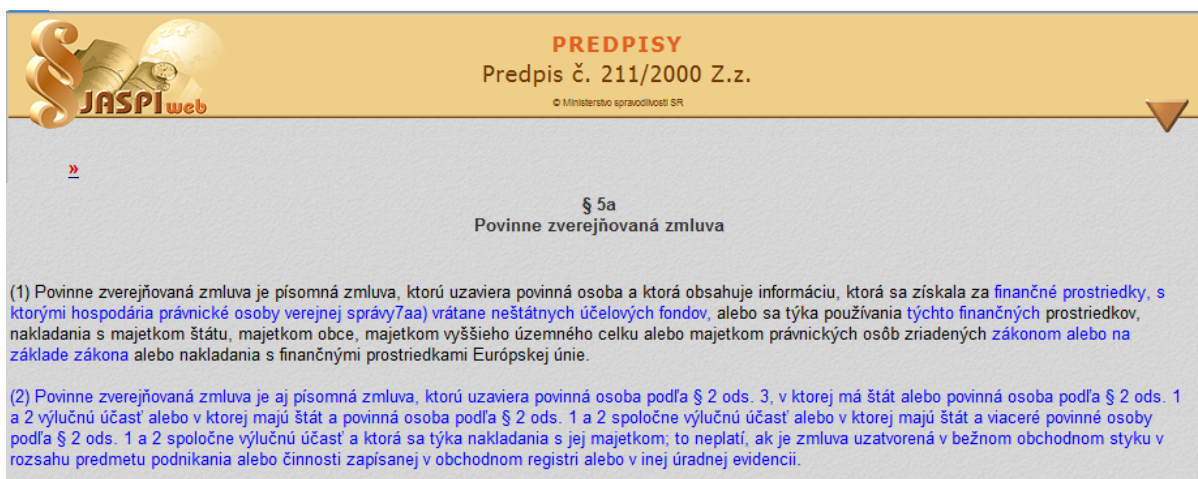
Cost: Low

Risks: None

Easy access to valid primary legislation such as laws as well as secondary legislation directives or executive orders is one of the preconditions for rule of law and compliance. Any difficulties in accessing valid legislation and in tracking the recent changes in legislation increase transaction costs and cost businesses money. Good access to legal documentation does not translate automatically into better quality of the legal environment, but allows even small and medium-sized businesses to use legal arguments when dealing with states and report on illegal behavior.

One of the ways to improve access to legal information is creation of an online portal concentrating all relevant legal information, especially laws and their consolidated versions after any given amendment. Some other types of information that are sometimes included in the portals include bills draft, decisions of constitutional courts as well as court rulings.

A working example of such portal is <http://iaspi.justice.gov.sk/> (Slovak only) administered by the Ministry of Justice in Slovakia. The site provides information on individual pieces of primary and secondary legislation, as well as their consolidated versions with the recent changes highlighted for easier orientation (see below). The site provides cross-references among the individual pieces of legislation and their versions in time, and advanced search by keywords, author, and validity range or bill number.



The screenshot shows the JASPI web portal interface. At the top, there is a logo with a scale of justice and the text 'JASPI web'. To the right, it says 'PREDPISY' and 'Predpis č. 211/2000 Z.z.' with a copyright notice for the Ministry of Justice of the SR. Below this, there is a navigation arrow and the text '§ 5a Povinne zverejňovaná zmluva'. The main content area contains two paragraphs of text in blue, detailing the requirements for public disclosure of contracts.

(1) Povinne zverejňovaná zmluva je písomná zmluva, ktorú uzaviera povinná osoba a ktorá obsahuje informáciu, ktorá sa získala za **finančné prostriedky**, s ktorými hospodária právnické osoby verejnej správy (7aa) vrátane neštátnych účelových fondov, alebo sa týka používania týchto finančných prostriedkov, nakladania s majetkom štátu, majetkom obce, majetkom vyššieho územného celku alebo majetkom právnických osôb zriadených **zákonom alebo na základe zákona** alebo nakladania s finančnými prostriedkami Európskej únie.

(2) Povinne zverejňovaná zmluva je aj písomná zmluva, ktorú uzaviera povinná osoba podľa § 2 ods. 3, v ktorej má štát alebo povinná osoba podľa § 2 ods. 1 a 2 výlučnú účasť alebo v ktorej majú štát a povinná osoba podľa § 2 ods. 1 a 2 spoločne výlučnú účasť alebo v ktorej majú štát a viaceré povinné osoby podľa § 2 ods. 1 a 2 spoločne výlučnú účasť a ktorá sa týka nakladania s jej majetkom; to neplatí, ak je zmluva uzatvorená v bežnom obchodnom styku v rozsahu predmetu podnikania alebo činnosti zapísanej v obchodnom registri alebo v inej úradnej evidencii.

**JASPI: Tracking legislative changes**

A well-executed site would in addition allow extensive linking to pieces of legislation (external hyperlinks), user friendly-printouts and notifications on new legislation of interest. As per standard, the site should provide data interfaces for external use for anyone interested.

Compared with some of the previously discussed online project, portal of legal information might be quite complex, robust (and costly); depending on how much of historical data would be incorporated. Much of these costs could be offset by savings resulting from eliminating a printed copy paper-based Gazette.

#### **4. Portal of upcoming legislation**

Problem: Predictability of the legal situation, regulation, lack of public participation,

Measure: Portal of upcoming legislation open to public and public commenting

Benefits: Higher predictability of legal situation, potential for greater inclusivity in drafting period

Cost: Low to medium

Risks: Negligible

Any government performs at least two elementary functions in relation to the businesses – it creates a regulatory framework for their functioning (laws), helps enforcing rights when the parties cannot reach an agreement (law enforcement).

Predictability of the legal (regulatory) environment is one of the key attributes of good business environment. Businesses need to know what their duties are at the moment (see *Online legal information portal*). Yet, knowing and being able to influence their *future duties* resulting from new legislation is as important. The process of law-making<sup>6</sup> must be transparent, inclusive for all relevant actors, yet reasonably quick.

The Slovak solution to the issue is an online government site called “Portal of Legal Documents” (Portál právnych predpisov, <https://lt.justice.gov.sk/>). While inclusiveness and transparency might not have been the goals creators had in mind, the portal significantly increases chances of anyone interested to observe and influence creation of legal forms.

Users outside the government can see what legislation (including all relevant materials such as drafts and agency justifications) is in the pipeline. If they prefer to be notified only when a new piece of legislation (say taxes regulation) is entered into the portal, they can subscribe to RSS/e-mail notification.

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<sup>6</sup> Law-making and regulatory processes differ from country to country. However, most of the legislation in the EU countries comes from the government (initiated by the ministries and executive agencies), not individual legislatures. We limit our discussion of legislative process to these bodies. The same principles could be applied to other actors as well.



The feature with highest anti-corruption potential is possibility to provide feedback. Each piece of legislation has a commenting period, and business can comment on the draft or browse through already submitted comments. Once the commenting period is over, users can see the final draft of the document as passed on to the government (see screenshot below).

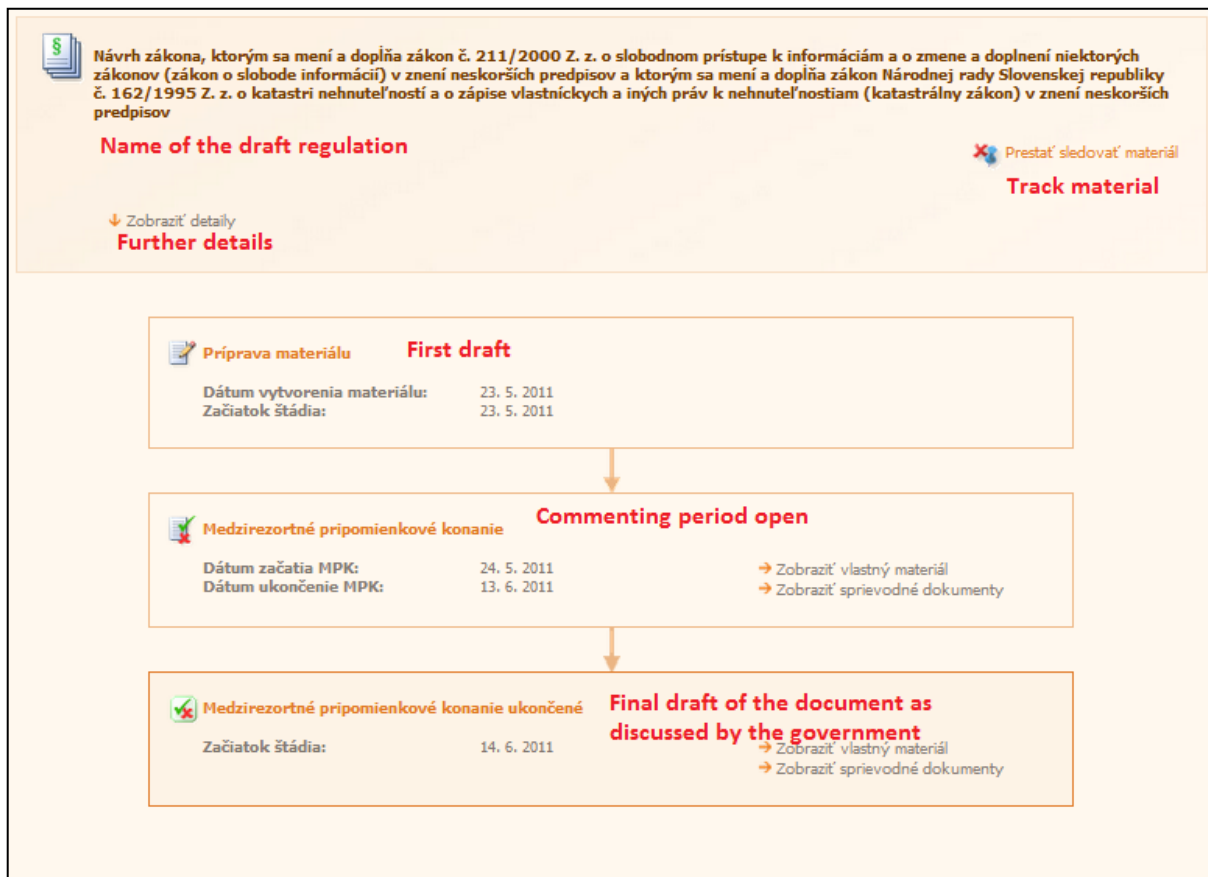
Obviously, there is no guarantee that the comments will be taken seriously considered. However, the portal provides a platform where the reservations can be voiced and search for consensus started. The portal can supplement liaison with the individual agencies only to a certain extent. Larger business and business associations will do well to keep open communication channels on the upcoming legislation even before the early drafts.

The greatest anti-corruption potential lies with decreasing informational asymmetry. Even small and medium-sized business that might not be well represented by business unions or do not have funds to pay their own lobbyist, can observe proceedings in legislature with small costs. As all of the initial comments and reservations must be made in public (filled through the online system) businesses can easier identify allies on individual issues.

There are a few major ways in which the portal could be improved. Most importantly, it should be linked with the yearly plan of government and agency's activities so those interested can see that works on the early drafts have commenced. Secondly, the government should strive for a "single shop" portal on the legislation – unlike in Slovakia where Portal of Legal Documents is accompanied by the portal dealing with Sessions of the Government (which does not publish timely the final versions of the legislature agreed on by the government) and then a portal run by the National Assembly (which is the final actor to vote on the legislation). Where unfeasible to create a single portal, strong emphasis must be put on the interoperability (ideally open API) of the individual sites.

Finally, the portal could make a stronger use of analytical tools – it might be interesting to see who are the most active (and successful) reviewers of the legislation.

Creation of the portal bears little political risks and has a moderate potential to decrease corruption due to other avenues where illicit lobbying can take place. However, it has a strong potential for streamlining and increasing transparency of the law-making process.



*Sample of the document workflow. A version of the document can be selected at any stage.*

## 5. Publication of judiciary rulings online

Problem: Quality of the judicial rulings, detachment of the judiciary from the public

Measure: Publication of the court rulings online

Benefits: Improved access to rulings, potential for pressure on higher quality

Cost: Low to Medium

Risks: None

Public polls commissioned by Transparency Slovakia show that judiciary is one of areas most affected by corruption. Public has a low confidence in the integrity of proceedings and courts usually take long to make decisions. Such environment drives companies to govern their contracts in non-Slovak legislation (especially, Austrian or German) and/or settle their disputes by non-legal measures. Furthermore, judiciary in Slovakia is provided with significant autonomy and almost any commentary on its performance is considered as an undue influence by the judges. At the same time the role of impartial and high-quality judiciary is irreplaceable in creating good, corruption-free business environment.

Faced with this situation, Slovakia passed a law in 2011 that mandated publication of court rulings online. The [assumption](#) behind the legislation is that publication will increase the

pressure on the quality of the rulings with legal professionals being able to quickly find them and compare with established rulings and legal precedents. Court decisions are available on - <http://www.rozhodnutia.sk/> (Slovak only). Technically, rulings have been previously available if requested under Freedom of Information Act.

At the moment of writing the rule has been in force only for five months and no systematic assessment of its effects has been carried out. However, similar to contracts publication, we expect that establishing of transparency by default, there is a good chance for deterrence and increased quality of the legal decisions, especially as the body of rulings to compare qualities and merits of individual justices begins to grow.

We expect the measure to have slightly positive effect in quality of judicial rulings, and in effect reduction of “motivated” (“captured”) rulings. The costs to implement measure are mostly related to protection of personal information (sanitization of rulings).

## **6. Online business and cadastral registries**<sup>7</sup>

**Problem:** Timely access to information on business, land and property

**Measure:** Online business and cadastral registries

**Benefits:** Access to information, backbone for other anti-corruption measures, elimination of corruption resulting from unmet demand for information services

**Cost:** Low to Medium

**Risks:** Poor execution

Easy access to quality information on is crucial for the good business environment. Entrepreneurs base their decisions often on facts collected and curated by the government such as business and cadastral (cadastral) registries. These services had been notoriously sluggish in Slovakia and spent almost 25% of their capacities on just releasing information to other businesses. Business usually wanted information on the owners and directors of other businesses from the business registrar, both businesses and people wanted to find out owners of the land and whether a specific piece of land is disputed from the land register.

Combined with other responsibilities and high demand for their services and lack of market alternative to their services, both registries were over-burdened at the end of 90's which led to high levels of corruption as customers paid bribes to cut the queue.

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<sup>7</sup> This section is based on Žitňanský, R. – Salner, A.: *Reform of the Business Registry as an Anti-Corruption Tool (title translated, pp 81-95)* in Sičáková-Beblavá, E. – Beblavý, M. (eds.): *Jedenásť stotočných: prípadové štúdie protikorupčných nástrojov na Slovensku*, Transparency International Slovakia and UVP FSEV UK, 2008.

The reform of the business register was a complex change that involved more than establishing online data portal. The process-workflow and competencies were revamped, the major changes being that great share of the responsibility for the data accuracy was shifted from the registry to applicants, and from the judges to senior judicial officers. Deadlines for requests were established and officers' discretion limited by specific rules (see Zitnansky-Salner 2008 for further details).

Early in the reform (2001), even before the change in the workflows, the public portal of business owners came about. Accessible at [www.orsr.sk](http://www.orsr.sk), it provides access to basic information on individual businesses. Users can search both current and historical entries by name of the business, type of the legal entity, court of registration, identification number as well as name of the founder and members of the statutory bodies.

The online business registry, now more than 11 years old provides only limited anti-corruption potential by itself. However, when the entrepreneurs wanted to know even basic information such as when was a given company founded and whether it has a license to provide services it officers, they had to file a request for information or come to the court and pay a processing fee and wait. From 2001, such information is only a click away; corruption related to it is gone. The registry is also a back-bone for other anti-corruption measures (Business Gazette and Public Shame list, see recommendations #6 and #10).

Similarly, timely access to cadastral data (<https://www.katasterportal.sk/>) reduces only corruption resulting from the demand for the services that could have not been met due to lacking institutional capacities. However, the importance of the timely access should not be underestimated, especially when cadastral data are essential for any due diligence and fraud prevention among future partners in real estate or property development.

There are no political risks at a face value for moving any of the two services online. However, as with any large information system, the costs might not be negligible, but worth the cause due to strategic importance of both the registries.

## 7. Online Business Gazette

Problem: Access to business information

Measure: Searchable Business Gazette or “database-based” Business Gazette

Benefits: high-quality information available to businesses and state

Cost: Low to Medium

Risks: Poor execution and problems with data consolidation

Another measure to increase amount of relevant business-information is publishing of Business Gazette online. Most countries require companies to file in important information on activities of the individual businesses, taxes and statistics reports being the most obvious ones. A subset of these mandatory filings is traditionally published in Business Gazette, an official publication of the agency responsible for the registration of the businesses.

In Slovakia, businesses are to file (obligations vary depending on the size and type) information on their results (balance sheet and profit and loss statement), annual reports and any changes in the structure of the management and structure of the company. Also, any initiation of bankruptcy, restructuring or liquidation of business proceedings must be duly noted in the Gazette which makes it invaluable source of business information.

Even if state controlled the information, it was not very effective in feeding it back to the business community. Traditionally, the Gazette was published in a printed form and to a certain extent online. Yet, the format of the online publication (pdf document that most likely served for the printing houses, for example see <http://www.zbierka.sk/sk/obchodny-vestnik/vydanie-241-2008/uctovne-zavierky.ovzk-15404.pdf> ) did not allow for effective and seamless access to the information. For example, it would be almost impossible or too time consuming to produce a list of documents filings by a company name or its registration number. However, the demand for the business information was big enough to sustain at least two companies that systematically collect and maintain the database based on the official data (see [www.zbierka.sk](http://www.zbierka.sk) and [www.epi.sk](http://www.epi.sk)).

Access to these documents should not be limited to those who can afford to pay for commercial services. It is an imperative that state publishes information in Gazette in a form that is available to anyone interested and facilitates for easy search.

This might have been one of the reasons why Slovak Ministry of Justice decided to redesign the Gazette. The new version ([http://bit.ly/Gazette\\_SK](http://bit.ly/Gazette_SK)) provides improved search addressing previously mentioned issues, although without access to back issues or easy access to databases.

Business Registry in the Czech Republic that includes selected data usually published in the Gazette is a nice working example of a company centric design - <http://bit.ly/Jv5njI> (McKinsey & Co. Czech Republic documents).

However, this example short of the envisioned ideal that would allow easy search by specifying document type, name of the company and display the results.

Ideally, all of the submitted information would be filled online into fool-proof, standardized form and provided to anyone interested as a database.<sup>8</sup>

Online Business Gazette combined with Business Registry has a great potential for identifying companies with little credibility and thus prevent/deter fraudulent activities in business to business as well as business to government activities.

Depending on the desired final product (simple filings of the scanned copies or full-fledged digital forms translated into searchable database) this can be a medium to large scale project. The project bears some prospect for corruption reduction, although its main merit lies in providing businesses with crucial information regarding their trading partners.

## **8. Online Freedom of Information Portal (“What Do They Know”)**

Problem: compliance with access to information laws, sharing of disclosed information

Measure: creation of Freedom of Information Act Portal

Benefits: increased access to information, capacity building, FOIA requests management

Cost: very small

Risks: negligible

Legal right to obtain information held by the public authorities (known also as “Freedom of Information Acts is among the most crucial transparency / anti-corruption instruments. While authorities and agencies try to disseminate information on their works, they do so only in issues they deem worthy communicating. Also, they might find themselves in situation where they might not be enthusiastic to disclose information pro-actively.

Having the legislation in place is only part of the solution. Experience shows that authorities are often unwilling to comply and disclose the information required. Lacking effective enforcement mechanisms and working judicial system, legal right to obtain information might remain “paper tiger” only.

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<sup>8</sup> We assume this is the case with the newly redesigned Slovak Gazette.

This problem can be partially addressed by interactive Freedom of Information Act Portals such as What Do They Know (<http://www.whatdotheyknow.com/>)<sup>9</sup> run by UK-based non-profit MySociety.

The portal guides anyone wishing to file request for information through its forms, e-mails the request to relevant authority and collects the answering e-mail as it comes. And it does everything publicly. Site users can see what others had asked, the full responses including any attachments that came as answers. Answers to request are classified (answered, not answered, overdue etc.) and could be used to rank individual institutions. This could be also a part of “pointing fingers” to ensure compliance with existing legislation.

Users also might wish to “watch” for any institution or keywords by via RSS feed or e-mail. For example this is a request to BBC on copyright status of its logos ([http://www.whatdotheyknow.com/request/copyright\\_status\\_of\\_bbc\\_logos#incoming-281562](http://www.whatdotheyknow.com/request/copyright_status_of_bbc_logos#incoming-281562))

The portal benefits transparency and can streamline FOI answering process for public agencies as well. Transparency added value lies with sophisticated monitoring tools (e.g. notifications) systematic collection of already posted requests. While normally citizens do not get to see what questions had been asked and what answers had been provided, What Do They Know creates an archive of that. According to MySociety, almost 1/3 of all requests in the UK are currently posted through the site.

Public agencies benefit from the portal by having a tool to manage incoming requests. Existing database of answers makes it also easier to refer requester to previously posted question.

The main success factor for web-based Freedom of Information Portal is willingness of public authorities to answer by e-mail and getting used to having their answers automatically published. The first should not be a major technical problem, as most public agencies are equipped with scanners or multifunctional devices, the second might require winning of some hearts.

All in all, Freedom of Information Act Portals provide a low-cost tool to increase effectiveness and meaningfulness of FOI legislation. They had been traditionally implemented by civil society organizations; however, there is no good reason why governments could not make it official access to information platform.

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<sup>9</sup> MySociety also develops an international version of the platform called Alaveteli ([www.alaveteli.org](http://www.alaveteli.org)). Alaveteli is localizable and should be fairly easy to implement in new countries.

Home
Make a request
View requests
View authorities
Read blog
Help

## Copyright status of BBC Logos

[Tim Baker](#) made this Freedom of Information request to [British Broadcasting Corporation](#)

✔ The request was **successful**.

From: Tim Baker

14 April 2012

Dear British Broadcasting Corporation,

Please could you tell me the Copyright status of the BBC logo and the logos of all radio stations and Television channels and if some are ineligible for copyright because of their status of just being simple text and or shapes.

Yours faithfully,

Tim Baker


### Follow this request

There is 1 person following this request

- [Follow by email](#)
- [RSS feed of updates](#)

### Act on what you've learnt

- [Tweet this request](#)
- [Start your own blog](#)
- [Get help investigating](#)
- [Write to your politician](#)
- [Pledge with others](#)



**What Do They Know (MySociety UK)**

## C. PUBLIC PROCUREMENT

### 9. Mandatory use of reverse electronic auctions

Problem: Low competitiveness rates in public procurement, lack of trust in the process

Measure: Mandatory use of reverse electronic auctions

Benefits: Savings up to 30% in public procurement

Cost: Low to medium

Risks: Implementation

When Slovak public institutions shopped for the mandatory car insurance, they received on average one offer. At the same, the households shop for the same insurance, they can choose from up to ten different insurance companies. In similar vein, in 2010 almost half of the public sector tenders (43%) were awarded to the sole bidder.<sup>10</sup>

Academic research shows that low competition results in sub-optimal use of public money. In general, a single additional bid results in 5-8 % savings up till 5 bidders, resulting in 25-40% savings compared to situation with only single bidder.<sup>11</sup>

<sup>10</sup> <http://tender.sme.sk/sk/pages/analyses/p:368/poistovne-o-velke-pzp-zakazky-od-ministerstiev-nesutazia>

<sup>11</sup> See <http://transparency.sk/wp-content/uploads/2010/01/Ako-ovplyvnuje-pocet-uchadzacov-o-verejnu-zakazku-cenu-verejnei-zakazky.pdf> (in Slovak) for detailed discussion



One of the assumptions beyond low competitiveness rates is lack of trust of vendors in “traditional” procurement process with single round of evaluations. Vendors also repeatedly suggested that specifications do often not allow for competition and the winner will be known beforehand.

Mandatory reverse electronic auction were introduced in 2011 as part of the procurement reforms which among other things decreased financial thresholds for less competitive procurement procedures and introduced radical requirements for mandatory online disclosure of materials rendered in the procurement process (such as individual bids, minutes of meetings, evaluation sheets etc.).

Under conditions of reverse electronic auction bidders whose offers have met the qualification criteria can compete with others as they see how their offer ranks compared with others. Bidders’ identities are protected, and the price normally decreases as the bidders under-cut (thus “reverse” auctions) prices in their bids. The auction normally last as long as there is any change within a specified time period, or they have fixed-end.<sup>12</sup>

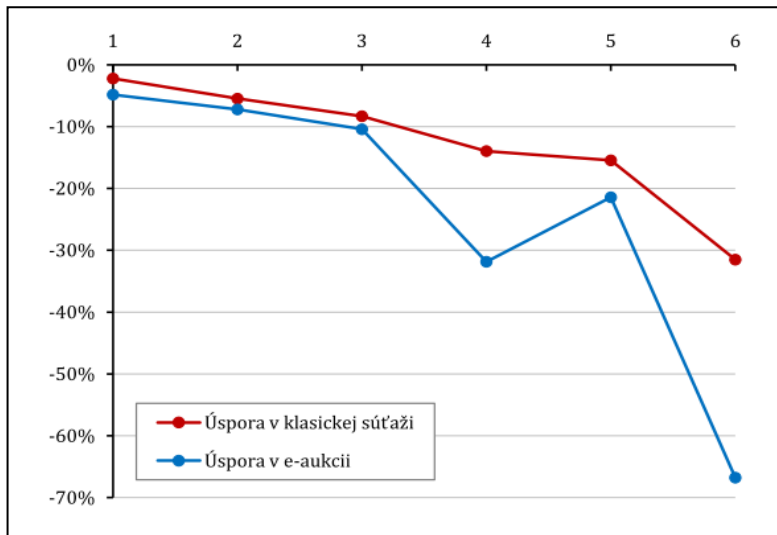
If increased competitiveness is a good proxy for trust in procurement processes then reverse electronic auctions did the job. In 2011 where every fifth tender used e-auctions, tenders received on average 2,75 bids compared with 2,19 in 2010. Weighted by the financial value of the contracts, 3,58 bidders were competing for 1 euro in 2011 compared with 2,50 in 2010. According to Transparency’s study e-auctions double the effect of the competition<sup>13</sup>. Assuming that the effect had been constant throughout 2011, the savings resulting from e-auctions (7% of total estimated value of procurement in 2011) would be roughly 210 millions of euro.

In addition to that, Transparency found out that having same amount of bidders, electronic auctions render additional savings compared with traditional tenders -

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<sup>12</sup> We strongly discourage from auctions with fixed-end as they have no benefits compared to ‘prolonged’ ones and bear unnecessary risk associated with freak last-second bids.

<sup>13</sup> [http://www.transparency.sk/wp-content/uploads/2010/01/2012\\_Analyza\\_obstaravania\\_v\\_2011.pdf](http://www.transparency.sk/wp-content/uploads/2010/01/2012_Analyza_obstaravania_v_2011.pdf) (Slovak only)



*Number of bidders and savings (blue: e-auctions, red: traditional tenders); Transparency International Slovakia 2011*

Mandating obligation to use e-auction in tenders is fairly easy and does not require any significant IT investments. Slovakia did not provide procurers with any software to run e-auctions or trainings how to run them effectively. While the first did not seem to surface as a problem, lack of standards for e-auctions meant led to several scandals. In one of the politically loaded ones, the information on upcoming e-auction was available only to register users of a small portal, and utilized fixed-ended auction.

A year-long Slovak experience confirms that mandatory reverse electronic auctions bring very few additional issues to the procurement process. While some of the stakeholders express their dissatisfaction with the “price race to bottom” and quote poor quality of the delivered services, Transparency holds that this is hardly a problem that could be avoided even under traditional tendering processes.

However, we strongly encourage development of at least auction software for the needs of procurers and some training before mandating the obligatory use of electronic auctions to diminish implementation risks.

## D. JUDICIARY

### 10. Specialized criminal court and specialized prosecution

Problem: Lack of effective corruption law-enforcement

Measure: Introduction of specialized criminal court and prosecution unit

Benefits: specialization of the justices, detachment from the local ties, possibly better working conditions

Cost: Low to Medium (financial), High (political)

Risks: Implementation with poor buy-in; potential of capture;

In 2004 Slovakia introduced Specialized criminal court and Specialized prosecution (state attorney) unit that is with minor changes a part of the legal system up to this date (see further). The legal jurisdiction of the court includes cases of severe criminal violence and corruption-related crimes. The court will hear also cases of that involve high standing public officials including members of the parliament, members of the government, judges, prosecutors or heads of public agencies (list not exhaustive)<sup>14</sup>. The same holds for the role of the specialized prosecution, but from its own point of view.

The main rationale for creating a set of specific institutions is two-fold: first, to increase the internal capacity (both in skills and supporting services) of the judicial system to deal with extremely complicated, important and socially important cases. Secondly, creation of the court with state-wide jurisdiction reduces chances for interference of local ties and allegiances.

We assume that problems of internal capacity and quality of the justices might be relevant especially to countries in transformation; cutting of local allegiances is a well-proven approach even in countries with well respected judicial systems.

The impact of the Specialized court had not been examined thoroughly to our best knowledge and the effect on corruption-related cases is at best estimated (see further). At the same time, interviews among the justices show that specialized court and prosecution are thought professional and high-performing by other justices.<sup>15</sup>

Available data show that Specialized Court plays a major role in dealing with corruption cases. The found guilty rulings share of the Specialized Court increased from bare 25% in 2005 to roughly 70-80 % in past years (remainder being appellate courts). The general trend

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<sup>14</sup> For the full list see Staronova, K.: *Creation of Specialized court and Office the Special Prosecutor for Corruption and Organized Crime* (title translated, pp. 230 -247) in Sičáková-Beblavá, E. – Beblavý, M. (eds.): *Jedenášť statočných: prípadové štúdie protikorupčných nástrojov na Slovensku*, Transparency International Slovakia and UVP FSEV UK, 2008.

<sup>15</sup> See Chapter on Judiciary in National Integrity System Report ([http://www.transparency.sk/wp-content/uploads/2010/01/2012\\_Narodny\\_system\\_integrity\\_sprovania\\_sprava.pdf](http://www.transparency.sk/wp-content/uploads/2010/01/2012_Narodny_system_integrity_sprovania_sprava.pdf))

is that more cases get detected, solved and when passed on to Specialized Court, eventually solved by conviction. However, there is no ‘control-group’ and we cannot be sure whether this trend can be attributed solely to specialized institutions.

#### Breakdown of corruption-related crimes by end-status (2001 – 2010)<sup>16</sup>

Year	Detected	Solved	Accused	Found Guilty	Found Guilty by Specialized Court
1997	14	14			
1998	14	14			
1999	57	54			
2000	108	98			
2001	83	78	84	37	–
2002	139	118	92	80	–
2003	148	97	97	75	–
2004	207	163	80	70	–
2005	238	188	74	64	16
2006	278	153	147	112	74
2007	242	141	97	168	120
2008	265	180	102	130	82
2009	238	265	160	164	127
2010	148	82	99	167	159 <sup>17</sup>

Sources: Ministry of Interior, Ministry of Justice, Office of the Prosecutor, police, Special/Specialized Court

Even if the measure can bring significant improvement in trying corruption, any implementation should be planned with an utmost caution as the measures can be seen as a politically loaded one. In Slovak experience, any attempt to reform judiciary is considered a breach in autonomy. Creation of the specialized anti-corruption institution was also politicized by judiciary, especially due to fact that justices serving in the Special Court received higher salaries and benefits. This was later found discriminatory and one of the reasons why “Special Court” had to be revamped into “Specialized Court” very much with the same agenda.

Furthermore, the court is potentially a great adversary of the corrupt political class and its implementation without buy-in of all relevant actors might be seen as an attempt to prosecute specific political actors.

## E. REPUTATIONAL MEASURES

<sup>16</sup> Cited from Sičáková-Beblavá, E. – Šípoš, G. – Kurian, M.: Korupcia a protikorupčná politika na Slovensku 1989 – 2010. In *Forum Historiae*, 2011, roč. 5, č. [http://www.forumhistoriae.sk/FH2\\_2011/texty\\_2\\_2011/tis.pdf](http://www.forumhistoriae.sk/FH2_2011/texty_2_2011/tis.pdf)

<sup>17</sup> Court ruled not guilty in 12 cases.

## **11. Rate My Agency (Civil Servant)**

Problem: Lack of quick, effective, feedback platform for public services

Measure: Creation of an online feedback platform

Benefits: Consumer feedback data, lists of best and worst agencies

Cost: very small

Risks: vulnerable to manipulation without linking to unique transaction ID, limited validity with few answers

Citizens shopping for shoes have more than dozens of shops to buy at. If they do not like one, they can decide to vote with their foot and never shop at that place again. Unlike with shoes, there is usually just one provider of a public service – the government or its agency. Even when citizens are not happy with their services, most of the time they are stuck with it.

At the same time, quality of individual agencies or even within agencies vary greatly, and agencies themselves seldom perform satisfaction surveys or have solid data and performance indicators upon which their performance could be measured.

Where possible, we strongly recommend government or non-profits driven performance monitoring such as Universities dataportal (<http://vs.iedu.sk/en/welcome>), Elementary and high-schools dataportal (<http://skoly.ineko.sk/>) or transparency performance in Slovak towns (<http://samosprava.transparency.sk/en/>). In our experience, actors love and hate league tables (rankings) at the same time, and we find out one of the most effective benchmarking and communication tool at the same time.

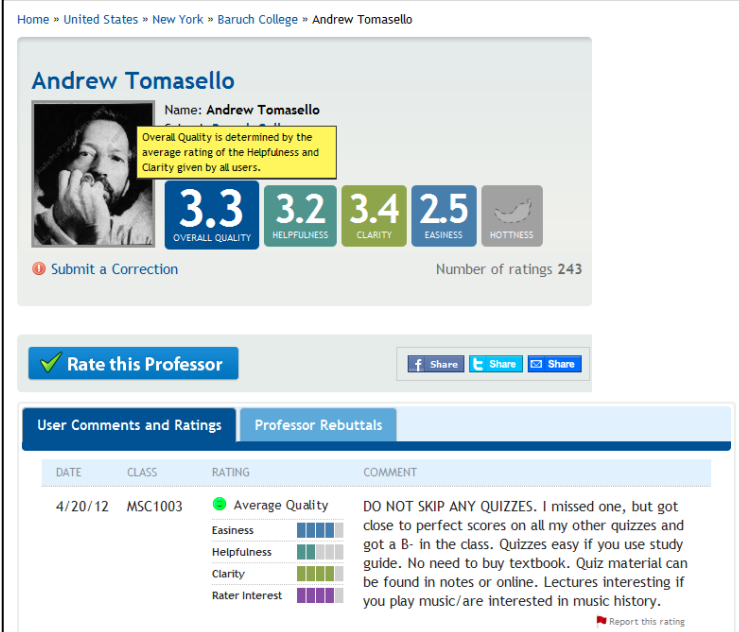
However, more often than not, the data is unavailable and the helpful ones do not get recognized and rewarded, while the troublesome get away with their poor performance. Citizens can write letters to superiors, but this is time-consuming and futile at times. In addition, their individual reports might never become available to their fellow citizen who might face the agency.

Creation online rating mechanism for agencies or individual civil servants might be a solution to the problem. It is a parallel to sites such as [ratemyprofessor.com](http://ratemyprofessor.com) or [reputation on eBay](http://reputation.on.eBay) where individual customers (students or shoppers) leave structured feedback. They evaluate their satisfaction in few categories and are free to leave a paragraph of text if they wish do so. Evaluated can leave their response to feedback.

If ran by the agencies/government themselves, the evaluations could be linked to individual transactions, such as small ID code on the call number printout.

The main benefit of scheme is collection of structured feedback on provision of public services and/or performance of individual civil servants. Provided with sufficient answers, data could serve as a ground for awarding the best providers and to identify the laggards.

The main risks of the tool are the vulnerability to manipulation (“[astroturfing](#)”) and little validity with few answers.



Home » United States » New York » Baruch College » Andrew Tomasello

**Andrew Tomasello**  
Name: Andrew Tomasello

Overall Quality is determined by the average rating of the Helpfulness and Clarity given by all users.

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DATE	CLASS	RATING	COMMENT
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<http://www.ratemyprofessors.com/ShowRatings.jsp?tid=81412>

## 12. Public “shame-lists”

Problem: Limited knowledge of business partner track-record; low tax compliance

Measure: Incorporation of potential failures to meet legal obligations in the business registry

Benefits: Decrease of information asymmetry

Cost: Low to medium

Risks: Bad quality data; potentially hard to communicate

Concept of public shame-lists is the final measure discussed based on the public information aiming to limit harms of potentially corrupt and/or fraudulent companies. The premise of the measure is simple – “bad” track record of the companies should be publicly available for public institutions, business and population at large in order to assess integrity of the businesses.

In Slovakia, shame-lists are published by [Social Security Office](#) (links in Slovak only) as well as [Tax Authority](#) and public health insurance providers (for example - [http://www.unionzp.sk/index.php?www=sp\\_file&id\\_item=352](http://www.unionzp.sk/index.php?www=sp_file&id_item=352)), or even some municipalities (e.g. [Prešov](#), [Banská Bystrica](#)). Companies who fail to pay on time their contributions on time are listed, including the amount of their debt. Similar shame lists could be devised for other duties such as paying fees or penalties levied by regulation authorities (consumer protection

etc.). Ideally, this information would be a part of single-stop information shop for the company data (including business registry, gazette and any entries on the shame list).

The utmost attention should be paid to data quality, non-publication periods and financial thresholds when designing public shame lists. Public institutions should be absolutely responsible for the provided data, and rapid fixes should be deployed to mitigate any reputation risks in case wrong information. Furthermore, it is crucial to find appropriate threshold, both financial and time-wise, from which the companies and individuals would be listed so that short-term, small-scale failures are not highlighted.

The benefits of shame lists include more quality data on businesses both for the entrepreneurs and general population. From the perspective of state institutions, a bad-track record might be a signal of potentially corrupt behavior.

Creation of the shame lists might present a communication risk. However, with buy-in of appropriate coalition of businesses, shame lists could be easily presented as a measure improving the business environment. Under conditions of good availability of source information for the shame-list, it should be fairly unproblematic to carry out.