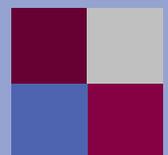


Evaluation VOG RP

SUMMARY



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Background

Commissioned by WODC, the Research and Documentation Centre of the Ministry of Justice, Ergo conducted a study into the issue of the Certificate of Good Behaviour for Legal Persons (VOG RP) by the Central Body for the Certificate of Good Behaviour (COVOG). A part of the Ministry of Justice, COVOG is in operation since April 2004.

There is a threefold problem definition

1. *How can the interested parties (the organisations that ask other organisations to submit a VOG RP) and the applicants (the organisations that are asked to submit a VOG RP) be characterised?*
2. *How to explain that use of VOG RP is limited? How can the use of VOG RP among interested parties be stimulated? Which adjustments of the VOG RP are necessary for that purpose?*
3. *Is there a need for another integrity instrument? What differences are there between this new instrument and the VOG RP?*

Derived from the above problem definition are two sets of central research questions: the one pertaining to the evaluation of the work process, the other focusing on the interested parties.

The study included the analysis of the COVOG database and files, in combination with in-depth interviews with COVOG staff, chain partners and focal points within interested parties. The field work for this study took place between January and September 2006.

Key results

1 The work process

Hardly any active promotion

The interviews with COVOG staff point out that the limited number of VOG RP issued is to be seen in the context of the new organisation COVOG, which worked under pressure since its foundation. Looking back, it can be concluded that the VOG RP was not actively promoted. Instead, COVOG chose to put the emphasis on the processing of increasing numbers of applications for VOG NP, so that there was no time left for the promotion of VOG RP. This explains why in 2004 and 2005 use of VOG RP remained stable. In addition, compliance with European tender regulations was not very strict, whereas official procedures prescribe that tenderers should submit a VOG RP.

Few adjustments of the work procedures

The processing of applications for VOG being the main activity of COVOG, little attention has been paid to further adjustments of the work procedures and the VOG RP, with respect to content. There are for example no specific screening criteria for applications for other purposes than tenders. Neither were there until recently clear procedures in order to determine the admissibility of applications, until a list of criteria was drawn up in July 2006.

Database has shortcomings

The COVOG database works only as a (tracking and tracing) registration system for individual cases. However, it can not generate all necessary management information, thus impeding for example target group analyses and market forecasts. These are considered important, because demand (for both VOG RP and NP) is expected to continue to increase steadily, clogging up the processing apparatus should no measures be taken. In addition, the information in the database contains many mistakes.

Time-consuming

Compiling a complete file takes up much time and effort. Often applications can not be sent ahead to the central criminal record register (JustID), because some of the necessary documents are lacking. In addition, most applicants too take the view that the application procedures take too much time and effort.

Increasing demand

In the meantime, demand for VOG RP shows a steady increase. By 2006 COVOG receives approximately 300 applications monthly, on average, as opposed to 100 monthly in 2005. This shows that awareness of the VOG RP is on the increase, partly because of the compliance with tendering procedures. It is expected that the number of applications for VOG RP will continue to show a steady increase, both for tender purposes and for a broad range of other purposes. According to the new public tender act local government organisations too must test the integrity of companies tendering for a contract. Government organisations are also responsible for the increasing number of applications because of the compulsory integrity test as stipulated in Bao and Bass.

However, private companies that ask other companies to submit a VOG RP are poorly represented among interested parties (20% in 2005). This will probably remain so in the years to come.

2 Interested parties

Mainly government

By far the most important interested parties are national, regional and local government. It mainly concerns applications in the context of European and other public tender procedures. Also important are applications for non-tender contracts and agreements, including compiling a list of preferred suppliers for future tenders. Finally, trade organisations ask candidate members to provide a VOG RP.

Objectives

The most important reason for organisations to demand a VOG RP can be reduced to statutory regulations with respect to tender procedures. These tender procedures require that national government organisations should check the integrity of organisations tendering for a contract. Local government often voluntarily ask contract partners to submit a VOG RP, either to reduce risks or otherwise. In the near future local government will also be required to check the integrity of companies tendering for a contract. In addition, in view of the fresh memories of the 'Bouwfraude', the parties inviting tenders try to reduce the (most important) risks, by asking VOG RP of the companies tendering for a contract and thus exclude fraudulent companies. Quite a few interested parties especially trust in the preventative effect of the requirement to submit a VOG RP, although there is no hard evidence that fraudulent contractors actually decide not to tender.

Trade associations asking candidate members to submit a VOG RP have a different motive. They try to keep out companies that could blot the reputation of the trade. However, some trade associations have doubts about the effectiveness of the VOG RP in this respect.

Trust in the Ministry of Justice

Generally speaking, interested parties asking other organisations to submit a VOG RP are not much aware of the scope of the document. However, they have a firm belief in the effectiveness of the VOG RP, because it is issued by the Ministry of Justice, whose expertise is beyond all doubt. Apart from that, the greater part of the relevant officials at interested parties suppose that the decision to issue a VOG RP is based on all incriminating evidence the Ministry of Justice can trace. They do not understand how it is possible that building companies involved in the building fraud get a VOG RP anyway.

It can be concluded that the content of a VOG RP (as well as the underlying decision process) is more or less a black box for the interested parties. They trust in the expertise of the Ministry of Justice and have hardly any ideas for adjustments. According to them, the current VOG RP is quite satisfactory.

VOG RP yet satisfactory

Ergo concludes that the VOG RP currently fits the (limited) needs of the interested parties. Most of these officials at interested parties expect that they can reduce certain business risks by asking a VOG RP. For them it is important that the VOG RP both effective and not too costly, and that the application time is acceptable for them. However, this may change as soon as the officials involved gain a clear insight into the content of the VOG RP and the decision process behind it. Those who currently have most doubt about the VOG RP belong to the small group of officials who have a clear insight into the VOG RP and the assessments made by COVOG. They explain in great detail what the limitations are of the current VOG RP.

Poor awareness of procedures

Small companies in particular are little aware of current application procedures. As yet, awareness of the generic VOG RP is quite poor too. A substantial part of the interested parties considers an eight weeks' application time too long. For weeks would be more acceptable to them.

3 Most expectations met

It may be concluded that there is no need for a new integrity instrument instead of the VOG RP, as far as the interested parties are concerned. It may be expected that the number of applications will continue to show a substantial increase, even without adjustments and without active promotion. Whatever future adjustments may be, they must lead to a VOG RP that is credible, inevitable, trade-specific and trade-approved, transparent and most of all simple to apply for.