HIGH-LEVEL MEETING

Reinforcing Political Will to Fight Corruption in Eastern Europe and Central Asia

10 December 2012, OECD, Paris, France

REPORT OF THE MEETING

OECD Anti-Corruption Network for Eastern Europe and Central Asia

Organisation for Economic Co-operation and Development
INTRODUCTION

The High Level Meeting “Reinforcing Political Will to Fight Corruption in Eastern Europe and Central Asia” took place on 10 December 2012 at the OECD Conference Centre.

The meeting brought together Ministers, Heads of Anti-Corruption Agencies and senior officials responsible for the fight against corruption from Eastern Europe and Central Asia and from several OECD countries. Delegates took stock of recent achievements and challenges and established strategic directions for the future anti-corruption actions.

The High Level Meeting adopted the Statement on Strategic Directions for Fighting Corruption in Eastern Europe and Central Asia. In the Statement delegates acknowledge that corruption remains a serious challenge in the region and commit to take reinforced actions to fight it. The Statement sets out strategic directions for future actions, including: stronger anti-corruption policies; involving business in corruption prevention; strengthening law-enforcement efforts; and effective prevention of corruption in the public administration.

The Statement will guide the future anti-corruption efforts of governments and non-governmental partners in Eastern Europe and Central Asia. It will also serve as a basis for the new Work Programme of the OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN).

The meeting was organised by the OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN). The ACN is a regional anti-corruption programme under the OECD Working Group on Bribery. Since its establishment in 1998, the ACN provides a regional forum for the promotion of anti-corruption reforms, exchange of information, elaboration of best practices and donor coordination.¹

For more information, visit www.oecd.org/corruption/acn.

This report comprises a summary of the discussions at the High Level meeting, the Statement on Strategic Directions for Fighting Corruption in Eastern Europe and Central Asia, keynote speeches and presentations, the agenda and the list of participants.

¹ ACN is open for all countries in Eastern Europe and Central Asia, including Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Estonia, Former Yugoslav Republic of Macedonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Mongolia, Montenegro, Romania, Russia, Serbia, Slovenia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan. OECD countries participate as partners or donors. The ACN is open for international organisations, such as the Council of Europe and its Group of States against Corruption (GRECO), the Organisation for Security and Cooperation in Europe (OSCE), the UN Office on Drugs and Crime (UNODC), and the UN Development Programme (UNDP), as well as multi-lateral development banks, such as the Asian Development Bank, Council of Europe Investment Bank, EBRD, and the World Bank. The ACN is also open for participation by non-governmental partners, such as Transparency International, and business associations.
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Participants of the High Level Meeting, 10 December 2012, OECD, Paris
SUMMARY OF THE MEETING

Overview and objectives

The High Level Meeting brought together anti-corruption decision makers and key players to take stock of achievements and challenges to date and to develop a strategic direction to reinforce the fight against corruption in Eastern Europe and Central Asia in the years to come.

The meeting focused on four topics: 1) how to make anti-corruption policies more robust; 2) how to engage in dialogue with business sector; 3) advancing reform of criminal legislation and strengthening law-enforcement efforts against corruption; and 4) effective measures to prevent corruption in the public sector.

The discussion at the meeting was enriched by the report prepared by the ACN Secretariat “Fighting Corruption in Eastern Europe and Central Asia, Summary Report 2009 – 2012”.

Participants

The High Level Meeting brought together 90 participants from 18 countries in Eastern Europe and Central Asia, including one Minister, several deputy Ministers, Heads of Anti-Corruption Institutions and several deputy Prosecutor Generals and other high level officials. The meeting was attended by senior representatives from 10 OECD and other world countries. Among the international organisations and international financial institutions represented were the OECD, the Council of Europe, OSCE, EBRD, UNODC, UNDP, Regional Anti-Corruption Initiative of the South-East Europe and the International Anti-Corruption Academy. Civil society, business organisations and other non-governmental partners, including American Bar Association, Transparency International, American Chamber of Commerce, European Business Association of Ukraine, Business Association of Georgia, Ernst and Young, Investor’s Forum of Lithuania, Ethics and Reputation Society from Turkey and newspaper “Ukrainian Pravda”, also took part.

Opening remarks

In his opening remarks, Mr. Rintaro Tamaki, OECD Deputy Secretary-General, noted that fighting corruption and building good governance is a priority for the OECD, and it is a major challenge for many countries around the globe. There has been progress in fighting corruption in Eastern Europe and Central Asia, but corruption remains a major obstacle in the region. He recalled that fighting corruption requires strong political will, political leaders demonstrating integrity by example and effective implementation of anti-corruption strategies, enforcing legislation and punishing corrupt behaviour, cleaning up public administration and taking practical measure to prevent corruption in the business sector. He called upon participants of the High Level Meeting participants to discuss what countries can do together to make
sure that our anti-corruption policies and measures are effective, and that their implementation reduces corruption in our countries.

**Session 1: How to make anti-corruption policies more robust?**

The session dedicated to anti-corruption policies was chaired by Mrs. Carolyn Ervin, Director, Directorate for Financial and Enterprise Affairs, OECD and Ms. Simona-May Teodoroiu, Secretary of State, Ministry of Justice, Romania.

Ms. Ervin and Ms. Teodoroiu recalled that the ACN has recently completed a new report that analyses anti-corruption achievements and challenges since 2008 in the region. While almost all countries have developed anti-corruption strategies, the report finds that their impact is limited and it is important to understand what makes an anti-corruption strategy a success. Ms. Ervin highlighted that political will and public support and involvement are key to success of anti-corruption policies. Also, anti-corruption policies and strategies should be based on good knowledge and more efforts should be made to monitor their impact.

Ms. Tea Tsulukiani, Minister of Justice of Georgia, gave a keynote speech on the achievements and future challenges in fighting corruption in Georgia. Minister Tsulukiani in her speech demonstrated how Georgia has succeeded to combat corruption, in particular at low level. Ms Tsulukiani stressed also the importance to create a strong judicial system in Georgia and strengthen the independence of judges.

Mr. Gordan Markotić, Assistant Minister, Ministry of Justice of Croatia, gave a keynote speech on efforts to fight corruption in Croatia. Mr. Markotić stressed that Croatia has achieved results in fighting corruption, including many criminal proceedings against, among others, former Prime-Minister, former Vice-President of the Government, several other ministers and high ranking officials, directors of private and state-owned companies and banks. Mr. Markotić emphasised that only repression is not enough to efficiently fight corruption. Efforts against corruption are increasingly turning to prevention. Mr. Markotić highlighted some preventive measures that have proven useful in Croatia, such as analysing corruption risks in the legislation, simplifying and digitalising administrative procedures, enhancing transparency in the work of public institutions and public procurement, measures to prevent conflict of interest and raising awareness about corruption. Mr. Markotić highlighted the value of international co-operation in fighting corruption and emphasised that Croatia is committed to build its efforts to fight corruption on international standards in this field. Mr. Markotić also stressed the importance of systematic monitoring of the implementation of the anti-corruption strategy, including appropriate institutional oversight mechanisms, and regularly examining how relevant the proposed measures are and updating them, if necessary.

Mr. Fuad Alesgerov, Head of the Department on Work with Law-Enforcement Bodies of the Administration of the President of the Republic of Azerbaijan and also member of the Commission on Combating Corruption in Azerbaijan, stressed that the adoption of an anti-corruption strategy is necessary to reduce corruption, but it also contributes to economic development and forming a better business and investment climate. Mr. Alesgerov emphasised that the fight against corruption requires a strategic approach, active participation of all stakeholders and coordination of their efforts. Planning anti-corruption measures within a common policy framework is one of the major conditions to be successful in this process. Mr. Alesgerov also noted the importance of the OECD Anti-Corruption Network for Eastern Europe and Central Asia, creating a platform for sharing experience among countries with common experience. Evaluations, analysis and recommendations provided as part of the Network
contribute to the ongoing anti-corruption reforms in the countries, said Mr. Alesgerov. Finally, Mr. Alesgerov also noted that an important tool to prevent corruption increasingly is becoming the use of information and communication technologies in public services delivery, for example, creation of “Easy Service” points in Azerbaijan, where it is planned to provide citizens with 23 public services.

Mr. Lorenzo Salazar, Director for International Criminal Affairs in the Ministry of Justice of Italy and Head of the Italian delegation to the OECD Working Group on Bribery gave a keynote speech on fighting corruption in Italy in the light of the new anti-corruption legislation. Mr. Salazar informed on a comprehensive set of measures aimed at preventing and repressing corruption and enhancing integrity in the public administration introduced in Italy in November 2012, which address recommendations provided by the OECD Working Group on Bribery and the Council of Europe. Mr. Salazar noted that corruption remains a particularly challenging crime to detect and its effective prosecution often requires a considerable degree of flexibility. Mr. Salazar also highlighted same practical challenges in investigating and prosecuting corruption, noting that it is often difficult to strike the balance among legal traditions, implementation of international standards and requirements of an effective prosecution.

The discussion showed the importance of establishing right priorities for anti-corruption policies, and for ensuring that all parts of the Government take their responsibility for preventing and punishing corrupt behaviour. It also confirmed that meaningful involvement of civil society and all stakeholders is of paramount importance for the success of the anti-corruption policies, and that monitoring implementation needs further strengthening. The discussion confirmed that countries in Eastern and Central Europe need to focus on implementation and enforcement of anti-corruption measures.

Session 2: Engaging in a dialogue with business sector to prevent corruption

The session on engaging in a dialogue with the business to prevent corruption was chaired by Ms. Enery Quinones, Chief Compliance Officer, European Bank for Reconstruction and Development, and Ms. Nino Panjikidze, Deputy CEO, Business Association of Georgia.

Ms. Quinones and Ms. Panjikidze recalled that business integrity is a relatively unexplored area in Eastern Europe and Central Asia. The governments have not yet taken systematic and focused measures to promote integrity. Some companies, mostly large international enterprises working in the region, have introduced internal compliance programmes. Business associations are starting to develop ethics and anti-corruption activities. However, up to date business community has not yet become a strong player in the fight against corruption. Ms. Quinones emphasised that it is important to launch dialogue with the business sector and raise awareness about the risks of corruption and practical solutions for companies, and involve companies in consultations about measures to stimulate business integrity. It is important to promote corporate transparency and disclosure requirements for companies, including state-owned and state-controlled enterprises. Ensure channels to report corruption, encourage companies to developed codes of conduct, internal controls and compliance programmes, support business associations in their efforts to promote business integrity and, especially in domestic companies and SMEs, as well as collective actions of companies and associations against corruption.

Mr. Matthew Murray, Deputy Assistant Secretary for Europe and Eurasia, Department of Commerce, United States, highlighted that corruption is one of the greatest barriers to trade that U.S. companies face, especially small and medium size enterprises, which are accountable for the majority of U.S. exports and are a crucial part of global supply chains. While most countries in the world have adopted anti-corruption laws, they are not uniformly observed and enforced. The key challenge is to
strengthen the political will of governments and leaders who seek to establish the rule of law. Mr. Murray stressed that governments need industry and business to be at the table as willing partners. Governments should engage business and business should support governments in the fight against corruption. It is important to encourage companies to adopt compliance measures and different other forms of “self-regulation” and to act collectively against corruption. Mr. Murray emphasised that such voluntary collective action is often most effective when it focuses on a specific industrial sector in which there is a high risk of corruption. Governments could encourage development of compliance alliances – a form of collective action focused on setting new standards of voluntary compliance with anti-corruption law and certifying this compliance. Such alliances can be developed in selected sectors, engaging business leaders in a dialogue about compliance, including with responsible public authorities and law enforcement. Governments can also reward businesses that are making progress. Mr. Murray stressed the need to increase Public-Private Dialogue over how to raise the standards of business. Such a dialogue can increase both public enforcement and private compliance and be a fundamental driver of good governance and economic growth. Finally, this dialogue builds more trust among key stakeholders.

Ms. Anna Derevyanko, Executive Director of the European Business Association in Ukraine, noted that recent corruption perception and business climate surveys shed light on a variety of problems related to weak state institutions, unpredictable legislation, bureaucracy and corruption, as well as lack of political will. Ms. Derevyanko emphasised that governments should make more efforts to introduce e-government, ensure clear legislation, independent and fair judiciary and adequate and visible sanctions for corruption. Business should adopt codes of ethics and ensure compliance with this code and compete fairly. Ms. Derevyanko noted the importance for business sector to take collective actions against corruption. Business can together lobby to amend the legislation, promote lawful and transparent practices of doing business, promote reporting of misconduct and misuse of power they witness and participate in forming public opinion.

Mr. Tayfun Zaman, Executive Director of Ethics and Reputation Society, Turkey, emphasised the importance to look at corruption and business ethics from a business perspective. According to World Bank’s survey, corruption inflates the cost of doing business by ten per cent globally and by twenty per cent in emerging economies. In today’s world, access to information, raw materials or sophisticated technologies, being some of the main cost items of production, is easy and companies in similar business sectors with similar volume have access to those with similar costs. Undoubtedly, companies look for effectiveness and efficiency in their operations. Fighting corruption is not only a matter of responsible corporate citizenship, but also an effective way of lowering costs. Furthermore, the highest rates of economical growth till 2020 are expected in such markets as China, Middle East, Africa and Russia, markets that present high opportunities along with high integrity-related reputation risks and inflated costs of doing business caused by corruption. Mr. Zaman underlined the importance to consider an ethical business a good business. Today, governments have businesses are allies in fighting corruption. However, their co-operation and communication must be improved. NGOs, international partners, governments and businesses should further reach out to each other.

The discussion confirmed that countries in Eastern and Central Europe need to enhance practical measure to promote integrity in the business operations. Governments, companies and business associations have an important role to play. The ACN should help countries to learn about emerging good practice, promote exchange of experience and support regular monitoring of progress in this area. The discussion in this session supported the text of the statement proposed for the adoption of this High Level Meeting.
Session 3: Advancing reform of criminal legislation against corruption and strengthening law-enforcement

The session on advancing reform of criminal legislation and law-enforcement was chaired by Daniel Thelesklaf, Director of the Financial Intelligence Unit, Principality of Liechtenstein, former head of the Financial Intelligence Unit of Switzerland and Nurlan Dzheenaliev, the First Deputy Prosecutor General of Kyrgyzstan.

Mr. Thelesklaf and Mr. Dzheenaliev underlined main achievements in the area of criminal legislation and law-enforcement and the challenges for future work. Mr. Dzheenaliev stressed that only with political will it is possible to make advances in fighting corruption. Mr. Thelesklaf noted that criminalisation of corruption is an area where all countries in Eastern Europe and Central Asia have achieved progress in aligning their laws with international standards. However, conservatism in legal doctrine and traditional approaches in law enforcement can be improved to ensure more effective fight against corruption. Moreover, further efforts are needed to bring countries to full compliance with international standards. Co-chairs underlined the need to improve procedural legislation and step up efforts to detect, investigate and prosecute high-profile and complex corruption cases and prevent undue influence in such investigations and prosecutions. There is also a need to build capacity of investigators and prosecutors to use modern investigative methods and to conduct financial investigations.

Mr. Žydrūnas Bartkus, 1st Deputy Director of the Special Investigations Service, gave a keynote speech on the main achievements and future directions in criminalising corruption in Lithuania. Mr. Bartkus highlighted that an effective fight against corruption requires strong political will, an anti-corruption strategy, strong institutional setup, adequate human and material resources, effective legal framework and public support. Mr. Bartkus then outlined main criminal law reforms undertaken in Lithuania to strengthen the fight corruption, such as criminalisation of bribery, trading in influence, illicit enrichment and introducing liability of legal persons. In 2012, statute of limitations has been increased and sanctions for corruption have been seriously reviewed. However, ensuring a proper legal basis is not enough, noted Mr. Bartkus, it should be implemented in practice. Talking about strategic directions for the future, Mr. Bartkus emphasised the importance of effective enforcement, the need to simplify the procedure for prosecuting persons having immunity, enhance prosecution of corruption in the private sector, and increasingly use financial investigations and asset recovery.

Mr. Serhiy Leshchenko, Deputy Editor-in-Chief of the newspaper “Ukrayinska Pravda” in Ukraine, emphasised the role of investigative journalism as partners in the fight against corruption. It is key for mass media to be independent. Mr. Leshchenko noted that journalists play a preventive role, since asking public officials for information makes them more careful. However, the information is often difficult to access in practice. Therefore, to ensure journalists continue to supporting the fight against corruption it is key to ensure freedom of Internet, to decriminalise defamation, properly implement Freedom of Information Laws and ensure access to registers of enterprises to ensure information about ownership.

The discussion confirmed that in order to ensure effective fight against the corruption crimes, countries in Eastern and Central Europe need to bring anti-corruption legislation in full compliance with international standards and strengthen law-enforcement and criminal justice systems to detect, investigate and prosecute corruption using modern investigative means such as financial investigations, and ensuring integrity of these bodies. It is key to ensure that corrupt behaviour is punished with strong sanctions without any regard to the political, economic or social standing of persons committing those crimes.
Session 4: Taking effective measures to prevent corruption in public administration

The session dedicated to prevention of corruption in public administration was chaired by Ms. Jane S. Ley, Deputy Director for International Assistance and Governance Initiatives, U.S. Office of Government Ethics and Mr. Jaroslavs Streļčenoks, Director of the Corruption Prevention and Combating Bureau in Latvia.

Ms. Ley emphasised a number of achievements and challenges in this field in Eastern Europe and Central Asia. Many countries are strengthening their asset declaration systems, some have introduced whistleblower protection legislation, and Georgia won a UN award for its e-procurement system. Nevertheless, in many countries legislation still needs to be improved to meet international practice or implemented more effectively. For many countries protection of professional public officials from undue political pressure remains a serious challenge. Further efforts are needed to prevent conflict of interest, especially among political officials. Integrity of the judiciary is another important concern. Ensuring transparency of political parties and electoral campaigns is high on the agenda. Ensuring access to information and freedom of press are important preconditions for integrity in public administration.

H.E. Marten Kokk, Ambassador of Estonia to the OECD, stressed the role of commitment to effectively fight corruption and the importance of a comprehensive and co-ordinated approach. Good analytical basis, including regular opinion pools, is key to plan anti-corruption policies and also law enforcement efforts targeting the roots and not only the consequences of corruption. Mr. Kokk outlined recent public administration reforms in Estonia, which aim to contribute to fighting corruption and increasing transparency. Since 1 April 2013 Estonia has introduced a new Civil Service Law creating the Council of Civil Service Ethics, which aims to increase the openness in recruitment and development of higher civil servants. Also, at the same time a new Anti-Corruption Act enters into force providing clearer guidelines for conflict of interest and for more convenient asset declarations. Further, as Mr. Kokk stressed that the technology, if implemented properly, enables procedures that are faster and more transparent. E-procurement is key to preventing corruption: in Estonia today 15 % of procurements are conducted electronically, next year’s commitment is 50 %, while in the European Union e-procurement is still used only in 5-10 % procurement procedures. To improve the quality and transparency of public administration, by 2014 all Ministries in Estonia have to complete “the shared services” project covering financial accounting, personnel and payroll.

Mr. Rolf Alter, Director of the Public Governance and Territorial Development Directorate of the OECD, gave a keynote speech on effective measures to prevent corruption in public service. Mr. Alter stressed that political will and time are key to prevent corruption. Governments across the world face common challenges how to ensure greater transparency of the government and maintain trust of citizens and the private sector. Mr. Alter outlined the ways OECD supports countries, including by setting international standards for OECD and G-20 countries, developing comparative data, providing comparative and evidence-based analysis and country-specific advice based on peer reviews. Mr. Alter recalled that the OECD reports Government at a Glance is a unique source of internationally comparative data on the performance of governments, including indicators on government integrity policies and practice on integrity and disclosure of private interests by public officials, as well as on compliance with core public service values such as integrity and transparency.

Ms. Uktomhan Adbulaeva, former Vice-Prime Minister, former Minister of Labour and Social Affairs, Auditor of the Chamber of Audits of the Kyrgyz Republic, emphasised the key role of an
independent supreme audit institutions in fighting corruption. Ms. Adbulaeva showed how the Chamber of Audits in the Kyrgyz Republic, without undue interference in its work, was able to detect major corruption schemes in energy sector, in public procurement, in state material resources, including artificially increasing the price of building a hydroelectric power station by 14% or about 27 million US dollars. Ms. Adbulaeva emphasised the importance of cooperation of the Chamber of Audits with other public authorities in preventing and fighting corruption, in particular increasing co-operation with law enforcement bodies.

Mr. Horia Georgescu, President of the National Integrity Agency in Romania, recalled that the National Integrity Agency is a specialised body entrusted with managing assets and interests’ disclosures and evaluation of unjustified assets, conflicts of interests and incompatibilities in Romania. Mr. Georgescu emphasised that in four years of activity, the National Integrity Agency has an important track record of cases, including 34 cases revealing significant unjustified differences between assets and income amounting to approximately 12.6 million euros. However, a similar number of cases still wait for court decision. Mr. Georgescu emphasised that reinforcing political will remains the most important challenge to the National Integrity Agency, as well as to any other anti-corruption agency. Mr. Georgescu also noted the importance of a consensus of all actors involved in the support of the fight against corruption and operating in an independent manner.

**Session 5: Reinforcing Political Will to Fight Corruption in Eastern Europe and Central Asia**

Mr. Goran Klemenčič, Chief Commissioner of the Commission for the Prevention of Corruption in Slovenia and Mr. Otabek Murodov, Deputy Minister of Justice of Uzbekistan chaired the concluding session dedicated to reinforcing political will to fight corruption, including the adoption of the Statement.

Mr. Khaliun Panidjunai, Advisor of the Independent Authority against Corruption in Mongolia addressed the meeting with a statement on the efforts to fight corruption in Mongolia and expressing willingness to join the ACN. Mr. Panidjunai outlined the work done by the Independent Authority against Corruption. He underlined that the legal basis for fighting corruption in Mongolia is improving and corruption in investigated and prosecuted, including crimes committed by high-level officials. In order to share experience with other countries and be part of monitoring mechanism, Mongolia wishes to join the ACN.

Further, Mr. Klemenčič introduced the draft Statement on Strategic Directions for Fighting Corruption in Eastern Europe and Central Asia. During the discussion, several countries expressed their support to the Statement, including Azerbaijan, Georgia, Armenia, Romania, the FYR of Macedonia. A number of other countries and organisations have expressed their support to the Statement in the course of the meeting.

The High Level Meeting participants adopted the **STATEMENT ADOPTED BY THE HIGH-LEVEL MEETING on REINFORCING POLITICAL WILL TO FIGHT CORRUPTION IN EASTERN EUROPE AND CENTRAL ASIA**. Mr. Klemenčič noted that this statement will be an important guide for the future work to fight corruption in this region. It was agreed that in order to assess progress made in implementing the Statement, next High Level Meeting may be organised in 2015.
STATEMENT ADOPTED BY THE HIGH-LEVEL MEETING ON REINFORCING POLITICAL WILL TO FIGHT CORRUPTION IN EASTERN EUROPE AND CENTRAL ASIA

ON 10 DECEMBER 2012, AT THE OECD HEADQUARTERS, PARIS, FRANCE

We, Ministers, Heads of Anti-Corruption Agencies and other High Level Officials from countries participating in the Anti-Corruption Network for Eastern Europe and Central Asia, as well as other participants of the High Level Meeting “Reinforcing Political Will to Fight Corruption in Eastern Europe and Central Asia” hosted by the Organisation for Economic Co-operation and Development (OECD) on 10 December 2012 in Paris,

Recognising that corruption impedes sustainable economic growth and social development, threatens the stability and security of our countries, corrodes democratic institutions and undermines public trust in the state authorities,

Commending the significant efforts that have been made by our governments together with civil society, private sector and international organisations to reduce the level of corruption and to improve public and corporate governance,

Acknowledging, however, that corruption in many countries in Eastern Europe and Central Asia remains a serious challenge, and that further reinforced efforts are needed to achieve progress in combating corruption,

Stressing that practical measures need to be taken by governments and other stakeholders against corruption, including measures to prevent corruption in public administration and in the private sector, to prosecute corruption-related crimes and to educate and involve society,

Noting that international standards established by the United Nations Convention against Corruption (UNCAC), the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the Council of Europe Criminal Law Convention on Corruption and other international instruments provide direction for the governments towards effective fight against corruption,

Confirming that international cooperation, mutual learning and country reviews facilitated by the UNCAC implementation review mechanism, the OECD Working Group on Bribery (WGB) and the Council of Europe Group of States against Corruption (GRECO) reinforce national anti-corruption efforts,

Convinced that regional anti-corruption initiatives such as the OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN) provide an effective mechanism for regional dialogue and mutual support in developing and implementing anti-corruption reforms, for promoting implementation of international standards and exchanging good practices on the regional level,
Recalling our commitments to strengthen the fight against corruption embodied in the Astana Statement on Good Governance and Fighting Corruption adopted under the auspices of the Anti-Corruption Network for Eastern Europe and Central Asia in Kazakhstan in 2009,

Agree that fighting corruption will continue to be one of our top priorities and commit to further strengthen our efforts to:

1. Implement robust anti-corruption policies, ensure credible and transparent monitoring and reporting about progress in their implementation and involve civil society in this process in a meaningful way;

2. Bring anti-corruption legislation in full compliance with international standards to equip our law-enforcement systems with modern legislation necessary for the effective fight against the corruption crimes;

3. Build capacity of law-enforcement and criminal justice bodies to detect, investigate and prosecute corruption using modern investigative means such as financial investigations, and ensure integrity of these bodies to restore public trust in them;

4. Enforce anti-corruption legislation and ensure that corrupt behaviour is punished with effective, proportionate and dissuasive sanctions without any regard to the political, economic or social standing of persons committing those crimes;

5. Strengthen integrity of the judiciary and build capacity of courts to adjudicate corruption crimes without bias and using modern anti-corruption legislation;

6. Take legislative and institutional measures to prevent corruption in politics, ensure transparency of financing of political parties and electoral campaigns, and increase integrity among elected or political public officials;

7. Prevent corruption in public administration and protect professional public servants from undue political pressure, ensure merit based recruitment and promotion, enact ethical rules, adopt and enforce effective conflict of interest and asset disclosure regulations, promote reporting of corruption and protect whistleblowers;

8. Enact effective legislation on access to information, ensure proactive disclosure and fullest access to information of public interest; ensure transparency of information about ownership to limit possibilities for hiding corrupt profits;

9. Ensure independence of public financial control and audit institutions, strengthen their capacity to identify and prevent corruption risks, and improve their cooperation with law-enforcement and policy-making institutions;

10. Ensure transparency and integrity in the sectors with high risk of corruption such as public procurement, budget and expenditure systems, tax and customs administration, state inspections, issuing licences and permits, public education and other public services; launch targeted reviews of these sectors and based on such reviews implement effective anti-corruption measures;

11. Engage in a dialogue with the business sector, NGOs and media to prevent corruption, work with public and private companies and with business associations to raise awareness on risks
of corruption, and support them in their efforts to promote internal control, ethics and compliance programmes and collective actions against corruption;

**Support** the implementation of the third round of monitoring under the Istanbul Anti-Corruption Action Plan, development of cross-country thematic reviews on prevention of corruption and promoting integrity in public administration and in the business sector, and further anti-corruption mutual learning of law-enforcement practitioners from the ACN countries with the aim to support practical implementation of UNCAC standards in the region;

**Welcome** Uzbekistan joining the Istanbul Action Plan in 2010, support Mongolia’s joining the ACN, note Turkmenistan’s participation in this High Level Meeting, and invite interested countries in the region to become members of the Anti-Corruption Network for Eastern Europe and Central Asia;

**Invite** participating countries, donor countries and international organisations to support the Anti-Corruption Network for Eastern Europe and Central Asia and other good governance and anti-corruption initiatives in Eastern Europe and Central Asia promoting implementation of requirements of the UNCAC. In doing so, it will be important to ensure effective co-ordination of assistance to national anti-corruption efforts, in line with Busan Declaration on Aid Effectiveness.
OPENING REMARKS

MR. RINTARO TAMAKI
OECD DEPUTY SECRETARY-GENERAL

Dear Ministers, Delegates, Colleagues,

It is a real honour to welcome you at this high level meeting hosted by the OECD. We are gathered today to reinforce political will to fight corruption in Eastern Europe and Central Asia and to set strategic directions for the future anti-corruption work in the region.

Fighting corruption and building good governance is a top OECD priority. Today, as countries around the globe are struggling through the financial and economic crisis, fighting corruption is more important than ever. Growing inequality leads the citizens to ask whether the system is fair, whether governments support them or merely protect their own privileged. Now more than ever, governments need to meet the expectations of societies for fairness. Effective measures against corruption are also needed to rebuild trust in markets to re-launch sustainable growth.

In the past 20 years, we have seen huge progress in Eastern Europe and Central Asia. The transition to market-based economies and to democratic systems of governments has changed the lives of citizens in this part of the world. Estonia and Slovenia are now OECD members. Russia is also on its way to joining the organisation. It has already taken an important step in this direction by acceding to the OECD Anti-Bribery Convention. Many countries in Eastern Europe have made progress in tackling corruption with the view to become member states of the European Union.

The Corruption Perception Index for 2012 released by Transparency international 5 days ago gives us a fresh picture of the perceived levels of domestic corruption around the world, and in Eastern Europe and Central Asia. There has been progress in this region. Perhaps the best-known success story is Georgia - it used to be one of the most corrupt countries in the region; it now ranks ahead of several EU member states.

The new report by the OECD Anti-Corruption Network for Eastern Europe and Central Asia also highlights important achievements. For instance, countries participating in the Istanbul Anti-Corruption Action Plan have implemented 30% of all the recommendations that were adopted for them under this OECD initiative.

Despite these positive changes, corruption remains a major obstacle in the region and there is still a lot of work to do. As we will discuss today, fighting corruption takes more than a strategy. We
need to show real political will. Political leaders need to set the example of integrity for their governments and for the citizens. They must also show their willingness to fight corruption by real actions. Only then will we see a visible reduction of corruption in their countries.

This meeting today is a good opportunity to discuss what we can do together to make sure that our anti-corruption policies and measures are effective, and that their implementation reduces corruption in our countries.

The OECD has developed a wealth of guidelines, good practice and toolkits on anti-corruption, public and corporate governance. We have recently pulled all these tools under one umbrella - the CleanGovBiz initiative - to help countries make a better use of them.

Since 1998 the OECD has also hosted the Anti-Corruption Network for Eastern Europe and Central Asia. It is a unique mechanism for regional dialogue and for sharing OECD best practices with the countries in the region. I hope that these resources will be useful for today’s discussions and in your own efforts to implement your promises to fight corruption.

“Implementation” will probably be a word we will hear a lot today: Implementation of anti-corruption strategies, enforcing legislation and punishing corrupt behaviour, cleaning up public administration and taking practical measure to prevent corruption in the business sector.

We have an excellent list of speakers and impressive list of participants from government and civil society. We also have several international organisations present. For the first time, we also have a very strong representation from the business community, and I am looking forward to hear their views on how we can reduce corruption burden on companies and unleash the potential of private sector in creating jobs and wealth for our citizens.

I am confident that this meeting will be an important step in the fight against corruption in Eastern Europe and Central Asia. We expect that the results of the debate will be reflected in the statement that will guide us in our anti-corruption efforts for the next several years. I wish you a productive discussion and success in building a future without corruption in your countries.
KEYNOTE SPEECHES

SESSION 1: TOWARDS ROBUST ANTI-CORRUPTION POLICIES
Esteemed Colleagues,  
Ladies and Gentleman,  

At very beginning please allow me to express my sincere gratitude for the opportunity to speak at this High Level Meeting on this topic of fight against corruption.  

Although Croatia is not yet a member of OECD family, I can assure you that we are taking all the necessary steps in order to become OECD member in a near future.  

Croatia recognizes the goals of this High Level Meeting in the context of general goals of the OECD and supports the proposal for adopting the Statement on strategic directions for fighting corruption in Eastern Europe and Central Asia. We can all agree that corruption directly endangers the human rights of the citizens and destroys morality and structure and fibre of the society. It also obstructs the development of free entrepreneurship and equality of citizens in the achievement of their interests and exercise of their rights. Corruption penetrates into all segments of the society and represents major peril to the economic, social and political development and prosperity of all countries.  

As you may know the fight against corruption is in the focus of our work for a period of time so please allow me to shortly inform you about our achievements in this important segment.  

Croatia is among those countries which went through demanding transition process and had therefore been facing the serious corruption challenges.  

At the very beginning of our path towards creating society free of corruption we have developed anti-corruption policies, reformed legislation and institutions, taken measures to prevent corruption and devoted a systematic approach to bear down corruption.  

However, the biggest challenge was and still is the change of the mindset and relation of the society and individual towards the problem of corruption. I can say with satisfaction that we had accomplished here a great progress.  

The Government of the Republic of Croatia is adamant to continue constructing and completing the political framework and the social atmosphere, which will make possible the development and strengthening of efficient and fair judiciary, efficient state administration and responsible public company management.  

I am proud to say today that in the fight against corruption undertaken by authorized institutions in Croatia nobody is protected. Our efforts resulted in some of the most important court cases in Croatia. There are many criminal proceedings against, among others some of the former highest officials of the Government, directors of private and state companies, banks, local self-government. Some of them are finally sentenced to imprisonment, some are waiting for a trial and some are being investigated. There were many steps taken in order to achieve these results in combating corruption.
Esteemed Colleagues,

I would like to explain in brief the institutional framework in Croatia responsible for the fight against corruption.

First of all we created quite strong repressive mechanism so called “USKOK VERTICAL”. It is institutional structure of specialized bodies in charge of corruption and organized crime cases within the National Police Office for the Suppression of Corruption and Organized Crime (PNUSKOK) and the Office for Suppression of Corruption and Organized Crime (USKOK) established within the State Attorney’s Office.

Court’s authorities are organized in four biggest county courts in Croatia. We are still making adjustments regarding the work of these courts, so from the 1st of January 2013 these courts will be disburdened from 40 % of their cases which will be transferred in the competence of the lower level courts. The four county courts will be able to concentrate on the most serious cases, such as corruption cases.

During 2011 and 2012 USKOK received corruption act charges against 1738 persons. Charges against 1164 persons were rejected. Indictments were raised against 443 persons. The courts issued 339 verdicts, of which 313 were convicting.

Among those persons are the former prime-minister, former vice-president of the Government, several other ministers and high ranking officials. The former prime-minister was sentenced non-finally on ten years of imprisonment, though the former vice-president of the Government was sentenced finally on 1,5 years of imprisonment.

I consider important to mention here one case because of which I am happy and sad at the same time. Namely, in intensifying the fight against corruption, five police officers who worked on the most sensitive cases of organized crime and corruption were discovery in disclosing information from investigations. We are sad that this happened, but we are very glad that the system itself found the offenders and that they will be processed. Although, they endangered the investigations, the investigations are being continued.

In regards to the confiscation of pecuniary gain competent repressive authorities continuously undertake all measures prescribed by law regarding the confiscation of pecuniary gain acquired by illegal means.

In 2011 and 2012, in USKOK cases, pecuniary gain was confiscated in the amount of EUR 10.438.590,46 in corruption cases and EUR 3.825.405,62 in the cases of organized crime. Total amount of confiscation of pecuniary gain was EUR 14.3 million.

Also, the Agency for State Property Management administers confiscated assets in total of 2.896 sized movables and real estate items (either temporarily or permanently). The total value of the confiscated assets in the Agency’s records on 12 November 2012 amounts to HRK 163 million.

I would like to stress here that we are not suppressing only the corruption which resulted in pecuniary gain, but also, we want to root out the corruption which is a result of nepotism, close relations,
favoring, belonging to a political party etc. We have to raise public awareness on this type of corruption behavior. I would like to mention here our recent corruption case which involved over 500 doctors who were prescribing medicines of a specific pharmaceutical company in substitute for different gifts. Unfortunately, this case confirms that a mindset of a big part of a society still considers this type of behavioral normal and ordinary. I have highlighted this case because it has resulted not only in a criminal procedure, but also in amending a set of law which controls prescribing of medicals and the procedure of public procurement.

Dear Colleagues,

For an efficient fight against corruption only repression is not sufficient. Modern trends in combating corruption are increasingly turning to prevention, and therefore, the emphasis should be on the elimination of the risks of corruption.

Allow me to mention here some of the most efficient preventive measures that we are working on implementing in Croatia:

- modification of all legislative and administration regulations which contribute to corruptive behavior;
- acceleration of the administrative procedures on state and local level;
- assuring transparency and availability of all the information regarding the work of public administrative bodies on state and local level;
- assuring transparency of all the information on public procurement;
- digitalization and creation of unified system of cadastre and land register;
- adoption of adequate measures for preventing the conflict of interest;
- timely adoption of the law,
- institution building for fighting corruption;
- rising of awareness on detriment of corruption.

Having that in mind, Croatia adopted the Strategy for Suppression of Corruption with the Action plan which is yearly reviewed.

On 15 November 2012, the Government of the Croatia adopted the new Action plan for the implementation of Anti-corruption Strategy. The new Action plan defines 173 measures and enables systematic monitoring of the implementation of the Strategy. It provides mechanism which controls whether a specific measure has been fully implemented, or whether it is necessary to redefine it in accordance with new necessities.

Action Plan includes measures which refer to the work of local self-management and trading companies mostly owned by the state, more active international cooperation and data exchange; putting the emphasis on more efficient detecting and processing of the cases of corruption; strengthening of the capacities of the bodies in charge of corruption processing as well as interaction of competent bodies. In order to expand and encourage anticorruption atmosphere, the Croatian government provides numerous educational programs. Also we consider the cooperation with the civil society organizations and the strengthening of the communication with citizens regarding corruption suppression very important.

In order to have efficient mechanism for monitoring the Strategy we established the National Council for Monitoring Anti-Corruption Strategy Implementation (composed of 9 members of parliament
and prominent public servants) as well as the Committee for Monitoring the Implementation of Corruption Suppression Measures (composed of the ministers and high judicial officials).

Ladies and Gentlemen,

Croatia is very aware how important international co-operation is in the fight against corruption. We therefore, became members of numerous international organisations, institutions and initiatives. But not only that, Croatia signed extradition agreements with all the countries in the region (Bosnia and Herzegovina, Montenegro, Macedonia and Serbia) in the area of organised crime and corruption. These agreements enable processing and extradition of accused for organised crime and corruption no matter of the accused’s nationality.

Corruption is getting more and more international widespread and only good cooperation among countries can contribute to its efficient suppression.

Although we did a lot, there are still a number of tasks ahead of us.

In order to stay on the same path, Croatia will remain fully committed to the constant development and improvement and will stay in line with the newest developments of European and international standards in fight against corruption.

Thank you for your attention.
MR. LORENZO SALAZAR

DIRECTOR FOR INTERNATIONAL CRIMINAL AFFAIRS, MINISTRY OF JUSTICE, ITALY; HEAD OF THE ITALIAN DELEGATION TO THE OECD WORKING GROUP ON BRIBERY

Law n. 190, of 6th November 2012, has brought a comprehensive set of measures aimed to prevent and repress corruption and illegality in the Public Administration. The new Law seeks to strengthen the measures to contrast corruption and to render them more efficient and effective in order to:

- complete the implementation process and fully aligning the Italian legal system to the indications stemming from the main international instruments to which Italy has subscribed (1997 EU Convention against Corruption, 1997 OECD Convention against Bribery in International Business Transactions, 1999 Council of Europe Criminal Convention against Corruption, 2003 UN Convention against Corruption – UNCAC); and
- implement the recommendations addressed to Italy by the competent monitoring Bodies of the OECD and the Council of Europe on the occasion of the mutual evaluation procedures conducted until now.

As far as the amendments to criminal law are concerned, the most significant changes are the following:

- A new definition of the offence of “concussione” (sect. 317 c.c.), following the indications from the OECD Working Group on Bribery and from GRECO, now criminalizes exclusively the conduct of the public official who forces a person to pay a sum of money or other benefit which are not due.
  The minimum term of imprisonment has been increased to 6 years, the maximum term of imprisonment remains unchanged at 12 years.
- A new offence stemming from the previous one ("Undue inducement to give or promise money or other benefit" sect. 319 quater c.c.) incriminating the public official (or the person in charge of a public service) who unduly induces to give or promise are punished by imprisonment from 3 to 8 years.
  The private person who has been induced to pay the public official (or to pay the person in charge of a public service) is now also punished by up to 3 years of imprisonment (so implementing the OECD recommendation in this field).
- A general increase in the prison sanctions provided for in relation to different offences of Corruption in the performance of acts in breach of official duties (now up to 8 years), Corruption in judicial proceedings (up to 10 years), abuse of office (up to 4 years) and misappropriation of public property or public funds (up to 4 years).
- As a result of the above mentioned increases in the maximum penalties, an extension of the period of time limitation for each of the offences; in particular, in the case of corruption in the performance of acts in breach of official duties, the minimum term of time limitation increases from 7½ years to 10 years with a parallel increase also for the offence of international corruption (sect. 322 bis c.c.).
In line with prescriptions stemming from the Council of Europe Convention and UNCAC, the new offence of “Trading in influence” has been introduced (sect. 346 bis c.c.), punished with imprisonment from 1 to 3 years. The new offence provides for the punishment of the intermediary as well as of the person who pays or promises the money or any other economic advantage.

- **Corruption in the private sector** is also covered. Sect. 2635 of the civil code, now entitled “Corruption among private parties”, has been amended and sanctions go now from a minimum of 1 year to a maximum of 3 years imprisonment.

The amendment allows incriminating also those who work under the direction or supervision of CEO’s, directors general, etc.

It is now possible to proceed “ex officio” in the case of distortion of fair competition in the purchase of goods and services and the conduct is punished also in the case of payments or promises to pay to third parties.

- With reference to the liability of legal persons, the new offence of “undue inducement to give or promise money or other benefit” and corruption among private parties are now inserted as predicate offences of liability under Legislative Decree 231 of 2001, so expanding the present regime of liability.

The new Law also deals with prevention of Corruption. The most significant innovations are the following:

- The Commission for the Evaluation, Transparency and Integrity of Public Administrations (CIVIT) is appointed as the national anti-corruption authority under sect. 6 of UNCAC.
- A new Code of Conduct for public servants providing, among other matters, for the prohibition to request or to accept gifts in connection with the exercise of their functions.
- The introduction of specific measures aimed at strengthening the transparency of administrative activity, including activity related to public tenders and the use of arbitration.
- The provision of a specific protection for the public employee who reports illicit conduct of which he becomes aware because of his work (“whistleblowing”).
- The strengthening of administrative liability of public servants who have caused damage to the image of the public administration.
- An increase in the number of offences in relation to which a contract concluded by corruption is void following conviction.

**(Possible) lessons to learn**

- It is not always easy for long established and consolidated legislations to cope with requirements of International instruments (and their subsequent monitoring and evaluation mechanisms) “The more the tradition, the less the flexibility”
- Corruption and corrupt behaviours are not like a murder case.
- They are not easy to detect and their effective prosecution often demands a considerable degree of flexibility on how to deal with it.
- This flexibility can be more easily found in those legal systems which are inspired by the principle of "opportunity of prosecution" and can have more instruments available to the law enforcement
and prosecution authorities for opening a "negotiation" with persons involved in corrupted behaviours.

- Systems which are inspired by the principle of mandatory prosecution are, on the other hand, in a more difficult and "rigid" situation since they will be, at least in principle, obliged to prosecute corrupt behaviour both on the active and on the passive side in all cases, so preventing the possible emersion of the corruption agreement because of lack of incitement for the parties to denounce.

- One example stays with the former Italian legislation on "concussione" providing a possible (though theoretical) "defence" for the bribers which has been repeatedly criticised and censured by the OECD.

- The large majority of prosecutors and law enforcement officials were, and still are, strongly against the change of the existing legislation in the direction of also providing a sanction for the person who has been "induced" by the public official to pay a bribe.

- This was due to the fact that the perspective of the sanction would have been obviously felt as a strong deterrent for the denunciation of the bribe by the "briber" in those "grey zones" where is not always easy to detect if you are in presence of a real corruption agreement or in front of a sort of "extortion" committed by the public officer against the private party.

- Another example could be found in the field of the incrimination of corruption in the private sector where one can be confronted with conflicting interests which could push towards some flexibility in opening a criminal proceeding.

This is NOT to state which one of the two systems - discretionary or mandatory prosecution - is the best, nor to affirm that an effective prosecution must necessarily rely on collaboration of insiders instead of good law enforcement investigations.

This is just to present, in 10 minutes, one of the (many) examples in the world where is not always easy to strike the right balance among legal traditions, full implementation of international standards and requirements of an effective prosecution.
Dear ladies and gentlemen!

Fight against corruption requires from each state strategic approach, active participation of all stakeholders – civil society, private sector, media, close cooperation of public and non public institutions and coordinating their efforts. Planning of measures within a unique framework, defining inter-agency coordination, commitments, concrete time limits and targets are one of major conditions in this process. Anti-corruption policy implemented in Azerbaijan united all these elements in the framework of the National Strategy adopted by the President of the Republic of Azerbaijan. Political will of Azerbaijani Government in combating corruption was clearly stated in the strategy, as well as all the necessary resources were mobilized for successful execution of the program. The strategy is a preventive document. It defines increasing transparency, access to information and public awareness as priority areas. However, there are also considered measures for strengthening of control mechanisms and activity of specialized bodies in the area.

During the course of implementation of the National Strategy criminal legislation in the field of combating corruption was improved and harmonized to the requirements of the international documents joined by Azerbaijan. Measures carried out in this area were highly evaluated within the framework of GRECO and UNCAC evaluation on Azerbaijan. Activities of specialized bodies in the area of combating corruption, - Commission on Combating Corruption and Anti-Corruption Department with the Prosecutor General were improved. Anticorruption Department was granted important functions in this area to conduct Special Investigation Means. This was applied for the first time in CIS region and increased the efficiency in the activity of the Department. It is no coincidence that the experience of the Anticorruption Department was recommended as a good practice in the field of fighting corruption by the OECD Anticorruption Network for the Eastern European Countries. Our country joined UN Convention against Corruption, Criminal and Civil Law Conventions against Corruption of the Council of Europe and other significant international documents. Azerbaijan is one of the first countries joining the Open Government Partnership, international initiative. In connection with this special National Action Plan on promotion of Open Government was adopted in my country.

As you know economic development at the same time creates new challenges for the policy in the area of combating corruption. The level, difficulty and flexibility against it directly depend on growth rate. Azerbaijan is a developing economy. Our country experiences positive dynamics in all economic indicators during last 10 years, state budget is increasing year by year; GDP multiplied three times, the level of poverty decreased from 49 to 7 percent. Anticorruption Strategy implemented in our country has a special role in achieving of these results and forming of comfortable business and investment climate. To continue the measures carried out in this area the new National Action Plan on fighting Corruption was adopted.

Clear framework was defined for the civil society to be part of monitoring of implementation of Action Plan. They were defined as direct partners for most measures. Within the Coalition of NGOs which
also includes the Commission on Combating Corruption member organizations carried out evaluation of different elements of the Strategy.

One of effective tools applied in our times for prevention of corruption is the integration of information communication technologies to public administration. Significant measures also were carried in Azerbaijan during recent years in this area. The scope of the e-services provided to the population was increased. Nowadays more than 250 electronic services are being provided by state bodies.

The establishment of State Agency on Public Services and Social Innovations and “EASY Service” points, which aims to reduce to minimum the contacts between the officials and citizens and ensure elevation of these relations at higher level by quality, laid the foundation of the new stage in public administration. “Easy – Service” points plan to render 23 public services of different state bodies with better quality and application of modern innovations. Here the citizens will feel themselves closer to state bodies, time loss will be eliminated and efficiency will be increased.

Cooperation with OECD is very important and useful for us. Democratic institutions and common experience of the member countries in transitioning to a new economy is the major uniting factor of this network. With the support of OECD, the existence of such network created fruitful platform which enabled countries to share their experiences and discuss new ideas and perspectives. Evaluations, analysis, recommendations that are conducted within this network significantly contributed to the ongoing reforms implemented in these countries. We have to note that recommendations of OECD were reflected in the anti-corruption reforms carried out in Azerbaijan. Therefore, existence of this cooperation in Eastern Europe and Central Asia within the framework of anticorruption network is very important for the member countries and we are interested in the expansion of this cooperation.

Thank you for your attention.
KEYNOTE SPEECHES

SESSION 2: ENGAGING IN A DIALOGUE WITH BUSINESS TO PREVENT CORRUPTION
Introduction

It is exciting for me to be here today with this distinguished group of anti-corruption leaders from Eastern Europe and Central Asia. I would like to thank the OECD, Mr. Richard Boucher and my fellow State Department colleagues that helped coordinate this event and all of you in attendance today, all of you whom have contributed to making the Anti-Corruption Network such a productive forum. My special thanks to Robert Leventhal, whom I consider it a privilege to call my long-time colleague.

In my capacity as Deputy Assistant Secretary of Commerce, I am responsible for helping U.S. companies increase market access in Europe and Eurasia by removing trade barriers.

Before joining the Department of Commerce, I worked in the private sector – principally in the energy business in the Russia Federation. I served as “Corruption Risk Manager” at a major oil and gas company in Russia, where I helped create the local industry’s first system for compliance with anti-corruption law.

I also co-founded a non-profit organization called the Center for Business Ethics and Corporate Governance dedicated to helping build rules-based markets in Russia, Central Asia and Eastern Europe. In this capacity, I helped organize the private sector to engage in “self-regulation” by adopting best practices of anti-corruption on a voluntary and collective basis. Perhaps I should mention that as the Center was the first non-governmental organization of its kind in Russia, we were privileged to be invited by the OECD to Istanbul 10 years ago and to have been present at the Foundation of this Anti-corruption Network. It is very good to be back with you today working on this important issue.

Through my experience in the private sector, the non-profit sector – and now the public sector – I have learned certain lessons regarding the capacity of governments, businesses and NGOs to cooperate in the fight against corruption. Such multi-stakeholder cooperation is absolutely essential for addressing the challenge posed by today’s conference – which is: How to reinforce the “political will” to counter corruption in Eastern Europe and Central Asia.

And, I would like to share my insights with you today.

U.S. Department of Commerce’s Efforts to Combat Corruption

First, let me take a moment and tell you about the anti-corruption work we do at the Commerce Department and why this is a priority for us.

Unfortunately, notwithstanding concerted efforts to counter the problem, official corruption – or the abuse of public power for private gain - remains a significant obstacle to economic growth across the globe. It is certainly one of the greatest barriers to trade that U.S. companies face, especially small and medium enterprises (SMEs), which are accountable for the majority of U.S. exports and are a crucial part
of global supply chains. The World Bank estimates that $1 trillion in bribes is paid annually, and that as much as 25% of SME operating costs can be diverted to corruption.

The fight against corruption is an Obama Administration priority. In fact, the President himself has noted that: “In too many places, the culture of the bribe is a brake on development and prosperity. It discourages entrepreneurship, destroys public trust, and undermines the rule of law while stifling economic growth.”

In my job at the U.S. Department of Commerce, I have been entrusted to help U.S. business remove official corruption as a barrier to growth in foreign markets.

The U.S. Department of Commerce has a multi-dimensional strategy, and today I will talk to you about two of these dimensions:
- Engaging multilateral institutions such as the OECD in legal and policy initiatives; and
- Engaging business leaders and business associations in public-private cooperation

Political Will

The reason for our gathering today – is to reinforce political will to counter corruption. Let’s pause and ask what this challenge entails. In my view, it is fairly clear. The fact is that, led by the OECD and other multilateral bodies, most countries in the world have adopted anti-corruption laws. Many of these laws are state of the art. But they are not uniformly observed or enforced. And, sometimes both government officials and business act as though they are above these laws. In the worse cases, they can operate with a kind of immunity from the law.

So, our challenge is to strengthen the political will of governments and leaders who seek to establish the rule of law – under which everyone is equal before the law. And, to apply the rule of law in the fight against corruption, governments need industry and business to be at the table as willing partners. As governments increase their efforts to enforce the law, they need to be met halfway by businesses which are becoming better at complying with the law.

U.S. Government Work with OECD

We at Commerce and the U.S. Government work especially closely with the OECD to engage business in public-private cooperation. As you all know, following the adoption of the Anti-Bribery Convention, the OECD has led an effort to raise the voluntary standards of business conduct in global markets. The OECD and its stakeholders have developed several best practices in the areas of corporate governance and business ethics. They have established the OECD Guidelines for Multinational Enterprises, which are intended to help companies adopt and implement effective anti-corruption compliance programs based on robust internal controls, by following such best practices as appointment of a chief compliance officer.

Further, in 2009, a decade after the Anti-Bribery Convention was adopted, the OECD promulgated new Recommendations for Further Combating Bribery of Foreign Public Officials.

Together these OECD core instruments are all designed to stop the supply of illegal payments by companies. But, at the same time, they recommend that governments adopt certain best practices on how to work with the private sector to facilitate the common objective of preventing corruption:
They recommend that governments should engage business and professional associations to adopt a mission of better compliance with anti-corruption laws. That such associations should make a special effort to reach small and medium sized enterprises with this message.

Importantly, these OECD instruments suggest that government must do its part to promote corporate compliance programs and to distinguish real programs from paper ones.

Further, they suggest that governments should reward those companies with good programs, e.g., by providing them with export credits, public subsidies, government procurement awards.

These OECD principles for government engagement of business provide a strong operational premise for working with individual companies and business associations with the private sector to counter corruption.

Ways to Operationalize OECD Principles

Now our focus should turn to implementation. What are some specific ways that governments can operationalize the OECD’s principles and standards? How governments can engage business, and how can business support governments in the fight against corruption?

For starters, while we encourage individual businesses to adopt best practices of compliance on a voluntary basis, we should also be encouraging these same businesses to act collectively on anti-corruption, to organize and to engender different forms of “self-regulation”. Such voluntary collective action is often most effective when it focuses on a specific industrial sector in which there is a high risk of corruption.

Sectoral approaches, such as the Extractive Industries Transparency Initiative and the Construction Sector Transparency Initiative, provide similarly situated companies with an opportunity to harmonize voluntary standards and create best practices. They can lower entry and compliance costs, thus allowing companies to access and compete in new markets.

A sector-based approach is of particular value to SMEs, which generally have a harder time overcoming barriers to entry into new markets and are also particularly susceptible to corruption.

And, with businesses working in parallel with each other and suppliers to ensure compliance with industry codes of conduct, a new, corruption-free approach to doing business can take hold in a sector. The results can be higher rates of growth.

But the question is how can government help shape and benefit from such collective action initiatives. How practically speaking do they get started, and how do they work.

Let me illustrate this approach by discussing what I call formation of a “compliance alliance”.

A compliance alliance is a form collective action focused on setting new standards of voluntary compliance with anti-corruption law and certifying this compliance. You start by choosing an industry – lets say health care or electric power generation -- and you engage local industry leaders in a Dialogue about compliance. This dialogue leads to an exchange of best practices around anti-corruption compliance specific to the industry. As government officials, you could focus this discussion on a specific area of regulation such as public procurement, licensing new businesses or registering land. Eventually, you should bring not only regulators but law enforcement to the table to discuss their goals and practices.
Throughout this exchange, business is acquiring know-how regarding how to increase the scale of voluntary compliance. Government is learning how to operationalize the OECD principles and reward those businesses that are good actors.

Once the general standards of compliance begin to take shape, both government and business can take steps to get all stakeholders involved. One success formula for a compliance alliance in the countries of the Anti-Corruption Network is to have foreign multinational companies work with local businesses that would like to be part of their supply and distribution chains. This will: (i) improve conditions for MNCs and their partner chains to compete; (ii) expand the number of local businesses including SMEs that qualify to partner with MNCs; provide new incentive for ethical businesses.

Through this collective action, the local government, businesses can engage in training. They can exchange best practices with local government officials. This can all lead to the organic creation of a real voluntary standard – and eventually to a point where the standard can be certified. Start by certifying individual compliance officers. Discuss regulatory reforms that will reduce risk.

Let me share some examples of programs that have been started that could become models of such compliance alliances:

- **APEC**: In 2011, the U.S. hosted APEC and made a major push on transparency and anticorruption, especially through the SME Working Group. In Hawaii, the APEC foreign and trade ministers endorsed three important sectoral initiatives involving voluntary business ethics and codes of conduct in the medical devices, biopharmaceuticals, and construction sectors; Along with 16 co-sponsors, we launched workshops to draft voluntary ethics principles for the medical device, biopharmaceutical and construction/engineering sectors.

- **Help APEC economies develop national voluntary industry codes under a mentoring system and with the view towards harmonizing codes of ethics across the APEC region; A week-long ethics compliance train-the-trainer program to geometrically expand the number of industry-specific ethics compliance trainers across APEC; and A Stakeholder Awareness Workshop to build awareness for, and support among, healthcare professionals, regulators, and anti-corruption authorities for voluntary codes of ethics for the two healthcare sectors.**

**And closer to home**

The AmCham in the Czech Republic has emerged in recent years as a strong public advocate for rule of law related reforms. It initiated the formation of the Platform for Efficient and Transparent Public Procurement consisting of most major business groups and political parties. The Platform developed 39 recommendations for public procurement reform, most of which were adopted by the government.

**Another initiative to increase leverage**

Last week, I attended the Second Annual World Forum on Governance in Prague. As you may know, this new multi-stakeholder forum has been convened to incubate and strategize around new ideas for fighting corruption. One of those ideas is that governments and institutional investors should work more closely together. As stated in the World Forum on Governance Prague declaration of 2012: “The influence of citizens and capital combined can have more impact than each alone.”
As you may know, the world’s large institutional investors, such as pension funds and sovereign wealth funds, hold trillions of dollars in assets and conduct sophisticated risk analysis of both the companies they want to invest in and the countries in which these companies operate. Increasingly, they are assessing corruption risk as part of their investment decisions.

Institutional investors are uniquely positioned to discuss anti-corruption goals and metrics with government leaders, not only because of the size of their portfolios, but also because they are trustees of a “democratic capitalism” that serves the interests of all citizens.

Last week, the WFG launched *Institutional Investors’ Roadshow* with a meeting with Czech government to discuss conditions for increasing the size of the portfolios they hold in the market. I would encourage all of you to contact this organization to see about arranging a road-show in your country.

**OECD has a New Partner in the Effort to Build Political Will**

Let me also mention that, towards the goal of building political will in the Eastern Europe and Central Asia, the OECD has a newly empowered and capable multilateral partner – the 57-member Organization for Security and Cooperation in Europe.

Over the past year, the Irish Chair, the United States and other OSCE participating States have been working hard to develop a Declaration on Good Governance. I am pleased to say that this Declaration was adopted on Friday at the Dublin Ministerial. The Declaration represents the OSCE’s commitment to good governance and renews existing principles and calls for the endorsement of sectoral initiatives that combat corruption, such as EITI and COST. It will also serve as a powerful tool for the OSCE field missions in assisting all OSCE participating States to fulfill their good governance commitments. The U.S. contribution to this effort was led by Assistant Secretary of Commerce and Presidential Appointee to the Helsinki Commission Michael Camunez. We are proud of bringing this issue to the forefront of the organization’s core work this year and we will work hard to keep it front and center going forward.

I am very pleased to see that the OSCE is represented here.

**In Conclusion**

Ultimately, whatever form the engagement between the public and private sector takes, whether through a compliance alliance or some other model, it should help foster more political will in a fundamentally important way. And that is building trust among stakeholders through increased dialogue.

Thus, while there are several different modules of cooperation and engagement, in the end they all come down to increasing Public-Private Dialogue over how to raise the standards of business. Specifically, through this public-private dialogue, government and business should be talking about standards – voluntary steps. Such a dialogue can both increasing both public enforcement and private compliance can be a fundamental driver of good governance and economic growth. This dialogue builds more trust between, among all stakeholders:

- Trust inside companies
- Trust between companies and their competitors
- Trust between foreign and local companies
• Trust between business and government
• Trust between and among governments

Ultimately, these building blocks help create what economists call generalized trust or the social capital that is fundamental to increasing trade and investment based on robust competition and a rule of law. Our goal today should be to intensify public-private dialogue about “predictable rules, enforceable laws independent institutions to govern trade economic relations.” And in a broad sense – to increase the accountability of each set of stakeholders for promoting honest competition that favors business growth.

In the process, we will help build political will – by multiplying the number and types of stakeholders, the government and business champions that both seek to enforce the law and follow the highest standards of voluntary compliance in anti-corruption.

Thank you for your time and for your attention, and I look forward to this discussion and to learning more about your work.
Key facts & figures about the European Business Association

- The EBA is 12 years old
- Works on enabling European business practices & values in Ukraine
- Unites 955 member companies which totally give over 1 mln jobs in the country
- The EBA’s HQ in Kyiv, branches in 5 regions of Ukraine & a representative to Brussels
- Almost equal representation of both large companies & SMEs
- Financed by members only
Current ranking of Ukraine

Ease of doing business 137 place
Fitch rating B with stable outlook
Moody’s B3
Transparency International 144 place
EBA Investment Attractiveness Index 2,14
Global Competitiveness Index 73 place out of 144
The Economist’s
Where to be born in 2013 78 out of 80

Why is it so?

• Young country
• Weak state institutions which leads to unpredictable legislation, bureaucracy & corruption
• Lack of political will
What the **government may do?**

- E-government
- Clear legislation
- Independent and fair judiciary system
- Adequate & visible sanctions for corrupt practices

What **business may do** individually

- Code of ethics
- Adherence to this code
- To compete **fairly** in the level playing field
- To join the efforts with other players
What businesses may **do collectively**

- Amend the legislation
- Promote lawful and transparent doing business
- Report on non-proper law enforcement and misuse of power
- Exchange best practices of ethical behavior
- Influence & Form public opinion

**Anti-corruption fight is...**

**a matter of habit and principle**
Anti-corruption fight is...
a matter of habit and principle
KEYNOTE SPEECHES

SESSION 3: ADVANCING REFORM OF CRIMINAL LEGISLATION AGAINST CORRUPTION
AND STRENGTHENING LAW-ENFORCEMENT
FIGHT AGAINST CORRUPTION IN LITHUANIA - ACHIEVEMENTS AND FUTURE DIRECTIONS

MR. ŽYDRŪNAS BARTKUS

1ST DEPUTY DIRECTOR OF THE SPECIAL INVESTIGATIONS SERVICE, LITHUANIA

SPECIAL INVESTIGATION SERVICE

- Independent anticorruption agency carrying out three equally important and complimentary activities:
  - criminal prosecution
  - corruption prevention
  - anticorruption education and awareness raising

- Coordinating body:
  - National anticorruption programme
  - anticorruption measures of state and municipal institutions

ANTICORRUPTION SYSTEM
Effective fight against corruption requires:

- Strong political will
- Anticorruption strategy
- Institutional setup
- Adequate resources (human and financial)
- Effective legal framework
- General public support

Improving criminal legal basis

By implementing the international standards (UNCAC, Council of Europe Criminal Law Convention on Corruption, GRECO, etc.) Lithuania has improved its national legal basis in the following areas:

- Criminalization of bribery (the range of subjects has been expanded to include the private sector; criminal liability has been extended for both - active and passive forms of bribery: request, provocation, promising, offering, consent, giving, acceptance of a bribe)

- Criminalization of trading in influence (following GRECO recommendations, in 2011 detailed regulation of liability for the trading in influence was introduced. Description of this criminal act has become close to that of active and passive bribery. Liability has been provided for request, provocation, promising, offering, consent, giving and acceptance of a bribe)
Improving criminal legal basis

- **Criminalization of liability of a legal person**: (criminal liability of a legal person has been introduced for corruption offences committed by a natural person who acted on behalf and in the interest of a legal person)

- **Criminalization of illicit enrichment**: (in 2010 criminal liability was introduced for the following act: if a person cannot justify by his/her lawful income the possession of property of a value exceeding 19,000 EUR. A legal person may also be subject to criminal liability)

- **Extension of statute of limitation**: (statute of limitation of 5-10 years of criminal liability for corruption offences has been extended to 12-15 years)

- **Increase of penalties for corruption offences**: (the system of penalties for corruption offences has been substantially revised. The penalty such as denial of right to take up a certain post has been cancelled as ineffective. Amount of a maximum monetary fine has been increased. Terms of imprisonment have been extended)

Strategic directions

- **Unavoidance of liability**: To pursue unavoidance of criminal liability for corruption offences;

- **Immunity from prosecution**: For fighting political corruption it is necessary to simplify the procedure for prosecuting persons who have been granted immunity and ensure that it is not misused to avoid criminal liability for corruption offences;

- **Private sector**: To further strengthen capacities for investigating corruption in the private sector;

- **Financial analysis**: To strengthen resources, improve capacities and increase cooperation in the field of analysis of financial operations and financial flows;

- **Assets recovery**: To increase international cooperation with a view to detect, find and recover assets acquired through corruption activity and hidden in foreign countries.
Summarizing

- We are grateful to the organizers for the opportunity to participate in this high level meeting and for the assistance in the fight against corruption by providing the platform to share anticorruption practices among the countries;

- Lithuania is open to share its experience in organizing and implementing anticorruption measures as well as learn from other’s best practices.
Ladies and gentlemen, I am grateful for the opportunity to speak at such a prominent meeting.

I am representing journalists and I want to tell about the role of journalistic investigations in the fight against corruption.

How important is the role of journalistic investigations in general in fighting misconduct of public officials?

In healthy societies journalism for decades has been a key instrument in fighting corruption effectively.

The Watergate scandal represents a “master-class” of how journalists can potentially help to stop a career of dishonest politicians. More recent example is the resignation of the former German President Christian Wulff following a scandal involving the Bild newspaper. At the present time in Austria the destiny of Ernst Strasser, the former Federal Minister of the Interior and former member of the European Parliament, is being decided. He faces up to 10 years in prison for corruption charges, based on facts exposed by the British newspaper Sunday Times. During a bribery sting operation the reporters pretended to be businessman and a 100 000 euros bribe was asked from them by the politician in exchange for influencing EU legislation.

In Ukraine such consequences of a journalistic article remain a wish.

I cannot remember a single case when an official would have resigned from public service after an investigation into corruption in the press.

I am working in the investigative online newspaper Ukrainska Pravda. I would like to talk about an investigation, which we conduct already for the past 3 years. It focuses on corruption in the privatization of the Mezhyhirya residence, where President Viktor Yanukovych resides today.

It is 140-hectares private estate, almost the same size as the Principality of Monaco. A golf course, a horse riding club, a yacht marina, a helicopter pad and hangar, a garage complex for 70 cars, bowling, underground shooting gallery, tennis courts. All this is for the use of a single person. The president’s house is a palace where a single lamp can cost 100 000 US dollars.

The history of Mezhyhirya residence represents an example of high level corruption. The residence was transferred from state property during the last days Viktor Yanukovych served as Prime Minister in 2007. Could you imagine that Nicolas Sarkozy when leaving the President’s position in France takes with him the Élysée Palace?
According to the documents, the final owner of the President Yanukovych’s palace is a trust in Liechtenstein, which is administered by a lawyer from Salzburg, Austria. In the scheme also participated a British company with a capital of 1 pound sterling.

The situation is surprising – Ukrainian public servants have made their personal choice in favour of Europe a long time ago, registering their property using European companies, sending their children to study in the best schools in Switzerland and Great Britain, as well as buying property in France and Baden-Baden. At the same time they cannot make the final choice for Ukrainian citizens, because it may lead to loosing the corrupt civil servants.

This story is an example of how public officials in Ukraine are using the opportunities in European countries in view of avoiding that their hidden assets could be discovered. Articles about luxury residence of the President Yanukovych have been published in Frankfurter Allgemeine Zeitung, Der Spiegel, the Guardian and the Huffington Post; this was also covered by the broadcaster ARD.

While the Ukrainian television remains quite silent on the topic of corruption related to the President’s residence, it turns out that citizens in Ukraine know this story well.

An experiment was done by my newspaper Ukrainska Pravda. We commissioned a sociological survey, which showed that 42 per cent of Ukrainian citizens support that this residence is returned to the state property. Another 20 per cent are in favour of conducting an investigation into this story by Ukrainian law enforcement institutions.

I am coming to my first conclusion. Sooner or later the Internet will become a powerful weapon in the fight against corruption. In particular, in new democratic countries, where there is little tradition of print media. Cost-effective Internet media may become real guardians of democracy.

This is why, dear ladies and gentlemen, if you really want to support the fight against corruption, do not start by fighting the Internet. Arguments such as national interests or fight against piracy cannot justify limiting online freedom of expression. If this is done, everybody will understand that in fact you fear transparency in the use of public resources.

Second, do not try to establish criminal liability for libel (written defamation). In the post-Soviet countries such legislation leads to censorship. This autumn in Ukraine we managed to stop the law on libel, which was adopted in the first reading and foresaw imprisonment of journalists for up to 3 years.

The third conclusion to be drawn from our Ukrainian experience – a push towards transparency was the Freedom of Official Information Law, similar to the Freedom of Information Act in the United States.

This law is into force in Ukraine for one and a half years. Before it was adopted many people were sceptical and their views were partly justified – the law is not fully enforced. Judging from my own journalistic experience – for more than half of my requests of information I received a denial. However, for the other half I received information. Not always, but the law is working.

For instance, I have not received answers from government institutions regarding the sale of the land to the President Yanukovych in relation to Mezhyhirya residence. The value of this sale was not revealed to us. Nevertheless, the law in Ukraine clearly forbids hiding of such information. Once a request for information is refused to us, we go to the court to appeal against such a refusal. Soon one of my
complaints when information was refused will reach the European Court of Human Rights. It will concern
the luxury residence of President Yanukovych. The case of unjustified refusal of information was already
reviewed by all appeal institutions in Ukraine and now we intend to apply to the European Court of
Human Rights.

Without a doubt, the capacity to fight corruption will increase with introduction of open registers of
property and companies. Just for a few pounds, without leaving my office, using the Internet, I can find
official information regarding on who’s name is registered the villa in London of Mr. Viktor Pintchouk, the
son-in-law of the former President of Ukraine, costing 100 million dollars. It is registered on the name of
an offshore company in the British Virgin Islands. However, it is not possible to obtain similar information
in Ukraine, even in an informal manner.

The investigation into how the property of the President Yanukovych is registered via Liechtenstein,
Austria and Great Britain could also be conducted without moving from one’s computer. It is true
Liechtenstein is not revealing the final owners. However, the evidence collected by us seems sufficient to
draw conclusions.

To conclude, I would like to draw your attention to four necessary conditions in order to secure more
transparency in government institutions. First is the freedom of Internet. Second is decriminalisation of
defamation. Third is law on access to public information and the forth – opening of registers of
companies and corporate rights. Public officials should not hide behind a defence for invasion of privacy
when it is about their property, because public interest in such cases prevails.
Private Residence of the Ukrainian President – top-scandal in Ukraine

140 hectares of luxury:
Scheme of the Residence’s ownership:

- Trust in Liechtenstein (Director - Austrian Lawyer) 100%
- British shell-company 100%
- Austrian company 99.97%
- Ukrainian company (Director - Lawyer of the President’s Son)

Foreign media covered this story, Ukrainian ignored.
Poll results:
• 42% of Ukrainians support return of the residence to state property
• 19% of Ukrainians want the fraud around residency to be investigated
(InMind Social Agency, October 2012, 2032 respondents)

How to help journalists in the fight against corruption:
• Freedom of the Internet
• No Criminal Defamation Law
• Implementation of the Freedom of Information Act
• Open registers of property and business owners
KEYNOTE SPEECHES

SESSION 4: TAKING EFFECTIVE MEASURES TO PREVENT CORRUPTION IN PUBLIC ADMINISTRATION
Estonia would like to congratulate the organizers of this event for bringing together decision-makers from the Eastern Europe and Central Asia for high level meeting under auspices of OECD and its member countries. We are happy to contribute with our real life experiences to this discussion, but I think that, most importantly, we can serve as an example that with right commitment everything is possible.

After all, Estonia has gone through transformative 20 years from being one of the Member States of deceased Soviet Union to become one of the most internationally connected countries. When I think back 20 years and remember what I thought at this time that would be possible within 20 years, then definitely very few people believed that we can become member of UN, OSCE, Council of Europe, European Union, and of course OECD. Among others, we consider these memberships as acknowledgments for our anti-corruption policies.

These achievements were not delivered on plate, but this required political will, supported by people’s will and commitment, and not least importantly, capable and honest administration. This is exactly what we are trying to reinforce with today’s event.

During the economic crises Luxembourgish Prime Minister Jean-Claude Juncker was often quoted for his statement that “We all know what to do, we just don’t know how to get re-elected after we’ve done it”. In this context the difficulties of fighting corruption are not comparable, and rather opposite, successful policies against corruption reinforce people’s trust, which again should reinforce political will.

Dear colleagues,

Estonia has realized long time ago that for the success it is not enough to act retroactively. You cannot afford to fight the criminal mindset and behavior by just “outinvesting” into law enforcement bodies and institutions. Especially so in the context of limited resources. One needs to have good analytical basis for targeting the policies well, and one needs to target the roots, not only the consequences. Although, do not misunderstand me, investing into law enforcement is also important. We have reorganized our police forces recently and brought the fight against corruption under centralized command with specialized focus on this latent type of criminality and there is commitment to increase the resources by 120 % between 2012 and 2014.

Our analytical activities include routinely composed criminal statistics, although this is clearly not enough, and I would like to emphasize here once again that corruption is very hard to detect by traditional means. Therefore we also compose corruption surveys of three target groups – citizens, public officials and entrepreneurs – so far three of them in 2004, 2006 and 2010. In addition we have conducted thematic surveys in health care, journalism etc.

This creates us good input for strategic planning and law enforcement activities alike. Since today we have had two anti-corruption strategies and the third one until 2020 is currently being prepared. Current one, just to bring you more concrete understanding of our priorities, includes following issues:
1. Private and non-profit sector
2. Conflict of interest, and reinforcing ethical behavior of public sector
3. Local government
4. Health care sector
5. Foundations established by state and local government
6. Driving license, registration of vehicles
7. Financing of political parties
8. Investigation of corruption offences

Probably some of the issues will find its place also in the next strategy.

Dear friends,

Even this, however, is a narrow approach how to proactively fight against corruption. In order to reach as far as possible, we should go into the very heart of the administration, where the real risks can be reduced. I would like to make few points about the reforms in administrations that have big potential in the fight against corruption.

Estonia has recently made some legislative reforms that among other goals contribute to the transparency and other values. Since 1st of April 2013 we will have new Civil Service Law that provides for Council of civil service ethics (yes, you heard correctly, we did not have it so far) and which aims to increase the openness in recruitment and development of higher civil servants. The last one, by the way, is not least important, because as we say in Estonia, fish starts to rotten from it head. Since 1st of April next year we will have also new Anti-Corruption Law, which provides clearer guidelines for conflict of interest and for more convenient asset declaration, of course electronically and open for the fellow citizens. Going little bit back in time, then since 8th of March 2010 we have also new Auditors Act, which effectively implements international standards including also internal auditors of public institutions.

Further, as our President Mr. Ilves has said, “you cannot bribe the computer”. Information technology, if implemented properly, enables procedures that are faster and more transparent. If procedures are faster, then you do not seek to bribe someone for speeding up procedures. In more advanced and standardized services one can even bypass the bribe-seeking person at all. For example, 88,8 % of our companies are created using standardized electronic environment, taking less than half an hour to complete. 58 % of our civil claims are submitted to electronic payment order procedure. Good examples that by investing to IT you either take away incentive to bribe or remove potential bribe-taker at all.

Procurement, and especially e-procurement, is currently so hot topic, also in the European Union, where the directive is being discussed now, that I have to say few words about this as well. Firstly, e-solution has very specific functionality that is not available on paper, but which helps to reduce the risks of corruption. Namely, submitted offers cannot be seen and therefore villains cannot adjust their offers accordingly, all opened documents are accessible to all and every activity can be logged for control purposes. Secondly, we often look for good examples in rich countries, but sometimes developing countries can show the lead. In Estonia today just 15 % of procurements are conducted electronically,
next year’s commitment is 50 %, but European Union has average between 5-10 %. And here we have Georgia, which according to draft Summary Report has it 100 %. Remarkable achievement, what else can I say.

Last example is shared services. For the end of 2014 all Ministries have to complete in their field of responsibility “the shared services” project that covers financial accounting, personnel accounting and payroll. Some of us, like Ministry of Justice, Ministry of Social Affairs and Ministry of Economics and Communications have moved even further and have agreed to the subsidiary agency of the Ministry of Finance to provide these services. The benefits are clear. The quality and therefore transparency of the information is better, better quality staff can be recruited and accountants are not under the influence of the fish with potentially rotten head.

Dear colleagues,

Once again I want to congratulate the organizers of this event for bringing together so many distinguished colleagues and I hope that I was able to inspire you with the Estonian experience in your efforts. In your efforts to reinforce the political will to fight the corruption.

Thank you!
EFFECTIVE MEASURES TO PREVENT CORRUPTION IN PUBLIC SERVICE

MR. ROLF ALTER
DIRECTOR, PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT, OECD

Context: Common challenges for governments

How OECD Supports Countries?

• Setting international standards: for OECD & G20
• Developing comparative data
• Providing comparative and evidence-based analysis
• Offering country-specific advice based on peer reviews
Setting Principles and Guidelines

2012  G20 Principles for Asset Disclosure by Public Officials
2011  G20 Guiding Principles for Whistleblower Protection Legislation
2010  OECD Principles for Transparency and Integrity in Lobbying
2009  OECD Principles for Integrity in Public Procurement
2003  OECD Guidelines on Managing Conflict of Interest in the Public Service
1998  OECD Principles on Improving Ethical Conduct in the Public Service

Level of disclosure of private interests in the three branches of government
THANK YOU

For further data and reports

www.oecd.org/gov

Rolf.Alter@OECD.org
THE ROLE OF THE ACCOUNTING CHAMBER OF THE KYRGYZ REPUBLIC IN THE PREVENTION OF CORRUPTION

MS. UKTOMHAN ABDULLAYEVA
AUDITOR OF THE ACCOUNTS CHAMBER OF THE KYRGYZ REPUBLIC, FORMER VICE-PRIIME MINISTER OF THE KYRGYZ REPUBLIC

What is the legal basis for supreme audit institution?
Does it comply with Lima Declaration of the International Organization of Supreme Audit Institutions?

The Constitution of the Kyrgyz Republic
The Law on the Accounting Chamber of the Kyrgyz Republic
Lima Declaration (INTOSAI, ASOSAI, Ecosai)
National anti-corruption strategy of the Kyrgyz Republic

In order to fight corruption at national level, with civil society, business sector and international organizations, the President of the Kyrgyz Republic has created an anti-corruption service under the State Committee of National Security to integrate anti-corruption efforts in the country.

National anti-corruption strategy reflects the political will of the leadership of the country and addresses the root causes of corruption in the society, as well as sets out priorities, measures to be taken and ways to achieve its goal – to reduce the level of corruption in the country.
How is the independence of the Chamber of Accounts ensured?

- Chamber of Accounts is an independent higher organ of state audit.
- The responsibility imposed on the Chamber of Accounts for the control over the execution of the national budget is an essential part of its functions.
- Chamber of Accounts intends to continue the reform process and improvement of public audit in order to improve the use of public resources and to avoid corruption.

The Chamber of Accounts has the necessary legal tools to detect corruption schemes as part of its audits, including on the use of the national budget, the preparation and use of local budgets, budget and special funds, as well as the use of state and municipal property.

We have used many such opportunities in 2010 (the year of the revolution in the Kyrgyz Republic) and found financial irregularities at 10.8 times more than the previous year, and in 2011 - 6.2 times more than in 2009. 4 times more was returned to the budgets of different levels than during the pre-revolutionary year. This demonstrates the disclosure of corrupt practices and increase in the efficiency of the Chamber of Accounts and its more transparent work than in the past. Key pre-conditions are the absence of undue influence of government agencies and the independence of the supreme audit institution.
Significant patterns of corruption in the energy sector were found: energy sector employees themselves actively participated in stealing the electricity; hiding the losses of distribution companies has become systemic; the write-offs of bad debts of distribution companies led to losses in the state budget.

A typical pattern of waste of state money in the industry has been the massive theft during the construction of the hydro-power plants. The Chamber of Accounts established an overestimation of construction costs in the amount of 1,240.1 million soms (about 27 million US dollars) from total costs 9 billion soms (14%) in the construction of one hydro-electric power plant.

Besides, an audit of the Accounts Chamber in the education system has shown the inefficiency of this system associated largely with elements of corruption.

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**Results of audits of the Chamber of Accounts of the Kyrgyz Republic, 2009 – 2010, in million USD**

1. The total of irregularities detected, including financial irregularities.
2. Reserves and losses of the budget.
3. Irrationally used budgetary means.
4. In total recovered.

<table>
<thead>
<tr>
<th>Year</th>
<th>Irregularities Detected</th>
<th>Financial Irregularities</th>
<th>Reserves and Losses</th>
<th>Irrationally Used Budgetary Means</th>
<th>Total Recovered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>213.8</td>
<td>102.7</td>
<td>179.1</td>
<td>30.6</td>
<td>5.4</td>
</tr>
<tr>
<td>2010</td>
<td>316.8</td>
<td>142.7</td>
<td>179.1</td>
<td>30.6</td>
<td>5.4</td>
</tr>
</tbody>
</table>
Structure of identified financial irregularities in 2010

- Shortages and theft of money and material values: 11.9 million USD.
- Violations and shortcomings in expenditures: 44.8 million USD.
- Addition in the budget: 43 million USD.
- Additions in the social fund: 1.5 million USD.

Chamber of Accounts of the Kyrgyz Republic

Prepares an annual report on the audit and performance audit on the state budget and presents it in the Parliament of the Kyrgyz Republic.

Prepares a special report to the President of the Kyrgyz Republic and the parliament of the Kyrgyz Republic on the issues of special importance or in cases of emergency.

Chairman of the Accounts Chamber of the Kyrgyz Republic shall report annually to the parliament of the Kyrgyz Republic a report on the activities of the Chamber.
## Chamber of Accounts

| Its own anti-corruption action plan, which includes measures to reduce the phenomenon as a whole, both in the public sector and within the Chamber. | A system of interaction, through the conclusion of agreements on cooperation with the Ministry of Finance, the State Financial Intelligence Service of the National Security Committee Against Corruption and other government agencies in order to combat corruption, prevention and prevention of financial irregularities. | Signed with law enforcement bodies inter-agency instructions aimed at co-operation with law enforcement authorities on the appointment and conduct of audits. |

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## Audit Chamber constantly interacts with law enforcement agencies, prosecutors, National Security Service, Ministry of Interior and Financial Police.

For example, over the last three years (2009 - 2011) the Audit Chamber referred 748 cases to law enforcement authorities:

- in 2009 - 168 cases amounting to about 93 million soms (over 2 million USD);
- for the year 2010 - 333 cases, 3 billion soms (over 65 million USD);
- in 2011 - 247 cases in the amount of 792 million soms (over 17 million USD).
Accounting Chamber is implementing a new **information system** to automate its core business processes. It will provide an opportunity to strengthen the control over the conduct and performance of audits, increasing the responsibility of inspectors for implementation the outcomes of the audit, excluding the possibilities of corruption.

Promoting transparency, through co-operation with the media, is important for the Chamber of Accounts, in order to ensure that the practical results of its audit activities are widely covered.
The President of the Kyrgyz Republic
Almazbek Atambayev
said in his inaugural speech:
“Our next step is - an uncompromising fight against corruption. If we do not eradicate all forms of corruption in our society, the future of our country is at risk.”
Your Excellencies, distinguished guests, ladies and gentlemen,

All of you here are the experts on fighting corruption and I will not attempt to lecture you on a subject which all of you will discuss in great detail during your time at this conference. Suffice to say that the fight against corruption appears to be a perpetual one. Despite the enduring war against this social menace, and the fact that it is a crime condemned by the public, it still remains widespread in many societies.

With the establishment of National Integrity Agency’s legal and institutional framework, in 2007, the anti-corruption area saw a new course in Romania, which soon led to a shift of paradigm and a comprehensive concept of integrity in our country. The Law no. 144/2007 established the National Integrity Agency (ANI) - an autonomous institutional body with competences in managing assets and interests’ disclosures and evaluation of unjustified assets, conflicts of interests and incompatibilities. In less than two years, ANI achieved an important track record of cases, being recognized by other enforcement authorities as an important partner in preventing and fighting corruption.

The institutional settlement

Functioning of the National Integrity Agency is based, in the first instance, on the area of exclusive competence in preventing and combating incompatibilities and conflicts of interests, sanctioning the failure to submit in time the assets and interests disclosures, identifying the significant differences between the changes intervened in the wealth and incomes achieved in the same period, performance of the prevention and awareness. In the second instance, the Agency has the attribute to notify other authorities or public institutions if there are found elements of breaching the tax or criminal legislation.

Persons holding high and official positions (MP’s, Ministers), elected officials, political appointees, magistrates, police officers, university rectors, civil servants, persons running for presidential, national and European parliamentary or local elections, etc. are subjects to ANI’s investigations and also have the obligation to submit assets and interests disclosures.

ANI has access to all documents/records from public authorities or any other public or private persons (tax registers, personal ID databases, motor vehicle register, real estate register, F.I.U. databases, land register, etc). The Agency performs evaluation activities ex-officio or upon notification by any individual or legal entity. The assessment of wealth, conflicts of interests and incompatibilities is performed during the mandate of public dignities and within three years after its end.
The operative activity is conducted by the integrity inspectors through an informatic system of integrated management for assets and interests declarations (SIMIDAI). This system has a series of operational modules including random allocation distribution module, intelligent data analysis, files workflow, investigation check-list, early warning, monitoring, audit, registry module, etc. The SIMIDAI stands for a strategic priority of the Agency, and it is aimed at improving the operative level of the activity conducted by the integrity inspectors.

ANI’s personnel consists of its president, vice – president, integrity inspectors (operative personnel which must have either economic or law studies), public servants and contractual personnel. The maximum number of positions within the agency is 200. The President and Vice – President are appointed by the Senate, for a 4 years mandate, which cannot be renewed, following a competition organized by the National Integrity Council. In 2012, ANI had approximately 85 employees.

ANI’s independence is guaranteed by the National Integrity Council – a representative body which has the task to supervise ANI’s activity and to act as an interface against any external pressures which might be exercised by any public or private entities. The Council is appointed by the Senate and is composed by a number of appointed members, standing for all categories of public positions provided by the law to disclose assets and interests: representatives of parliamentary political groups, of Ministry of Justice, public servants, associations of cities, municipalities, civil society, etc). The members of the Council are appointed for 4 years.

The assessment of the quality of the Agency’s management is conducted on annual basis, through an independent external audit. For the years 2008, 2009, 2010 and 2011, the independent external audit reports have been accomplished by Deloitte Audit – member of Deloitte Touche Tohmatsu. A number of progressive evolutions in terms of the development of ANI’s managerial processes, following the efforts made at management level. The audit reports are referred to the National Integrity Council.

**The process of implementation – stakeholders, cooperation and acceptance**

The National Integrity Agency represents only a part from a wider and complex process of enforcing the legislative provisions referring to the submission and evaluation of assets and interests disclosures.

The Agency performs the evaluation activity of assets and interests disclosures, incompatibilities, unjustified wealth or conflict of interests either ex-officio or upon the notifications of individuals or private entities. In every public institution, subject to ANI’s law, as provided by the legal provisions, there are designated persons appointed with the implementation of legal provisions regarding assets and interests disclosures submission. These persons collect the documents, advise the employees on filling in the statements and send to National Integrity Agency all the disclosures along with a list with persons who did not submit their declarations. Mass media and the civil society identify as well in their own profession activities possible cases which may become ex-officio notifications of ANI. Between 2008 and 2012, ANI started 1037 evaluation files upon complaints from individuals and 908 evaluation files upon complaints from public institutions or private persons.

An evaluation file is randomly assigned to the integrity inspector through an informatics distribution module. The evaluation activity is performed according to the systematic operational procedures, implemented to assure a more standardized and effective process of investigation. These procedures establish methods, structures and persons involved, ensuring the existence of the
documentation required to carry out the activities, ensuring continuity and predictability, supporting the audit and other bodies competent in auditing or controlling actions.

Within the evaluation procedures the integrity inspector may require to all public institutions and authorities, or to other legal entities and individuals, documents and information necessary to carry out the assessment, under the confidentiality obligation (tax registers, ID databases, motor vehicle register, land register, banks, etc). In order to facilitate the investigations, ANI concluded a series of cooperation protocols with various public institutions, such as: the Prosecutor’s Office attached to the High Court of Cassation and Justice, the Management authorities regarding the financial assistance from structural funds within the ministries, the National Authority for Regulating and Monitoring the Public Procurement, the National Agency for Fiscal Administration, Ministry of Administration and Interior, The National Trade Register Office, The National Agency for Cadastre and Land Registration, the National Office for Prevention and Fighting Money Laundering, the National Agency of Civil Servants, Superior Council of Magistracy, Permanent Electoral Authority, etc.

At the end of the evaluation procedures, ANI may find cases of conflicts of interests and incompatibilities or unjustified significant differences between assets and acquired incomes, which are referred to Wealth Investigation Commissions attached to Courts of Appeal. ANI also can notify the Prosecutor’s Offices for different possible crimes (false statements, corruption, etc).

The Wealth Investigation Commissions can submit ANI’s referral to the competent Court of Appeal, if it finds, based on the evidence, that the acquisition of a share of it or certain specific assets is not legally justified.

The person who breached the legal regime of conflict of interest or incompatibility losses its right to exercise a public position or dignity, except for election, for a period of three years after removal from office or that public dignity or from the date of mandate termination. If the person has occupied an eligible position, it cannot occupy the same position for a period of three years of mandate termination. If the person no longer has a public office or a dignity when it is found the state of incompatibility or conflict of interest, the three years prohibition remains valid from the date of the final evaluation report, respectively from the date of the final court irrevocable decision confirming the existence of a conflict of interest or a state of incompatibility. The act of the person to whom it was found the state of incompatibility or conflict of interest it is considered grounds for dismissal or, where appropriate, it is punishable under applicable rules for dignity, public position or respective activity.

Failure to submit assets and interests disclosures is considered a contravention and is punished with fine from 50 to 2 000 Romanian lei (11 to 440 euros). The Agency may automatically trigger the evaluation procedures.

Effectiveness – track record of cases

Within its four years of activity, the National Integrity Agency has reached an important track record of cases. Many cases presented below refer to high-profile public officials, such as ministers, members of the Parliament, chief police officers, local or county counsellors, etc.

In figures, ANI’s operational evaluation results are presented as follows:

- More than 4700 finalized investigations
- 34 cases concerning unjustified significant differences between assets and income
- 46,488,621 Romanian Lei (approximately 12.6 million euros) - total amount of significant differences between assets and incomes, ascertained in 34 cases
- 379 incompatibility cases
- 151 conflicts of interests cases
- 322 cases referred to Prosecutor’s Offices for breaching criminal legislation (false statements, corruption, etc.)
- 4,941 administrative fines for non-compliance with legal provisions regarding assets and interests disclosures submission
- 3,570 asset and interests disclosure forms published on the Public Portal of Assets and Interests Disclosures
- 103 files / inspector: average case load

Follow-up on ANI’s files challenged in Court / referred to Wealth Investigation Commissions or to Prosecutor’s offices:

- 3 definitive and irrevocable decisions of assets confiscation issued by the High Court of Cassation and Justice
- 193 incompatibilities remained definitive (the incompatibility state was maintained either by Court decision or by not challenging the evaluation report in Court). These cases were sent to the Disciplinary Commissions within the public institutions where the investigated persons were removed from their office, their salary was decreased, or they were disciplinary warned.
- 4 cases of conflicts of interests either remained definitive (the conflict of interest state was maintained either by Court decision or by not Challenging the evaluation report in Court). The rest of them are still pending in Court.

Problems encountered and challenges

In its short history, the National Integrity Agency encountered or is still facing some obstacles in fully performing the activity with effectiveness: lack of unitary practices and procedures of handling cases referred by the integrity inspectors to Courts, especially in cases regarding the requests for unjustified assets confiscations, the three years prescription period, stipulated by Law no. 176/2010, regarding the time in which the Agency may run the evaluation activity on assets and interests disclosure, inappropriate remuneration at the level of the operational personnel in relation to the complexity of work performed, the absence of guidelines at the level of the Wealth Investigation Commissions within the Courts of Appeal in respect of handling cases referred by ANI.

Given the experience of the National Integrity Agency, acquired in its first four years of activity, some threats still exists: budgetary restrictions, legislative instability, long period of judicial procedures to investigate the causes submitted by the Agency or unjustified delays in handling the cases, pressures exercised by the verified persons against the integrity inspectors, internal and external interference in order to limit the Agency’s operational independence foreseen by the law, beyond the independent external audit recommendations, etc.

However, reinforcing political will remain the most important challenge to National Integrity Agency as well as to any other anti-corruption agency in order to benefit from a dissuasive legislative framework and a strong, predictable institutional background.
The European Commission addressed a series of recommendations to Romania on the improvement of the institutional and legislative framework of ANI. All the reports referred to the adoption of a consensus of all actors involved in the support of fight against corruption, with the meaning of allowing the legal system to operate in an independent manner, so as to perform a number of impartial investigations and enquiries of the corruption cases which lead to some rapid and efficient decisions.

Impact of the National Integrity Agency’s work

Although the liability to declare the wealth exists since 1996 and the assets disclosures had become public documents since 2003, the control mechanisms were difficult to use and the control of conflicts of interests had never been exercised systematically.

Appearance of the National Integrity Agency was due both to the deficit of legislative regulation in this respect and to the lack of a specialized, unique institution, administrating efficiently the verification system in the area of accumulation of unjustified incomes, of conflicts of interests and of incompatibilities.

In just four years of activity, ANI managed to respond the constant requirements of the external factors (European Commission, GRECO, etc.), to solve some problems of transparency and integrity of the public functions and dignities, to increase the awareness level by the means of mass-media and of the civil society.

The level of complying with the legal provisions of correctly disclosing assets and interests is much higher since the establishment of ANI. Public awareness has been raised, many persons addressing to the Agency with the purpose of receiving specialized advice. The Agency was also recognised as an important partner by other European and international bodies with competences in fighting corruption. The National Integrity Agency holds the Chairmanship-In-Office of the Integrity Experts Network and is a full member of European Partners Against Corruption (EPAC) and International Association of Anti-Corruption Agencies (IAACA). ANI also collaborates with various international organizations, such as the World Bank or OECD Anti-Corruption Network for Eastern Europe and Central Asia.

European Commission progress reports referred several time to the rhythm and evolution of the institutional activity, by pointing out in a positive light the aspects of actual interest, such as the significant track record of cases on conflicts of interests, incompatibilities or unjustified assets, integrated management systems dedicated to the support of the operative activity, the public portal of assets and interests disclosures – an excellent instrument regarding transparency of assets and interests.

Agency’s mission for the future will continue its policies of significantly contributing to the establishment of integrity standards, good practices at the level of public administration, as well as to discourage the behaviours generating corruption on the administrative side.

Thank you.
MEETING AGENDA

10:00 OPENING

Opening remarks by Mr. Rintaro Tamaki, OECD Deputy Secretary-General

10:30 SESSION 1: TOWARDS ROBUST ANTI-CORRUPTION POLICIES

Co-Chairs: Ms. Simona-Mayo Teodoroiu, Secretary of State, Ministry of Justice, Romania; and Ms. Carolyn Ervin, Director, Directorate for Financial and Enterprise Affairs, OECD

Introduction by Co-Chairs: Achievements and Challenges in Ensuring Effective Anti-Corruption Policies and Institution in Eastern Europe and Central Asia

Keynote speakers:

Ms. Tea Tsulukiani, Minister of Justice of Georgia
Mr. Gordan Markotić, Assistant Minister, Ministry of Justice of Croatia
Mr. Fuad Alesgerov, Head of the Law-Enforcement Department, Presidential Administration of Azerbaijan
Mr. Lorenzo Salazar, Judge, Director, International Criminal Affairs, Ministry of Justice, Italy; Head of the Italian Delegation to the OECD Working Group on Bribery

Discussion

11:30 Coffee break

12:00 SESSION 2: ENGAGING IN A DIALOGUE WITH BUSINESS TO PREVENT CORRUPTION

Co-Chairs: Mrs. Enery Quinones, Chief Compliance Officer, European Bank for Reconstruction and Development; and Ms. Nino Panjikidze, Deputy CEO, Business Association of Georgia

Introduction by Co-Chairs: Ways to Promote Business Integrity in Eastern Europe and Central Asia

Keynote speakers:

Mr. Matthew Murray, Deputy Assistant Secretary for Europe and Eurasia, U.S. Department of Commerce
Mrs. Anna Derevyanko, Executive Director, European Business Association, Ukraine
Mr. Tayfun Zaman, Executive Director, Ethics and Reputation Society, Turkey

Discussion
### 13:00
Family picture  
Lunch break; official high level lunch in Restaurant de Nations (by invitations)

### 15:00
**SESSION 3: ADVANCING REFORM OF CRIMINAL LEGISLATION AGAINST CORRUPTION AND STRENGTHENING LAW-ENFORCEMENT**

**Co-Chairs:**  
Mr. Daniel Thelesklaf, Head of the Financial Intelligence Unit, Principality of Liechtenstein, former head of the Financial Intelligence Unit of Switzerland; and Mr. Nurlan Dzheenaliev, First Deputy Prosecutor General of Kyrgyzstan

**Introduction by Co-Chairs:** Strategic Directions for Stronger Enforcement of Anti-Corruption Legislation in Eastern Europe and Central Asia

**Keynote speakers:**

- **Mr. Žydrūnas Bartkus**, 1st Deputy Director of the Special Investigations Service, Lithuania  
- **Mr. Serhiy Leshchenko**, Deputy Editor-in-Chief, Newspaper “Ukrayinska Pravda”, Ukraine

**Discussion**

### 16:00
Coffee break

### 16:20
**SESSION 4: TAKING EFFECTIVE MEASURES TO PREVENT CORRUPTION IN PUBLIC ADMINISTRATION**

**Co-Chairs:**  
Ms. Jane S. Ley, Deputy Director for International Assistance and Governance Initiatives, U.S. Office of Government Ethics; and Mr. Jaroslavs Streļčenoks, Director, Corruption Prevention and Combating Bureau, Latvia

**Introduction by Co-Chairs:** Good Practice, International Standards and Effective Implementation of Integrity and Corruption-Prevention Measures

**Keynote speakers:**

- **H.E. Mr. Marten Kokk**, Ambassador, Permanent Delegation of Estonia to the OECD  
- **Mr. Rolf Alter**, Director, Public Governance and Territorial Development, OECD  
- **Mrs. Uktomhan Adbulaeva**, former Vice-Prime Minister, former Minister of Labour and Social Affairs, Auditor of the Chamber of Audits, Kyrgyzstan  
- **Mr. Horia Georgescu**, President, National Integrity Agency, Romania

**Discussion**

### 17:15
**SESSION 5: REINFORCING POLITICAL WILL TO FIGHT CORRUPTION IN EASTERN EUROPE AND CENTRAL ASIA**
Co-Chairs: Mr. Goran Klemenčič, Chief Commissioner, Commission for the Prevention of Corruption, Republic of Slovenia; Mr. Otabek Murodov, Deputy Minister of Justice, Republic of Uzbekistan

Fighting corruption in Mongolia
Mr. Khaliun Panidjunai, Advisor, Independent Authority against Corruption, Mongolia

Adoption of the Statement on Strategic Directions for Fighting Corruption in Eastern Europe and Central Asia

18.00 Cocktail reception at Atrium, OECD
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*Comission on Combatting Corruption*  
*Government of Azerbaijan*
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<th>Name</th>
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<td>Embassy of Azerbaijan in France</td>
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<td>Mr. Elnur MUSAYEV</td>
<td>Senior Prosecutor</td>
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<td>Ms. Ljubinka KORABOSKA</td>
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<td>State Commission for Prevention of Corruption</td>
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American Chamber of Commerce in Kazakhstan

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Ms. Anna DEREVYANKO            Executive Director
European Business Association
Ukraine

Ernst & Young

Mr. Liudas JURKONIS            Manager, Leader of the Baltic Region
Fraud, investigation and dispute service
Ernst & Young Baltic

“Ukrainian Pravda”, Ukraine

Mr. Sergii LESHCHENKO          Journalist
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Newspaper “Ukrainian Pravda”

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Ms. Nino PANJIKIDZE            Deputy CEO
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Investors' Forum, Lithuania

Mrs. Andželika RUSTEIKIENĖ      Projects and Communication Manager
Investors’ Forum
Lithuania
**HIGH-LEVEL MEETING “REINFORCING POLITICAL WILL TO FIGHT CORRUPTION IN EASTERN EUROPE AND CENTRAL ASIA” — 10 DECEMBER 2012, OECD**

**Transparency International Georgia**

**Mr. Irakli URUSHADZE**  
*Project Manager/Senior Analyst*  
*Research*  
*Transparency International Georgia*

**Ethics and Reputation Society, Turkey**

**Mr. Tayfun ZAMAN**  
*Coordinator*  
*TEID - Ethics and Reputation Society*

**OECD**

**Mr. Rintaro TAMAKI**  
*Deputy-Secretary General*

**Ms. Carolyn ERVIN**  
*Director*  
*Directorate for Financial and Enterprise Affairs*

**Mr. Rolf ALTER**  
*Director*  
*Public Governance and Territorial Development*

**Mr. Patrick MOULETTE**  
*Head of Division*  
*Directorate for Financial and Enterprise Affairs*  
*Anti-Corruption Division*

**Mrs. Olga SAVRAN**  
*Manager*  
*Directorate for Financial and Enterprise Affairs*  
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*Anti-Corruption Network for Eastern Europe and Central Asia*

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**Mr. Dmytro KOTLYAR**  
*Project Manager*
HIGH-LEVEL MEETING “REINFORCING POLITICAL WILL TO FIGHT CORRUPTION IN EASTERN EUROPE AND CENTRAL ASIA” — 10 DECEMBER 2012, OECD

Resident Advisor in Ukraine
Directorate for Financial and Enterprise Affairs
Anti-Corruption Division
Anti-Corruption Network for Eastern Europe and Central Asia

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Acting Head of the OECD Eurasia Competitiveness Programme
Directorate for Financial and Enterprise Affairs
Private Sector Development Division
OECD Eurasia Competitiveness Programme

Mr. Janos BERTOK
Head of Public Sector Integrity Division
Public Governance and Territorial Development

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Senior Economist/Lead Manager, OECD Guidelines for MNEs
Investment Division
Directorate for Financial and Enterprise Affairs

Ms. Sara SULTAN
Policy Analyst
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Ms. Simone BLOEM
Policy Analyst
Programme for Co-Operation with Non-Member Economies
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Mr. Daniel QUADBECK
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Mr. Grégory LECOMTE
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Directorate for Financial and Enterprise Affairs
Private Sector Development Division
OECD Eurasia Competitiveness Programme

Ms. Annamaria DE CRESCENZIO
Policy Analyst
Directorate for Financial and Enterprise Affairs
Private Sector Development Division
OECD Eurasia Competitiveness Programme

Ms. Marina CERNOV
Directorate for Financial and Enterprise Affairs
Private Sector Development Division
OECD Eurasia Competitiveness Programme