



***RESISTANCE OF PUBLIC PROCUREMENT TO
CORROSIVE CAPITAL IN BOSNIA AND
HERZEGOVINA***

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PARTNERSHIP DEVELOPED



- Public Procurement Agency in BiH (PPA)
- CCI
- CSD
- CIPE



Agencija za javne nabavke
Bosne i Hercegovine

APPROACH USED



- In-depth interviews with PPA representative
- Analysis of the **activities and internal anti-corruption policies** of PPA BiH
- Desk research of the policy and legal framework as well as good practice in public procurement
- MACPI survey of PPA employees, local independent experts on public procurement, and a sample representatives of PPA's clients (businesses)

KEY FINDINGS

- 1) Key internal documents of PPA, although harmonized with the existing legal framework, leave room for external influence (economic and/or political) on the work of PPA, particularly in the area of human resources management
- 2) Awareness of exposure to corruption pressure is underdeveloped among PPA's employees
- 3) PPA's capacity and experience (**especially advisory support to its clients and trainings that PPA's experts deliver** to companies and other public institutions) are insufficiently **leveraged (USE a synonym to "leverage")** in the process of improving the Public Procurement Law of BiH – in particular during the parliamentary stage of the adoption of amendments to the Public Procurement Law of BiH
- 4) While PPA cooperates with external stakeholders (primarily media and civil society organizations) on issues related to the public procurement monitoring and public procurement regulatory reform, it has been on a downward path, and it is necessary to consider changing this negative trend

RECOMMENDATIONS PROVIDED

- Internal policies (i.e. the Rulebook of internal control and audit, Rulebook for the procedure for making a statement related to conflict of interest etc.) could additionally specify the control environment factors (such as integrity, ethical values, etc.) and focus on cases of conflict of interest in providing advisory assistance as well as employment of the candidates with highest standards of ethical integrity in their professional record
- **Conducting continued** education of PPA employees about anti-corruption compliance
- Establishing additional channels of communication for corruption reporting as anticipated in PPA's Rulebook on the conduct of the Public Procurement Agency of BiH in the case of an anonymous report for corruption and reports from persons who are not employees of PPA
- Review PPA's Integrity Plan to make it a truly effective tool of much needed risk assessment and management
- PPA may consider using existing statistical data in their annual reports for more in-depth analysis, in order to identify causes of the issues identified related with implementation of PP Law, and provide recommendations towards the policy improvements needed in order to close the governing gaps in procurement processes in BiH.



QUESTIONS ?