



Weekly Briefing

Slovenia social briefing:

Purchases of medical equipment, related corruption suspicions and the public response

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Summary

When the epidemic of Covid-19 started spreading into Slovenia, one of the first problems turned out to be a severe lack of medical equipment, especially ventilators, and personal protective gear. When epidemic was declared in mid-March, the new government set on the task to purchase the needed equipment as soon as possible. This process, led by the Ministry of Economic Development and conducted through the Agency of the Republic of Slovenia for Commodity Reserves later turned out to be intransparent in some cases. Several cases of likely irregularities were exposed in media in April, which then provoked a social movement against the government-level corruption.

Background: Lack of medical equipment at the onset of the epidemic

When the epidemic got worse in China and first cases started appearing in Europe, many institutions in Slovenia started expressing worries about the lack of basic personal protective equipment, especially FFP masks, but also standard surgical masks, gloves, gowns, goggles and visors. After nine days since the first patient was tested positive, epidemic was officially declared on March 12th. At that time, 57 cases tested positive, and the daily growth rate of cases was over 60%. The worrying scenario for all parties involved in dealing with the epidemic was what happened in Italy in previous weeks. In Lombardy especially, there were reports of such rapid rise of cases that hospitals were running out of protective gear, and even more dreadful, of ventilators to help patient with severe breathing difficulties due to the Covid-19 pneumonia. Medical professionals especially, started warning that Slovenia does not have enough of both equipment and protective gear. When the new government took over on March 13th, one of the first public statements of the new Minister of Health, Tomaž Gantar, was related to the number of available ventilators. He stated on March 13th, that the total number of working ventilators in hospitals is 168, while only 20 or 30 of these could be used for treating patients with Covid-19, while others are occupied for other intensive care patients. When all non-urgent medical procedures and check-ups were stopped in the next, this number could be higher, but still not

enough in case the epidemic got significantly worse. The task of purchasing the necessary equipment was given to the Agency of the Republic of Slovenia for Commodity Reserves, which also provided the first supply of masks and other equipment from its reserves at the very beginning of the epidemic. The same time, the government was photographed wearing FFP3 masks on its first meeting only to remove them few minutes later, which was severely criticized in public especially by the medical professionals, who were struggling with a lack of protective equipment when working with the first coronavirus patients.

First attempts to buy equipment

On March 18th the Minister of Defence, Matej Tonin, said that the supplies of the personal protective equipment were emptied and that two large orders are on the way to Slovenia, a 1.5 million masks that were ordered from Germany and another 3 million masks that were supposed to arrive with a transport across the Italian border. The latter then turned out to be a scam and the masks never arrived, while Tonin asserted that no prepayment was made from the Slovenian side. Several individual actions were also made, most notably a donation of 300,000 masks by Jack Ma, the founder of Alibaba, organized by Slovenian president of the UEFA, Aleksander Čeferin.

A decision by the government for all orders to be done through Slovenian intermediary companies and not directly from the suppliers, then contributed to shape the specific situation with these emergency orders. When the Minister of Economic Development announced that the state will be buying supplies, many companies sent their offers, while in a haste and not very transparent way, only a handful of them were then chosen to supply the equipment. For the ventilators, an expert group of intensive care specialists was asked to assess the offers and selection made at the government level was then communicated to the Agency for Commodity Reserves, which processed the orders and signed the contracts. The person responsible for the coordination of these purchases was Jelka Godec, vice-president of Janez Janša's Slovenian Democrats, who then became State Secretary for Healthcare in Prime Minister's cabinet.

Media scandals related to the purchase of medical equipment

Following the first lapse, the scam that government representatives fell into when ordering 3 million masks from a dubious supplier from Bosnia and Herzegovina, media and the general public started to pay closer attention to the way equipment was purchased. In the

beginning of April, press reported that the mother of the Minister of Defence, Matej Tonin, is among the directors in Acron, one of the companies selected to provide medical equipment. Minister Tonin denied any involvement, claiming that his mother was absent from work in recent period. Around April 10, media reported that a well-known Slovenian businessman Joc Peččnik organized another transport of approximately 20 tons of equipment, including 1.2 million masks and 30,000 gowns. In interviews, Peččnik openly bragged that the equipment was “stolen”, meaning that it was taken from shipments reserved for other buyers, a statement which earned him lots of criticism in public. Ten days later it was discovered that the masks supplied were not of the listed quality, namely that instead of FFP2 the masks were only standard surgical masks. Another masks-related scandal broke out in media when some institutions in Slovenia received a supply of masks, made of Airlaid towels, fixed with rubber bands. 500,000 of these very basic masks were bought by the government at a surprisingly high price of 76 cents per piece, while the cost of the material was estimated in media reports to be less than 10 cents per piece.

The biggest purchases-related scandal and the one to put other previous cases in perspective broke out when the national TV station broadcast “Tarča” (“Target”) presented the story about dubious purchasing practices. Based on the testimony of an employee of the Agency for Commodity Reserves and a number of documents, they described the pressure of several high ranked politicians on the Agency to ensure the large-scale purchase deals were made with the companies they lobbied for. The politicians allegedly involved in this scandal, included also the Minister of Economic Development, Zdravko Počivalšek, and several right-wing politicians, e. g. former Member of European Parliament Lojze Peterle and the president of Slovenian People’s Party Marjan Podobnik. The employee that provided the information to the media was put under police protection due to threats he was receiving, while on the other hand he started becoming an icon of protest against the government on social media. Several other media broadcasts followed in the next days, one of them also discovering that one company which supplied a large order of ventilators, was selected by the Ministry despite the fact the ventilators they provided were deemed by the expert group to be potentially dangerous and not suitable for treating patients with Covid-19. Even more, as decided by the Minister Počivalšek this company was the only exception in receiving a prepayment from the government, otherwise decidedly not a practice in these purchases.

Public response

Combined with a pre-existing growing level of dissatisfaction and doubt about the expert justification for some restrictions imposed by the government to stop the spread of the virus (especially the limitation of movement to the municipality of residence), these media broadcasts resulted in a wave of public criticism. In the lock-down situation, the criticism first started growing in the social media, but soon it took the shape of organized protests, modified to follow the current restriction of gathering and movement. First organized on balconies, then it took on a new form of “cycling protests”, in which a number of people on bicycles rides through town, making circles in front of the parliament and other government institutions. The first protest of this type happened on April 24th. On May 1st, two protests were organized in front of the Slovenian parliament, the first at noon, where around 100 people came to protest, standing in a dispersed group according to the social distancing limitations. In the evening of May 1st, another of the cycling protests happened, gathering a large group of 3500 people.

Conclusions

Haste and at times intransparent practices in the purchase of medical equipment and personal protective gear in dealing with the Covid-19 epidemic in Slovenia has resulted in several cases, where potential corruption is now being investigated. With the population already doubtful, whether the government bases its lockdown measures on expert evidence or not, the discovery in media of these scandals only added to the existing public dissatisfaction, causing a number of public protests. The development of these is still very unpredictable and will greatly depend on the response from the government and on whether more transparent policies and science-based decisions can be expected in their coming actions.