



## Press release

20 March 2019

### **TOP OF THE MOST TRANSPARENT state enterprises in Moldova: Special Telecommunications Center, MoldATSA, Casa Presei and Moldpres, the first in the ranking**

**The "Special Telecommunications Center", "MoldATSA", "Casa Presei" and "Moldpres" are the most transparent state-owned enterprises in Moldova. At the opposite pole are SE. the "Confercai" Railway Construction, the Division for Real Estate Operation and the editorial and polygraphic firm "Tipografia Centrală".** This is the conclusion of experts from the Institute for Development and Social Initiatives (IDIS) "Viitorul" and INEKO Slovakia, in partnership with Transparency International Slovakia. The transparency ranking of state-owned enterprises, available on [www.companies.viitorul.org](http://www.companies.viitorul.org), was presented today, March 20, at a public conference.

*"The Republic of Moldova is undergoing a period of reform, and in this context, the transparency monitoring report on public enterprises, developed according to the Slovak methodology, brings more clarity in the public domain. Although state-owned companies in our country still have a lot of work to do compared to the EU companies, we will try together with our partners in Slovakia to reach those European standards and become an example",* stated IDIS "Viitorul" Director, Liubomir Chiriac.

In turn, Maroš Kramár, Development Cooperation Diplomat at Embassy of the Slovakia in Chisinau mentioned: *"On behalf of SlovakAid and Embassy I want to express my gratitude and satisfaction with the implementation of this project and its results, which was run on base of a good example in Slovakia. The collaboration between INEKO, INEKO and Transparency International Slovakia made very significant results that can be useful for the future and for the development of good governance and public policy in Moldova. I hope that in the future the SlovakAid will support such a project again"*

*"Our research confirmed that there is plenty of room for the improvement of transparency of the public companies in Moldova. Thus, we hope that our rating will help responsible managers to improve transparency of their companies and to provide better services for their customers and Moldovan citizens. The transparent environment helps to reduce risk of corruption and inefficiency and this creates trust between the public and providers of public services, which is crucial for good functioning of democracy",* underlined the INEKO director, Peter Golias.

For the calculation of the level of transparency the activity of 68 state-owned enterprises, municipal-owned enterprises and of whole and majority state-owned or municipal-owned enterprises of the Republic of Moldova in 2017 was monitored, with assets of more than one million lei. State enterprises were assessed on the basis of six transparency criteria: economic indicators, transparency and access to information, public procurement and property, human resources, ethics and conflict of interest, grants and sponsorship. The maximum score for an enterprise is 100 points. **Thus, the most transparent enterprises are SE. "Special Telecommunications Center" (44 points), SE "MoldATSA" (44 points), SE "Moldpres" (43 points), SE "Casa Presei" (43 points), and SE. "Poșta Moldovei" (40 points).**

Also, for comparison, 16 similar enterprises from Romania, Russia, Slovakia, Sweden, North Ireland, and Great Britain, as well as four private commercial companies from the Republic of Moldova were monitored. Enterprises from the other countries obtained an average score of 58.91%, which is three times higher than the score obtained by the Moldovan undertakings with public capital.

According to the [monitoring report on transparency of public capital enterprises](#), the general average of transparency of state-owned enterprises, municipal-owned enterprises and of whole and majority state-owned or municipal-owned enterprises in the Republic of Moldova is 17.4 percentage points. While state-owned enterprises have an average of 17.7%, municipal enterprises record an average score of 12.7%. Such results are explained by the fact that state-owned enterprises are usually larger enterprises with more employees and more financial resources. State-owned, municipal and share-based enterprises are best placed in the categories of "economic indicators" and "transparency and access to information", achieving a score of 34.3% and 34.2%, respectively.

Thus, 20 public companies out of 68 have published on the website the annual reports for the year 2017. **The best examples of transparency of the economic indicators include "MoldATSA", "Special Telecommunications Center" and "Casa Presei", which have accumulated to this criterion each by 95.0%.** In terms of access to information, Moldatsa and "Apă – Canal Cahul" – 79 and respectively, 75%.

In terms of human resources, half of the enterprises do not publish the job offers on their web site, six monitored enterprises have publicly communicated the resume of the administrator and only the "Special Telecommunications Center", "Casa Presei" and the editorial and polygraphic enterprise "Știința" indicated in the annual reports the size of the manager's salary in 2017.

*"The state-owned and municipal-owned enterprises were always out of public scrutiny although their activity is most at risks of corruption due to their proximity to governance and civil servants. And the best way to prevent and mitigate corruption within state-owned and municipal-owned enterprises is to ensure their transparent activity, implementing corporate governance standards and opening the data on enterprise activity, economic indicators, public procurement, undertakings' employment process and other core information about these public entities",* believes Viorel Pîrvan, author of the monitoring report on transparency of public capital enterprises.

The most problematic areas of transparency for public enterprises are "public procurement and property", „ethics and conflict of interest" and "grants and sponsorship", with an average not exceeding 4.0%. Therefore, 50 enterprises did not publish public procurement notices on the website, and no enterprise monitored has used the electronic platforms for procurement procedures in 2017. Only the State Enterprise "State Road Administration" published information on winners of public procurement on the web.

Also, only three companies have developed and published in 2017 a Code of Ethics for the employees of the enterprise. The best example for the elaboration and publication of documents and information on ethics and conflict of interest is "Moldpres", which obtained 62.0%. Regarding "Grants and charity", Moldovan public enterprises have not accumulated any points, according to [www.companies.viitorul.org](http://www.companies.viitorul.org).

According to the State Register, on 1 January 2019, 1 552 state and municipal enterprises and 4,416 joint stock companies were active in Moldova.

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Top of the most transparent state-owned enterprises in the Republic of Moldova can be found on the open data portal [www.companies.viitorul.org](http://www.companies.viitorul.org).

*The event is held within the initiative „Promoting transparency and financial sustainability of regional policies, state – owned enterprises and local authorities in Moldova", implemented by IDIS "Viitorul", in partnership with the Institute for Economic and Social Reforms in Slovakia (INEKO). The initiative is financially supported by the Official Development Assistance of the Slovak Republic (SlovakAid). It aims to improve the efficiency of the state administration, self-government and civil society in the area of creation and control of regional policies, administration of state-owned enterprises, and monitoring of budgets and information openness of municipalities.*

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