

INTEGRITY PACT

Pursuant to the Cooperation Agreement entered into on _____,

the MINISTRY OF HEALTH (hereinafter: the Tenderer/Public Partner)

and

TRANSPARENCY INTERNATIONAL SLOVENIA – DRUŠTVO INTEGRITETA (hereinafter: the Independent Observer)

ALLOW FOR THE ACCESSION

to this INTEGRITY PACT (hereinafter: Pact) by all bidders and users wishing to do so within the duration of the project titled *Energy-saving Renovation of Public Buildings* and within the scope of its various sub-projects while procedures are carried out pursuant to regulations pertaining to public procurement or creation of public-private partnerships (hereinafter: the PP/PPP Process) and while the agreement based on the process is being implemented.

The bidders and users shall accede to the Pact by submitting the Accession Form (Annexes 1 and 2) to the Tenderer and the Independent Observer.

By acceding to the Pact, the bidder undertakes to observe its provisions conscientiously and fairly and to act in accordance with the law of the European Union and with the rules

and principles of the legislation regulating public procurement and public-private partnerships as well as integrity and prevention of corruption.

PREAMBLE

Signatories of the Pact

note that corruption undermines the integrity of institutions and democratic values and thus threatens the foundations of modern state structures,

acknowledge that cases of corruption in PP/PPP Procedures preclude fair competition and are discriminatory against the cheapest providers of quality goods and services, as well as construction companies or private partners,

take into account the need for greater transparency in PP/PPP Procedures and in the use of public funds in general, as well as the need to improve the trustworthiness of the bidding process in public tenders,

confirm that they will cooperate to ensure adherence to constitutional principles and principles governing PP/PPP Procedures throughout the procedures of public bidding or creation of public-private partnerships,

confirm that the objective of the Pact is to ensure the integrity and transparency of PP/PPP Procedures and thus act in the public interest, as the Pact provides preventive measures against organized crime and corruption and establishes responsibility of action among its signatories, and

agree that the role of Independent Observer of the implementation of the Pact shall be played by Transparency International Slovenia – Društvo Integriteta.

I TERMS OF IMPLEMENTATION OF THE PACT

Article 1

Signatories of the Pact undertake to strictly adhere to the provisions of legislation regulating public procurement or legislation regulating public-private partnership and to other relevant regulations as well as legislation related to integrity assurance in all phases of PP/PPP Procedures and to consistently strive for transparent and ethical operation in accordance with common moral values.

Article 2

The terms used in this Pact shall be defined as follows:

- Pact Signatories are the Tenderer, i.e. the organization that has decided to implement a public procurement procedure, the user, the Independent Observer and the bidders that had acceded to the Pact;
- the Tenderer is the entity that had acceded to the Pact and is involved in a public procurement procedure as the organization heading the procedure and responsible for its lawful implementation, as well as the entity that signs an agreement regarding the supply of goods or provision of services and/or implementation of construction with the provider (chosen bidder) following the procedure;
- the Public Partner is the entity involved with the procedure for the creation of a public-private partnership as the organization heading this procedure and responsible for its lawful implementation, as well as the entity that signs an agreement to implement the PPP with the private partner following the conclusion of the procedure;
- the Bidder is a public procurement procedure participant that had submitted a bid and acceded to the Pact; the Bidder's obligations carry over to the Bidder's subcontractors or partners in a joint bid;

- the Private Partner is the entity involved in a PPP Procedure that had submitted a bid and acceded to the Pact;
- the Independent Observer are members of the Transparency International Slovenia's project team that observes the PP/PPP Procedure and carries out its activities as determined by the Pact independently of the Tenderer or Public Partner and the Bidder or Private Partner; the project team also includes persons (independent experts) contracted by the Independent Observer in connection with various professional aspects of the project that is the subject of the PP/PPP Procedure;
- the User is any public healthcare institution founded by the Republic of Slovenia that is an indirect budget user and has acceded to the Pact;
- Monitoring is the monitoring of the PP/PPP Procedure and of the implementation of agreements and any actions taken by the Independent Observer pursuant to the provisions of the Pact during the warranty period;
- the PP/PPP Procedure includes all procedures and activities determined by law to regulate public procurement or public-private partnerships;
- Inappropriate Actions are all actions of the Tenderer and User or Public and Private Partner as well as Bidders, their employees, contractual partners, sub-contractors or third parties that could contravene the regulations and ethical principles and influence any decision in the PP/PPP Process or the PP/PPP implementation;
- the White List consists of Tenderers, Users and selected Bidders in public procurement procedures and of Public Partners and chosen Private Partners in the procedures for the creation of public-private partnerships that had acceded to the Pact and in public procurement procedures particularly of those Bidders that had undertaken to adhere to additional provisions with an annex to the Pact.

Article 3

(1) The Signatories of the Pact agree that all communication regarding the PP/PPP Procedures shall be accessible to the Independent Observer throughout the validity of the Pact.

(2) All communication between the Signatories in all phases of the PP/PPP Procedure shall be in writing, by email, or verbal; minutes shall always be taken in the latter case.

Article 4

The Signatories of the Pact and their employees, including those whose assignments are not directly related to the preparation, implementation or monitoring of the PP/PPP Procedure, must refrain from any inappropriate actions as determined by the 10th indent of Article 2 of the Pact.

Article 5

The Signatories of the Pact hereby undertake not to engage in or encourage any concerted action or agreements and other actions that would aim at or result in the prevention, restriction or distortion of competition between various business entities involved in PP/PPP Procedures.

Article 6

The Signatories of this Pact and their contractual partners acknowledge the unacceptability of any direct or indirect mutual promises, offerings or assurances of any illicit benefits connected to acquisition of business, acquisition of business under favourable terms, omission of due supervision of the implementation of contractual obligations or to other actions that would harm some of the Signatories of the Pact while illicitly benefiting others.

II RIGHTS AND OBLIGATIONS OF THE TENDERER/PUBLIC PARTNER

Article 7

The Tenderer/Public Partner shall be obliged to provide the Independent Observer with access to all documents associated with the given PP/PPP Procedure in a timely manner and in any case no later than within 15 days of the creation of a given document. Should the Independent Observer request, in writing or by email, answers to substantial or technical questions regarding an individual PP/PPP Procedure or request delivery of a document (or a scan or copy thereof) regarding which the Observer independently judges that the observance of the Tenderer/Public Partner's obligations pursuant to the Pact necessitates it to be accessed sooner than in 15 days, the Tenderer/Public Partner must provide the requested document within five days of receiving the written or emailed request.

Article 8

The Tenderer/Public Partner shall be obliged to provide the Independent Observer with a list of all natural persons and legal entities, their employees and external consultants participating in the planning and implementation of the PP/PPP Procedure. The Tenderer/Public Partner must notify the Independent Observer of any change to the list within three days of such change.

Article 9

The Tenderer/Public Partner shall be obliged to provide the Independent Observer with a list of planned expenses for outworkers (both natural persons and legal entities) collaborating in the planning and implementation of the PP/PPP Procedure, as well as with previously paid electronic invoices paid based on the signed business agreement and indicating the Tenderer/Public Partner's actual expenses, within five business days of receiving a request pertaining thereto.

Article 10

(1) In the decision starting the PP/PPP Procedure, the Tenderer/Public Partner shall indicate that the procedure is to be monitored by an Independent Observer.

(2) The Tenderer/Public Partner shall be obliged to keep the Independent Observer apprised of the Tenderer/Public Partner-appointed membership of the expert committee charged with reviewing, evaluating and assigning the PP contract or signing the PPP agreement and to submit these members' biographies. Should the Tenderer/Public Partner fail to appoint the expert committee, the Tenderer/Public Partner shall be obliged to provide the Independent Observer with CVs of all persons involved with the implementation of the PP/PPP Procedure.

(3) The Tenderer/Public Partner shall be obliged to provide the Independent Observer with the reports and minutes from the expert committee sessions within five days of such documents and minutes being created.

(4) The Tenderer/Public Partner shall be obliged to invite the Independent Observer to all sessions mentioned in the previous paragraph, either in writing or by email, generally three business days before the date of the session.

Article 11

(1) The Tenderer/Public Partner shall be allowed to provide the Independent Observer with reasoned opinions regarding the course of all phases of the PP/PPP Procedure at own discretion.

(2) Before the Independent Observer publishes the results of their work, the Tenderer/Public Partner shall be given the opportunity to present their answers, comments and clarifications regarding the substance of the reports.

III RIGHTS AND OBLIGATIONS OF THE BIDDER/PRIVATE PARTNER

Article 12

Upon signing this Pact, the Bidder/Private Partner shall be obliged to appoint a senior official who will oversee the Bidder/Private Partner's observance of their obligations under this Pact. Should this official be replaced, the Independent Observer must be notified of this fact as quickly as possible but no later than eight days after such a replacement.

Article 13

(1) The Bidder/Private Partner consents to allow the Independent Observer access to all documents related to the Bidder/Private Partner's role in the Public Procurement Procedure.

(2) The Bidder/Private Partner agrees to allow the Independent Observer access to the location where the subject of the PP/PPP Procedure is being implemented throughout the term of the agreement on the implementation of the subject of the PP/PPP Procedure.

Article 14

The Bidder/Private Partner agrees to act in such a way as to never impede the reporting activities of the Tenderer/Public Partner to the Independent Observer.

Article 15

Together with the Tenderer/Public Partner, the Bidder/Private Partner shall be obliged to keep records of all data, information and communications between themselves and the Tenderer/Public Partner and/or other entities involved in the implementation of the subject of the Public Procurement or Public-Private Partnership Procedure, including those conducted through email.

Article 16

(1) The Bidder/Private Partner shall be allowed to provide the Independent Observer with reasoned opinions regarding the course of all phases of the PP/PPP Procedure at own discretion.

(2) Before the Independent Observer publishes the results of their work, the Bidder/Private Partner shall be given the opportunity to present their answers to the substance of the reports.

IV RIGHTS AND OBLIGATIONS OF THE INDEPENDENT OBSERVER

Article 17

The Independent Observer shall:

- monitor the entire process of preparation, submission and implementation of the PP/PPP Procedure,
- submit an opinion on the conformance of the PP/PPP Procedure with the relevant legislation, ethical principles and provisions of this Pact,
- issue recommendations and proposals regarding the prevention and remediation of identified breaches within the various phases of the PP/PPP Procedure,
- publish the results of their work,
- alert the Tenderer/Public Partner, the User and the Bidder/Private Partner to any breaches identified during the monitoring of the procedure,
- issue recommendations to omit actions that could contravene the provisions of this Pact, and
- report any suspected infringements of relevant regulations to the competent authorities.

Article 18

(1) To carry out the assignments laid out in the previous Article, the Independent Observer may:

1. be present at all activities within the scope of the PP/PPP Procedure and the implementation of its subject matter;
2. request and review documents owned by the Tenderer/Public Partner or Bidder/Private Partner and relevant to the PP/PPP Procedure or its implementation;
3. inquire with the Tenderer or Bidders regarding certain issues.

(2) The Independent Observer shall be obliged to safeguard the data obtained during the provision of the assignments laid out in the first paragraph and labelled confidential by the Tenderer/Public Partner or Bidder/Private Partner with due care and to prevent any access thereto by third parties.

(3) Should the Independent Observer, on the basis of their professional experience and references, believe some of the data had unnecessarily been labelled confidential, the Independent Observer may request the Tenderer/Public Partner or Bidder/Private Partner to re-evaluate and possibly revoke the confidentiality of such data.

Article 19

The Independent Observer undertakes:

- to utilize their professional experience to support the activities of the Tenderer/Public Partner and Bidder/Private Partner aimed at establishing internal structures used to report irregularities and protect whistle-blowers,

- to provide a toll-free telephone number and a secure online form to be used for reporting irregularities during the validity period of the Pact,
- to publish the white list on their website. Serious breaches of the Pact shall be followed by removal from the list.

Article 20

(1) Pursuant to Article 7 of this Pact, the Independent Observer shall be entitled to access all documents created within the PP/PPP Procedure.

(2) The Independent Observer shall be obliged to retain the obtained data and allowed to include them in their reports, provided this is done in such a way so as not to allow for the identification of individual persons. Data on a given individual shall only be allowed to be published with the individual's written consent.

Article 21

The Independent Observer shall be entitled to attend meetings between the Tenderer/Public Partner and the Bidders/Private Partners and participate in activities related to the PP/PPP Procedure.

Article 22

(1) The Independent Observer shall be entitled to provide the Tenderer/Public Partner and the Bidders/Private Partners with recommendations of measures for the prevention of possible breaches or cases of improper conduct that the Observer had identified within the PP/PPP procedure and to keep the Partners apprised of measures to be taken in case of unlawful conduct.

(2) The Independent Observer shall provide their expert opinion on whether a given action is appropriate or inappropriate on a case by case basis and based on all existing data and documentation, applicable law and ethical principles.

(3) Should the Independent Observer detect a breach or improper conduct or the existence of a situation that could lead thereto, the Independent Observer shall be entitled to report the identified breaches or improper conduct to the competent authorities.

Article 23

(1) The Independent Observer shall be obliged to elaborate a final report on their activities, which must include the Observer's opinion on the compliance of the PP/PPP Procedure with relevant legislation, ethical principles and rules laid down by this Pact.

(2) Subject to the provisions of personal data protection legislation, the Independent Observer shall publish the report mentioned in the preceding paragraph on the Observer's website.

VII THE RIGHTS AND OBLIGATIONS OF THE USER

Article 24

(1) The provisions of Articles dealing with the rights and obligations of the Tenderer/Public Partner from Section II shall also apply as appropriate to the rights and obligations of the User.

Article 25

The User undertakes to refrain from any actions that would impede the monitoring carried out by the Independent Observer.

VII FINAL PROVISIONS

Article 26

(1) Those obligations under the Pact that apply to the Tenderer and the Independent Observer shall come into force on the date of their signature of the Pact. The obligations that apply to individual Bidders/Private Partners shall come into force with the Bidder's accession to the Pact as indicated by their signature of the Expression of Will attached hereto as Annex 1. Finally, the obligations that apply to individual Users shall come into force with the User's accession to the pact as indicated by their signature of the Expression of Will attached hereto as Annex 2.

(2) The Expression of Will mentioned in the preceding paragraph must be submitted in writing within 15 days of the signatory receiving a copy of the Pact from a statutory representative or duly authorized person and must be served upon the Tenderer/Public Partner and the Independent Observer in two identical copies. The Expressions of Will of all Bidders/Private Partners and Users, as well as the Pact itself, must be retained throughout all the phases of the public procurement procedure.

Article 27

The Pact shall cease:

- with the conclusion of the term for which it had been signed, or
- by unilateral termination by one or more signatories accompanied by an explanatory statement, which the Independent Observer shall be obliged to publish.

Article 28



Signatories of the Pact undertake to take all actions necessary for the implementation of this Pact. Any disputes relating to the Pact will be resolved amicably. In the extreme case of a dispute that proves impossible to resolve in such a manner, the dispute will be resolved by the court of competent jurisdiction in Ljubljana

Article 29

The Pact shall be valid for the duration of the project and shall come into force when signed by the Tenderer/Public Partner and the Independent Observer. Two copies of the Pact shall be signed, of which each signatory shall receive one copy.

Date and location

MINISTRY OF HEALTH

TRANSPARENCY INTERNATIONAL
SLOVENIA

USER

ANNEX 1

Bidder

Date and location _____

ACCESSION FORM FOR THE INTEGRITY PACT

I, _____, the statutory representative or duly authorized representative of _____ (the Bidder), hereby state that I agree with the accession to the Pact and with the rights laid out therein, and undertake to conscientiously perform all obligations stemming therefrom.

Signature

ANNEX 2

User

Date and location _____

ACCESSION FORM FOR THE INTEGRITY PACT

I, _____, the statutory representative or duly authorized representative of _____ (the User), hereby state that I agree with the accession to the Pact and with the rights laid out therein, and undertake to conscientiously perform all obligations stemming therefrom.

Signature

ANNEX 3 to the Integrity Pact of _____, signed by the Tenderer, the Bidder and the Independent Observer

Article 1

(1) The Bidder undertakes to publish all data regarding their true owners on their website and to do so in a timely manner and in accordance with the provisions of the Prevention of Money Laundering and Terrorist Financing Act (Zakon o preprečevanju pranja denarja in financiranja terorizma – ZPPDFT-1, Official Gazette of the Republic of Slovenia, no. 68/2016).

(2) The Bidder undertakes to act as an example to other companies and do so immediately, but certainly no later than within three months of signing this Annex.

Article 2

The Bidder undertakes to report their true ownership to the Independent Observer, who may, in accordance with relevant legislation, publish these data on their website.

Article 3

The Bidder hereby declares that their operations do not utilize any unethical manners of lowering their tax base and undertakes to publish all data regarding their existing and newly established subsidiaries and equity shares on their website.

Date _____

Tenderer

Bidder

Independent Observer

ANNEX 4 to the Integrity Pact of _____, signed by the Tenderer, the Bidder and the Independent Observer

Article 1

The Bidder hereby acknowledges the importance of reporting unlawful or unethical actions, of protecting the whistleblowers who had called attention to such actions, and of creating a positive working environment based on lawfulness, fairness, ethical standards and other positive business values.

Article 2

The Bidder undertakes to become familiar with the relevant know-how regarding whistleblower protection and best practices and to communicate these to their employees, subcontractors and third parties involved with the public tender.

Article 3

The Independent Observer undertakes to assist the Bidder with the education and familiarization with whistleblower protection and mechanisms used to reveal potential unlawful or unethical practices. To this end, the Bidder shall be entitled to a free workshop for their employees, conducted by TI Slovenia.

Date _____

Tenderer

Bidder

Independent Observer
