

Organisation of Erection of the War of Independence Victory Column

Why was the monument not completed by the intended deadline and what did it start needing repairs immediately after opening?

Report of the National Audit Office to the *Riigikogu*. Tallinn, 3 February 2012

Summary of audit results

The National Audit Office evaluated the activities of the Ministry of Defence in erecting the War of Independence Victory Column from the moment the monument was planned until the finalisation of its erection. The National Audit Office evaluated the management of the monument's construction, the selection of important contract partners and the organisation of owner's supervision, and it also checked whether the money allocated for the erection of the monument was used expediently, economically and lawfully. The causes of the problems encountered during the erection of the War of Independence Victory Column and the opinions of experts about the long-term stability of the monument were also analysed.

The War of Independence Victory Column is so far the most important monument erected in Estonia after the country regained its independence to commemorate the people who fought for the independent state of Estonia. The state spent more than eight million euros on the erection of the monument, incl. the 200,000 euros donated by thousands of people. The monument was completed considerably later than planned. Several significant defects were found after the opening ceremony, including the fact that the lighting system did not work and had to be replaced. The defects found in the War of Independence Victory Column were widely discussed in public, which is why it is important to submit an unbiased opinion of the activities of the Ministry of Defence in organising the erection of the monument.

In the opinion of the National Audit Office, the main reason behind the defects that emerged during the erection of the War of Independence Victory Column was that the entire process was too rushed. The unrealistic deadline for completion of the monument, which was decided at the political level, is what caused the rush. The National Audit Office believes that it was practically impossible to build the monument in less than a year and have it look like the winners of the design contest pictured it in January 2008.

The massive time pressure meant that good public procurement practices were not adhered to in the organisation of several procurements, the suitability of the intended solution for the monument's central part, the column and the cross, was not adequately assessed and the quality of the works was not supervised as required. Due to numerous problems, the War of Independence Victory Column was finalised seven months later than intended, and the repair costs incurred after its opening meant that erecting the monument cost 2.1 million euros more than initially presumed.

» The National Audit Office did not find any evidence to suggest that the money allocated by the state and the donations given by the Monument to Freedom Foundation to the Ministry of Defence were used for any purposes other than to cover the expenses associated with the monument.

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Key observations of the National Audit Office

■ 28 November 2008, when 90 years passed from the start of the War of Independence, was set as the date for completion of the War of Independence Victory Column before anyone knew what the monument would look like, what materials would be used and how complicated its erection would be. Nobody suggested that the completion deadline may have to be changed after it was decided that the column and the cross would be covered with glass instead of the initially planned material. The date of opening, which had been set at the political level, prevented the persons directly

engaged in the erection of the monument from giving an objective assessment of whether the Ministry of Defence and its contract partners were able to solve the problems that were likely to occur in the course of the project.

- The calculations made by the Ministry of Defence in 2011 indicate that the erection of the monument and the elimination of the defects found after its opening cost 8.5 million euros in total, which exceeds the initially planned amount by a third. 0.8 million euros of this amount or 9% of the total cost of the monument was spent on repairing defective works. The National Audit Office found no evidence to suggest that the money allocated to the Ministry of Defence by the government from its reserves, the money allocated by the Ministry of Defence from its own budget, and the money received as donations from the Monument to Freedom Foundation had been used for any purposes other than to cover the expenses associated with the monument.

- The manner of financing the works was not transparent. More than a half of the expenses were covered with money initially allocated for defence purposes. The National Audit Office finds that considering the importance of the monument, the costs of its erection should have been recognised in the state budget or in the plans for distribution of state budget funds separately from any other expenditure.

- Czech company Sans Souci s.r.o. was selected to design and build the column and the cross without a proper contest, because the unreasonably short deadline for submission of tenders meant that it was impossible for the other companies invited to participate in the contest to submit tenders at the requested level of detail.

- In many cases, construction started before the required project documents had been prepared. The lack of required project documents meant that the necessary expert analyses of the technical solutions were not carried out. It later turned out that some technical solutions (lighting and ventilation) were not working and the state incurred additional costs in fixing them. Incomplete project documentation also made the performance of owner's supervision and finding defective works at the right time more difficult.

- Estonian construction companies were generally selected from among several tenderers and the amount of the requested fee was used as the selection criterion, i.e. attempts were made to get the work done under the best conditions available in the market conditions of the time. There was basically no competition for the selection of the chief designer and the project manager.

- Experts find that the supporting structure of the monument's column and cross is strong, and with proper maintenance should remain strong for at least a hundred years. The glass panels are also securely fastened to the supporting structure. The experts do not have a clear position on the crack resistance and colour stability of the glass panels. The experts have inspected the technical systems installed in the monument in the end of 2010 and in the beginning of 2011 and found them to be reliable and given them a 5-year operating warranty.

The Minister of Defence noted in his letter to the National Audit Office that the audit report helps to explain the issues surrounding the erection of the monument to the public. The Minister claimed that the Ministry of Defence reacted to the materialization of the risks arising from the complexity of the project and the ambitious schedule systematically and without rushing, and the best specialists were involved whenever necessary.

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