OPEN DATA'S IMPACT

OPEN CONTRACTING AND PROCUREMENT IN SLOVAKIA

Establishing Trust in Government Through Open Data

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By Ali Clare, David Sangokoya, Stefaan Verhulst and Andrew Young[*]

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ON OMIDYAR NETWORK

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Summary

Corruption has been a long-standing problem in Slovakia, especially in the area of public procurement. In January 2011, Slovakia introduced a regime of unprecedented openness, requiring that all documents related to public procurement (including receipts and contracts) be published online, and making the validity of public contracts contingent on their publication. These reforms appear to have had a dramatic effect on corruption and, equally important for the business climate, perceptions of corruption. More generally, they are among the chief pillars of an effort – within Slovakia and the European Union at large – to reform governance and make it more responsive, transparent and efficient.

Dimension of Impact

- ✓ Improving Government
- ✓ Tackling Corruption and Transparency

Key Takeaways

- Slovakia's 2011 legislation to enforce greater transparency in public procurement stands as one of "the most dramatic transparency reforms in the world."[1] It improves on an earlier Freedom of Information (FOI) law and builds on successful transparency efforts at the local level, in particular in two municipalities. The success of the national law suggests the extent to which national and regional policies can be positively influenced by small-scale, local efforts.

- Among the most important aspects of Slovakia's law is a move away from transparency by demand to transparency by default. Earlier FOI policies required citizens to actively request information related to procurement. Under the current law, all information is required to be made open by default, making it far easier for citizens and watchdog groups to identify suspicious patterns or other indications of corruption.

- Over 2 million contracts have now been posted online in Slovakia. Because these contracts are available by default to anyone with an Internet connection (approximately 83 percent of the population), procurement and more generally corruption oversight is subject to a more "diffuse knowledge"[2] base. Earlier, a select group of highly motivated activists, journalists or politicians were generally involved in identifying instances of corruption.

- For all the citizenry's newfound ability to identify corruption, Slovakia still lags when it comes to punishing corruption and enforcing accountability. This is a powerful reminder that more information and greater transparency on their own are not sufficient to change societies and political cultures. Greater openness of data and information must be accompanied by institutional reform and political motivation.

- Despite the impact of the legislation on making information on contracts public, this information must still be converted into "real" open data (e.g., made machine readable and accessible) in order to increase access and engage citizens, journalists and civil society. Efforts from civil society groups (particularly Transparency International Slovakia and Fair Play Alliance) are still emerging to standardize, scrape and add functionality to the existing government data to make it truly open. This, too, points to the importance of collaboration between the government and civil society.

I. CONTEXT AND BACKGROUND

Slovakia has long suffered from a problem with corruption. For years it was consistently ranked by Transparency International as one of the most corrupt countries in the European Union.[3] According to a 2010 survey conducted by the Slovakian Business Alliance (SBA), corruption was identified by businesspeople and entrepreneurs as the number one barrier to doing business in the country.[4] Corruption in public procurement was one of the areas identified as most problematic. Robert Kičina, executive director of the SBA, put it this way: "Public procurement didn't have a sound name in Slovakia. Many people and enterprises think it is a very corrupt area. Maybe these suspicions make many entrepreneurs refuse to participate in tenders."[5]

1   Sipos, Gabriel. "Once Riddled with Corruption, Slovakia Sets a New Standard for Transparency." Open Society Foundations. June 2, 2015. http://www.opensocietyfoundations.org/voices/once-riddled-corruption-slovakia-sets-new-standard-transparency.

2   Furnas, Alexander. "Transparency Case Study: Public Procurement in the Slovak Republic." Sunlight Foundation Blog. August 12, 2013. http://sunlightfoundation.com/blog/2013/08/12/case-study-public-procurement-in-the-slovak-republic/.

3   Sipos, Gabriel. "Once Riddled with Corruption, Slovakia Sets a New Standard for Transparency." Open Society Foundations. June 2, 2015. http://www.opensocietyfoundations.org/voices/once-riddled-corruption-slovakia-sets-new-standard-transparency.

4   Kicina qtd. in Furnas, Alexander. "Transparency Case Study: Public Procurement in the Slovak Republic." Sunlight Foundation. Sunlight Foundation Blog. August 12, 2013. http://sunlightfoundation.com/blog/2013/08/12/case-study-public-procurement-in-the-slovak-republic/.

5   Furnas, Alexander. "Transparency Case Study: Public Procurement in the Slovak Republic." Sunlight Foundation Blog. August 12, 2013. http://sunlightfoundation.com/blog/2013/08/12/case-study-public-procurement-in-the-slovak-republic/.

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Early efforts to address corruption included a Freedom of Information Act (FOIA) adopted in 2000. According to the Transparency International Slovakia, this act "became the cornerstone of ... government transparency."[6] However, despite its good intentions, the act had several shortcomings. Most prominent among these was the fact that the act sought to create transparency by demand. Citizens could access information related to government contracts and projects, but that information was not made public by default – citizens had to proactively request it. Among other problems, this concept of transparency by demand made it difficult for public watchdogs and journalists to identify or notice conflicts of interest and other indications of corruption; in general, corruption could only be identified when individuals or groups already had an inkling of its existence and therefore actively request related information. In this respect, the 2011 reforms represented a clear paradigm shift, toward a notion of transparency by default.

Table 1 includes a narrative description of some prominent cases that highlighted the nation's corruption problem, despite the FOIA Act of 2000 and other measures. While many of these were focused on corruption in public procurement, they were in many ways symptomatic of a more general crisis of governance in Slovakia. Indeed, in late 2011 and early 2012, the country was engulfed by large-scale street demonstrations against the government. In an article on these protests from February 2012, The Financial Times described Slovaks as "angered" and "discontent with official cronyism and corruption."[7]

TABLE 1: NOTABLE CORRUPTION CASES

Contract Type	Scandal	Response
Construction[1]	In 2007 the Slovakian Ministry of Construction and Regional Development published a tender request for construction services totaling €119.5 million, by only posting a hard copy on a small notice board in the hallway inside the Ministry building. As this was the inside of the Ministry building, which is not open to the public, only enterprises with pre-existing relationships with the Ministry were able to see the tender request. A firm that was known to have close ties to Ján Slota, the head of the ruling Slovak National Party, ultimately won the contract.	More than a year after the fact, the procedure came to light and was invalidated by the Slovak Office of Public Procurement.

6   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

7   Cienski, Jan. "Slovaks Protest over Corruption Claims" Financial Times. February 10, 2012. http://www.ft.com/cms/s/0/6f-c1858c-48cd-11e1-954a-00144feabdc0.html#axzz3flczWkuI.

Contract Type	Scandal	Response
Legal and PR Services[2]	Also in 2007, the Ministry of Construction and Regional Development used a notice board to obtain legal and PR services. Only one consortium consisting of companies clearly connected to one of the government parties joined the tender. As a result, the state was contracted to pay €120 million over the course of nine years. A single agency logo's price of €85,000 is especially indicative of the level of government overpayment.	After the contract was signed, nearly a year passed before a media outlet discovered and reported the corruption. At that point, Fair Play Alliance worked with media partners to request and analyze not only the contract but individual payments, invoices and other relevant documents. Given the transparency-by-demand ethos of the time, watchdogs had to rely on the courts to honor such FOI requests. In the end, public pressure stoked by media and NGOs, and an investigative report prepared by Fair Play Alliance for the European Anti-Fraud Office (OLAF) and the European Commission forced the Minister of Development to cancel the contract in 2009. Up to €12 million was already paid but more than €100 million could be saved thanks to those efforts. The case has also been investigated by the police and will be tried in Slovak court (though no one involved has been punished as of 2015).

1   Furnas, Alexander. "Transparency Case Study: Public Procurement in the Slovak Republic." Sunlight Foundation Blog. August 12, 2013. http://sunlightfoundation.com/blog/2013/08/12/case-study-public-procurement-in-the-slovak-republic/.
2   Furnas, Alexander. "In Slovakia, Government Contracts Are Published Online." Sunlight Foundation. http://www.open-govguide.com/country-examples/in-slovakia-government-contracts-are-published-online/.

II. PRODUCT DESCRIPTION AND INCEPTION

The genesis of the national legislation under examination here came in response to developments at the European and regional level. First, within Slovakia, two municipalities provided important inspiration for national transparency efforts. In 2005, a group of politicians in the southwestern town of Šaľa grew frustrated by what they perceived as a lack of transparency in the mayor's office. In response, they began publishing public contracts related to municipal business on their website. When the group gained power in city council elections a year later, they expanded these efforts, and Šaľa became the first municipality in Slovakia to publish all public contracts and receipts online.[8] At around the same time, in the northern city of Martin, Mayor Andrej Hrnčiar, citing Šaľa as inspiration, similarly began publishing contracts and receipts online.

"This country needs the public sector and those in power [to] be checked by 5 million citizens of Slovakia."

– Miroslav Beblavy, Slovak National Council

These efforts proved tremendously popular, and both mayors were subsequently re-elected. They provided an indication to the nation at large of what was possible through proactive transparency efforts. In late 2010, when the Slovakian justice minister spoke to Parliament as it debated the proposed new transparency rules, she paid tribute to the groundwork laid by these two municipalities: "I think it is important to remind us that we are drawing inspiration from municipalities, who showed us that having contracts, orders and receipts published online does not cause any problems; on the contrary, it raises the trustworthiness of town leadership and also ensures effectiveness and accountability when dealing with municipality resources."[9]

The legislation, known as Act No. 546/2010 Coll. supplementing Act No. 40/1964, came into effect on January 1, 2011, following an update to the EU Procurement Directives that included reforms such as reverse auction mechanisms for procurement and guidelines for centralized contract repositories.[10] Unlike the existing Slovak FOI law, it was focused on increasing active government transparency and openness. Under the new law, the government was required to publish almost all contracts, receipts and orders online, regardless of whether a citizen had made an active request for information. Importantly, government contracts were not considered

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8   Mečiar qtd. in Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

9   Transparency International Slovakia: Draft of anti-corruption reforms for the city of Martin qtd. in Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

10   Furnas, Alexander. "In Slovakia, Government Contracts Are Published Online." Sunlight Foundation. http://www.opengov-guide.com/country-examples/in-slovakia-government-contracts-are-published-online/.

valid unless they were published within three months of being signed.[11]

Inevitably, there was some pushback and opposition to the law. Some of the most vocal complaints came from mayors at the municipal level who were worried about meeting the law's various requirements, especially with their often quite limited technical and financial resources.[12] Mayors were particularly concerned that the law required all receipts and orders in their municipalities to be made available on the Central Registry, a requirement which they saw as especially onerous. In January 2012, this requirement was repealed and now only metadata needs to be posted on the registry.[13]

Following the enactment of the law, a wide variety of documents was made available online. These were published both at the national level, at Central Register of Contracts (or CRZ: https://www.crz.gov.sk/) and at the municipal level. The documents published included virtually all procurement information, including judicial verdicts, contracts and receipts related to public entities like village schools, prisons, ministries and various other entities. Perhaps surprisingly, the technical and financial issues were minor and the entire process was completed within two months.[14]

Nonetheless, concerns do remain about the scope of documents included on the portal. For example, some 20 exemptions exist to the documents that need to be posted, and these include documents related to employment contracts, national security, family life, and unemployment benefits. In addition, in response to concerns raised by state companies about the need to protect commercial interests (for example, pricing in contract documents), the exemptions also cover certain commercial information. According to Charles Kenny, the exemptions to publication have mushroomed since the portal's launch. In addition, a study by Transparency International found that out of 1,100 state-owned enterprise and municipality contracts included in the study, almost one-fifth weren't published in their entirety.[15]

In addition, one major limitation of the register is that it only publishes data but does not include the tools necessary to analyze that data. In response to this shortcoming, Slovak, a consortium of civil society groups, launched a new site (www.otvorenezmluvy.sk), built on the Central Register data that was searchable and offered a range of analytical tools. Contracts are now analyzed and uploaded each night.

11   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

12   GovLab interview with Gabriel Sipos, Director of Transparency International, August 4, 2015.

13   GovLab interview with Gabriel Sipos, Director of Transparency International, August 4, 2015.

14   GovLab interview with Gabriel Sipos, Director of Transparency International, August 4, 2015.

15   Kenny, Charles. "Learning from Slovakia's Experience of Contract Publication." Center for Global Development. May 21, 2015, http://www.cgdev.org/blog/learning-slovakias-experience-contract-publication.

Figure 1: Screenshot of Central Register

Despite these (and other) shortcomings, Slovakia's law is now recognized as one of the most ambitious and proactive approaches to transparency legislation in existence. Gabriel Šipoš of Transparency International Slovakia has, for example, included it among "the most dramatic transparency reforms in the world."[16] Despite initial hesitations among some businessmen (concerned about publishing sensitive commercial information) and politicians (who feared a new, digital bureaucracy), support has grown since the law's inception. As Miroslav Beblavý, a leading politician, has argued: "Unfortunately, this country needs the public sector and those in power [to] be checked by 5 million citizens of Slovakia."[17]

16   Sipos, Gabriel. "Once Riddled with Corruption, Slovakia Sets a New Standard for Transparency." Open Society Foundations. June 2, 2015. Accessed July 14, 2015. http://www.opensocietyfoundations.org/voices/once-riddled-corruption-slovakia-sets-new-standard-transparency.

17   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

III. IMPACT

The results of Slovakia's transparency legislation have been striking, affecting a wide range of beneficiaries. Impact can be gauged according to four categories: engagement and use, corruption and perceptions of corruption, citizen awareness and oversight, and regional diffusion.

INTENDED BENEFICIARIES

Average Citizens	Legal framework for more efficient and transparent use of taxpayer money
	Annual use of the platform is at 8 percent of the population, following a reported 11 percent in the first year.[3]
	90,000 "heavy users," who have checked at least five public documents[4]
Business Community and Entrepreneurs	Business associations (including the U.S. Chamber of Commerce in Slovakia) were largely supportive of the new legislation.[5]
	Legislation is aimed at addressing Slovakia's difficult business climate: the World Bank's Ease of Doing Business list places Slovakia in the bottom 100 for four key indicators.[6] Prior to the law's enactment, corruption was identified by businesspeople as the number one barrier to doing business in the country.[7]
Media and Watchdog Groups	Media seen as among biggest supporters and beneficiaries of new law
	25 percent increase in stories on procurement in mainstream media
	Increase in variety and source of "tips" received by journalists as average citizens can now identify instances of possible corruption
	Overall increase in number of NGOs and scope of work undertaken by watchdog groups as a result of the legislation

3   To arrive at this number, a professional polling company was employed to undertake personal surveys with at least 1,000 people in 2012 (out of a country of 5 million) and their demographics were recorded (age, education and region). A follow up survey was undertaken early this year which showed that annual use is around 8 percent. GovLab interview with Gabriel Sipos, Director of Transparency International, August 4, tan2015.

4   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

5   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

6   "Doing Business in Slovak Republic." Doing Business—World Bank Group. 2015. Accessed July 14, 2015. http://www.doingbusiness.org/data/exploreeconomies/slovakia#dealing-with-construction-permits.

7   Kicina qtd. in Furnas, Alexander. "Transparency Case Study: Public Procurement in the Slovak Republic." Sunlight Foundation Blog. August 12, 2013. http://sunlightfoundation.com/blog/2013/08/12/case-study-public-procurement-in-the-slovak-republic/.

Engagement and Use

Several indicators point to significant use by citizens, journalists and others of both the central register (CRZ) and documents posted at the municipal level. These include:

Contracts Published: Between 2011 and 2014, over 780,000 contracts were published in an open, machine-readable format on the CRZ.[18] A further 1.2 million were published by municipal authorities. The largest number of contracts was published by Všeobecná zdravotná poisťovňa, the main state health insurer, followed by RTVS, the national broadcaster, and Národná diaľničná spoločnosť, the state highway operator.[19] About one-quarter of the contracts were for amounts higher than 1,000 euros, while 3 percent were for contracts over 100,000 euros.

Citizen Use and Access of Portal: In the years preceding the passage of the new transparency legislation, fewer than 5 percent of citizens used FOI laws to request information from public agencies. According to surveys conducted by Transparency International Slovakia, 11 percent of the population accessed the portal in its first year of existence, followed by an average of 8 percent of the population in the following years.[20] Together with otvorenezmluvy.sk, an unofficial open contracts portal run by Transparency International Slovakia and the Fair Play Alliance, the official CRZ portal attracts approximately 54,000 visits a month. Significantly, this figure has increased by a third since 2012, which suggests that citizen awareness and use of the portal data is gaining momentum.
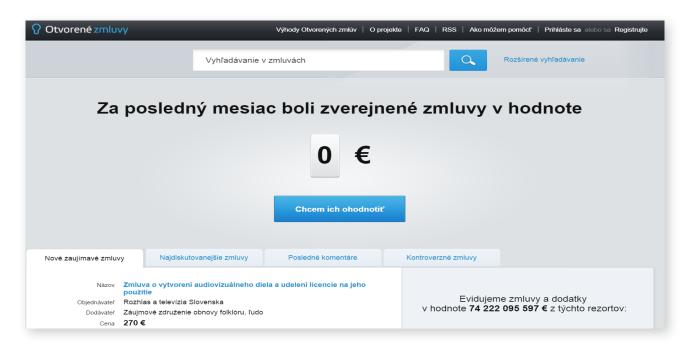

Figure 2: otvorenezmluvy.sk main page

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18 GovLab interview with Gabriel Sipos, Director of Transparency International, August 4, 2015.

19 Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

20 Transparency International Slovakia. Face-to-face omnibus poll. February 3, 2015. Raw data.

A fuller picture of citizen use can be determined from Google Analytics data, provided by Transparency International Slovakia.[21] Although the average visitor to the site spends under two minutes on the site (1m44s), 2 percent of sessions (or 170,000 visitors) spend more than 10 minutes. In addition, 20 percent of visitors are returning ones, indicating the possible existence of a committed group of transparency watchdog groups and individuals. However, Maria Zuffova, a researcher at the Slovak Governance Institute argues that the high level of returning visitors each month could actually point to a high number of individuals working in public institutions visiting the site in an official capacity, such as to upload the contracts and receipts each month.[22]

Corruption and Perceptions of Corruption

Corruption is notoriously difficult to measure. By its very nature, it is hidden, and so challenging to capture. Nonetheless, a few indicators point to the positive impact of the law. These include:

In the 2014 Corruption Perceptions Index published by Transparency International, Slovakia increased its ranking by six places, to 54. This represented a jump of 12 places since 2011, making Slovakia one of the most improved countries over that period.

Transparency International's index relies on perceptions of corruption. But some more objective indicators also suggest the law's impact. For example, while only 2 percent of tenders were conducted electronically prior to the law, almost half are now done that way. In addition to increasing transparency, this has also led to more competitive bidding – an average of one additional bidder per contract, which in turn decreases the contract price by around 2-3 percent.[23]

The competitiveness of bidding on public contracts can be considered a proxy for corruption. Between 2010 and 2014, the average number of bidders on public procurement contracts more than doubled in Slovakia – from 1.6 companies to 3.7 companies.

The European Research Centre for Anti-Corruption and State Building (ERCAS), citing studies conducted by the Sunlight Foundation, concluded in 2013 that "overall, the Slovakian case supports the idea that transparency may be necessary, but not sufficient, to fight corruption effectively." The ERCAS identifies areas of progress as a result of the new legislation, but also cites compliance and implementation (subjects we discuss below) as areas of remaining concern.[24]

21   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.
22   Peer review input from Maria Zuffova, Slovak Governance Institute, November 29, 2015.
23   GovLab interview with Gabriel Sipos, Director of Transparency International, August 4, 2015.
24   "Transparency in Public Procurement Boosts Anti-Corruption Monitoring in Slovakia." European Research Centre for Anti-Corruption and State-Building. September 2, 2013. http://www.againstcorruption.eu/articles/transparency-in-public-procurement-boosts-anti-corruption-monitoring-in-slovakia/.

Citizen Awareness and Oversight

Making available information on procurement is only a first – if important – step. The impact of Slovakia's reforms will ultimately be determined by the extent to which citizen and civil society groups use that information to enforce accountability on their leaders. In this regard, early indications are encouraging. Media reporting on procurement has increased substantially since the passage of reforms (by 25 percent over the last four years, according to one report[25]), and Slovakia has also witnessed a noticeable increase in activity by watchdog groups and NGOs that work to limit corruption. As Eva Vozárová from the Fair Play Alliance notes: "Accessing contracts has become a normal source for journalists and civil society groups."[26]

The transition away from a transparency-by-demand approach to transparency by default has had a particularly powerful effect on the way citizens and watchdog groups identify instances of corruption. Previously, corruption had to be proactively identified through FOI requests, often by individuals or groups who had a certain amount of pre-existing knowledge. Under the new system, however, corruption can be more "passively" identified, for example by citizens who happen to notice apparent irregularities while perusing contracts online. This has led to a far greater number of tips, often passed on by ordinary citizens to journalists, who in turn investigate and call for accountability.

Overall, there has been a move toward what one report calls a more "diffuse knowledge"[27] – a greater number of actors, from a greater diversity of backgrounds, is involved in policing corruption. This diffusion of oversight, away from a select group of corruption fighters to the citizenry at large, is perhaps one of the most important impacts of Slovakia's 2011 transparency reforms.

Regional Diffusion

As with many of the case studies examined in this series, the success of this particular open data effort is also indicated by its regional impact. Slovakia's transparency reforms have been widely hailed as models for Europe and beyond. While it is difficult to assess whether an idea is being explicitly emulated, or if an idea's time has simply arrived, many of the specific steps included in those reforms are occurring in neighboring states:

In August 2011, Slovenia passed legislation making it mandatory to publish certain types of procurement contracts. According to the Slovenian Government Commission for Prevention of Corruption, this legislation was, as in Slovakia, a direct result of political frustration with corruption, particularly at the level of government contracts and tenders. Moreover, such frustration had been legitimized in 2010 by a government analysis of Public Payments Administration data that revealed high levels of corruption.

25   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.
26   GovLab Interview with Eva Vozárová, Web & IT Lead, Fair-Play Alliance, June 23, 2015.
27   Furnas, Alexander. "Transparency Case Study: Public Procurement in the Slovak Republic." Sunlight Foundation Blog. August 12, 2013. http://sunlightfoundation.com/blog/2013/08/12/case-study-public-procurement-in-the-slovak-republic/.

The outcome of this legislation was a portal called Supervizor, which provides information on the business transactions of public sector bodies, including legislative, judicial and executive entities; community-level agencies; public institutes and more. The project was developed by the Commission for the Prevention of Corruption of the Republic of Slovenia and partners in the Slovenian Ministry of Finance, the Public Payments Administration of the Republic of Slovenia and the Agency of the Republic of Slovenia for Public Legal Records and Related Services.[28] The portal at present contains data going back to 2003 (just prior to Slovenia's joining the EU) and indicates various types of information, including that on contracting parties and larger recipients of funds. Data is available in graph or printout form for specified time periods.[29] Its content has been described by one reporter as "a breath of fresh air."[30]

Figure 3: Supervizor main page

In 2015, the Czech Republic passed a similar amendment to its Act on Public Contracts, as well as a Decree on Publication of Notifications, which is believed to be based, at least in part, on the Slovak law. These laws define new guidelines for state contract tender auctions, and all signed contracts for a certain portion of responsible subcontractors must be released to the public. Contract information is now required to be published on the nation's procurement data portal, Věstník Veřejných Zakázek.[31] The Government of the Czech Republic has identified "the computerization of invoices in the state sector and the transparent disclosure of expenditure paid from taxpayers' money, including small-scale contracts" as among its key priorities. [32]

28   "Supervizor." Supervizor—Commission for the Prevention of Corruption. 2011. Accessed July 14, 2015. https://www.kpk-rs.si/en/project-transparency/supervizor-73.

29   Del Monte, Davide, Ernesto Belisario, Andrea Menapace, Guido Romeo, and Lorenzo Segato. "Impact of Open Government on Public Sector Modernization Policies." Transparency International Italia. 2014. http://www.eupan.eu/files/repository/20141215142852_RomeDG_-_14_-_Impact_of_Open_Government_on_PS_modernization_policies.pdf

30   Coldewey, Devin. "Slovenia Launches Supervizor, An Official Public Web App For Monitoring Public Spending." TechCrunch. August 23, 2011. http://techcrunch.com/2011/08/23/slovenia-launches-supervizor-an-official-public-web-app-for-monitoring-public-spending/.

31   "Úvodem." Informační Systémo Veřejných Zakázkách. 2013. Accessed July 14, 2015. http://www.isvz.cz/ISVZ/Podpora/ISVZ.aspx.

32   "Policy Statement of The Government of The Czech Republic." Government of The Czech Republic. February 14, 2014. http://www.vlada.cz/en/media-centrum/dulezite-dokumenty/policy-statement-of-the-government-of-the-czech-republic-116171/.

IV. CHALLENGES

Slovakia has travelled a great distance in its efforts to increase transparency, reduce corruption and improve governance. The reforms it has undertaken are a striking example of how more open and accessible information can have powerful societal, economic and political effects.

Nonetheless, the nation's transition to a more open and transparent society is still underway, the reforms themselves remain a work in progress, and much work remains to be done. If Slovakia is to continue along the path it has set itself, several challenges need to be overcome. The following three are among the most important:

Data Quality

For all the amount of information on public procurement available (over 2 million contracts have now been published), the quality of that information remains a concern. According to a survey, approximately 10 percent of published contracts in Slovakia have at least one piece of key information missing.[33] Another study found that a quarter of contracts had a "subject" missing, 12 percent were missing price-related information, and in 4 percent of contracts the name of the counterparty was redacted.[34] Civil society groups in Slovakia complain that they spend an inordinate amount of time and resources cleaning data, often posting it on their own sites or unofficial portals; the public's interests would be better served by directing those efforts at analyzing documents and identifying questionable transactions.

The public's ability to search and analyze contracts is also limited by an absence of metadata and inter-linking between different databases (for example, databases containing tender notices and invoices and receipts related to that tender). Furthermore, amendments to contracts are often published in isolation, without linkages to the original contract, making it difficult to understand the full context or history of a particular procurement process.[35]

Civil society has played a vital role in transforming public data on procurement into open data that is machine readable and accessible for public consumption. As Eva Vozárová and many journalists involved in open data during the past decade have noted, even when government data is published, it often is not available in usable formats. In other words, the data is still not fully open: It is dispersed across various websites, not available for download, and limited in

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33   Sipos, Gabriel. "Once Riddled with Corruption, Slovakia Sets a New Standard for Transparency." Open Society Foundations. June 2, 2015. Accessed July 14, 2015. http://www.opensocietyfoundations.org/voices/once-riddled-corruption-slovakia-sets-new-standard-transparency.

34   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

35   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

searchability or standardization (that would enable, for instance, cross-database comparisons).[36]

The otvorenezmluvy.sk portal mentioned above, run by Transparency International and the Fair Play Alliance, plays a vital role in supplementing this government data. Its administrators scrape data from government registers and add functionality, including full-text search, basic analytics and the ability to red-flag possible errors or problematic contracts.[37] Transparency International Slovakia's Open Procurement Portal similarly builds on the available public procurement data and "visualizes procurement expenditures by procurers, suppliers, sectors and regions, as well as provides downloadable structured procurement data in bulk."[38] These added functionalities allow for both organizations to conduct broader analyses of government data across key variables.

Cost (and Perceptions of Cost)

When the legislation was being debated, one of the chief concerns was the potential cost of the reforms. Smaller municipalities in particular were afraid of what some termed a new "digital bureaucracy."[39] The concerns were primarily related to human costs, as the financial costs of building and maintaining the contracts portal (and other associated sites and technology) have been negligible: a mere EUR 20,000 to set it up and an additional EUR 3,000 to maintain it, according to the estimation of one involved technician (another EUR 4,500 were spent to update the portal over the first four years).[40]

In fact, according to a study conducted by Transparency International Slovakia, the human and administrative costs have not proven unduly burdensome for most municipalities.[41] Admittedly, in some cases, particularly in those regions with outdated software or hardware, it has been something of a challenge to upload and maintain records of all contracts. In addition, certain institutions (e.g., cemeteries, dormitories and organizations involved in the supply of water) have, for various reasons, found it harder to comply with the legislation. The authorities have responded in many cases by increasing the number of exemptions under the law, allowing those for whom compliance has proven particularly burdensome to avoid uploading certain records.

In some cases, exemptions have been and should continue to be granted to certain types of organizations. However, these should be granted cautiously and judiciously, since, as described above, there is concern about an excess of exemptions having been granted since the law's inception.

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36   GovLab Interview with Eva Vozárová, Web & IT Lead, Fair-Play Alliance, June 23, 2015.
37   GovLab Interview with Eva Vozárová, Web & IT Lead, Fair-Play Alliance, June 23, 2015.
38   Furnas, Alexander. "Transparency Case Study: Public Procurement in the Slovak Republic." Sunlight Foundation Blog. August 12, 2013. http://sunlightfoundation.com/blog/2013/08/12/case-study-public-procurement-in-the-slovak-republic/.
39   Sipos, Gabriel. "Once Riddled with Corruption, Slovakia Sets a New Standard for Transparency." Open Society Foundations. June 2, 2015. Accessed July 14, 2015. http://www.opensocietyfoundations.org/voices/once-riddled-corruption-slovakia-sets-new-standard-transparency.
40   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.
41   Sipos, Gabriel, Samuel Spac, and Martin Kollarik. "Not in Force Until Published Online: What the Radical Transparency Regime of Public Contracts Achieved in Slovakia." Transparency International Slovakia. 2015. http://transparency.sk/wp-content/uploads/2015/05/Open-Contracts.pdf.

Enforcement and Accountability (The Human Factor)

Slovakia's law has in many respects been exemplary in the way it emphasizes transparency. Repeatedly, journalists and civil society groups have been able to use the law to shine light on cases of corruption that would probably have remained hidden before the new legislation.

Yet paradoxically, Slovakia is also illustrative of another key principle: that transparency on its own is not enough. Media organizations and watchdog groups have consistently made the point that, even when instances of corruption are brought to public attention, they often go unpunished. The strengthening of transparency has not been accompanied by a similar increase in enforcement or institutional capacity to enforce accountability. As Peter Kunder, from the Slovakian Fair Play Alliance, notes:

One lesson that we learned from publishing data ... is that it is critical and totally important to have the state publish the data but it is only one part of the success. The second part is that other institutions in the society and other aspects in the society need to work – judiciary, police and public pressure – and that is nowadays a bigger problem in Slovakia than the publishing of information.[42]

V. LOOKING FORWARD

In order to address the above challenges and maintain momentum brought about by legislation and access to data toward meaningfully reducing corruption, Slovakia should consider a number of pathways.

Cross-Sectoral Collaboration Around Data Quality

Greater collaboration among civil society groups and government is vital to improvements in data quality and making public data more open. Ongoing quality checks through such a collaboration could help ensure that published data is complete and usable. Additionally, such collaborative portals would allow citizens to participate in scrutinizing the data and reporting errors.

Additionally, the development of automated data quality checks could help mitigate issues surrounding the data. The UK Health & Social Care Information Center, for example, uses an automated process to clean a variety of hospital episode statistics.[43]

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42   Furnas, Alexander. "Transparency Case Study: Public Procurement in the Slovak Republic." Sunlight Foundation Blog. August 12, 2013. http://sunlightfoundation.com/blog/2013/08/12/case-study-public-procurement-in-the-slovak-republic/.
43   HES Data Quality Team. "The HES Processing Cycle and Data Quality." Health and Social Care Information Centre, 2013. http://www.hscic.gov.uk/article/1825/The-processing-cycle-and-HES-data-quality

Training and Identification of Best Practices

With much of the required technical infrastructure already in place, attention should be paid to the "human factor" – training staff, ensuring they are supplied with the right equipment, and facilitating exchanges of knowledge between different municipalities to establish best practices and other guidelines for using the contracts portal.

Monitoring Compliance

To help ensure ongoing accountability, Slovakia could consider creating an agency within the government focused on monitoring compliance in contracting, perhaps in collaboration with NGOs like the Fair Play Alliance and Transparency International. Such an agency should be empowered to impose punitive (and criminal) sanctions where warranted.

The solution cannot, however, simply lie with new institutions. Existing institutions like the police and judiciary need to be modernized and trained to enforce the letter and spirit of the country's transparency legislation. All arms of the state need to work together.

Until now, public pressure has often stood in for the state and enforced accountability when formal institutions have refused to take action. The public (including citizens, NGOs, watchdog groups and media organizations) will remain critical in ensuring accountability, and must thus receive support and encouragement. In part, this means maintaining a broader ecosystem of free expression, dissent and the right to demonstrate, a goal toward which Slovakia continues to make progress, though challenges remain – such as the wide use of defamation suits by the powerful to silence dissent and whistle-blowing.[44] Robust protections for such civil liberties are a vital part of ensuring political accountability in any society.

Slovakia has unquestionably taken significant steps toward combating corruption through a dual-pronged approach built around legislation and technology. While the actions taken to date have shown great promise and, indeed, appear to be having an impact on corruption in the country, they should be seen as first steps along a much longer path of openness, accountability and citizen involvement.

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44   "Nations in Transit 2015 – Slovakia." RefWorld. June 26, 2015. http://www.refworld.org/topic,50ffbce582,50ffbce-5be,55929ef315,0,,,SVK.html.