



ACN

Anti-Corruption Network for Eastern Europe and Central Asia

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14th ACN STEERING GROUP MEETING

11 December 2012

OECD, 2 rue André-Pascal, 75016 Paris

SUMMARY RECORD

The draft summary record was prepared by the ACN Secretariat to summarise the discussion and decisions taken at the 14th ACN Steering Group meeting. It was circulated to participants and approved under the written procedure by 15 July 2013.

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1. INTRODUCTION

The 14th ACN Steering Group Meeting took place on 11 December 2012, at the OECD in Paris, back-to-back with the ACN High Level Meeting on Reinforcing Political Will to Fight Corruption in Eastern Europe and Central Asia.

The 14th ACN Steering Group meeting was co-chaired by Mr. **Evgeniy Kolenko**, Deputy Head of the Anti-Corruption Department, General Prosecutor's Office of Uzbekistan and Mr. **Robert Leventhal**, Director, Anti-Corruption Initiatives, Bureau of International Narcotics and Law Enforcement Affairs, State Department, the United States.

The Steering Group took note of the 13th Steering Group's meeting Summary Record and adopted the proposed agenda for the 14th Steering Group meeting.

2. REQUEST OF MONGOLIA TO JOIN THE ACN

Mr. Khaliun Panidjunai, Advisor, Independent Authority against Corruption in Mongolia, has reiterated the request of Mongolia to join the ACN and the Istanbul Anti-Corruption Action Plan (IAP), which was announced during the High Level meeting on 10 December 2012. He made a presentation on the efforts to fight corruption in Mongolia. Mr. Panidjunai outlined the legal and institutional framework for fighting corruption in Mongolia. He emphasised the role and achievements of the Independent Authority against Corruption. Mr. Panidjunai also presented the system of asset declarations for public officials, which was introduced in Mongolia, where asset declarations are made public and reviewed and verified by the Independent Authority against Corruption and the Parliament.

Several countries congratulated Mongolia with its efforts to combat corruption. The ACN Steering Group welcomed the accession of Mongolia to the ACN and the IAP.

3. ACN WORK PROGRAMME 2013 – 2015: INTRODUCTION

Mrs. Olga Savran, ACN Manager, provided an overview of activities implemented by the ACN in 2008 – 2012 and the main outcomes and results. In the area of peer review, 8 monitoring, 1 review and 20 progress reports were prepared. 4 plenary meetings were held. Altogether 200 recommendations were provided, of which 70 recommendations (or 30%) were fully, largely or partially implemented. The main findings will be presented in the summary report to be published in 2013. In the area of peer learning, altogether 12 expert seminars were organised and several thematic publications were released on such key priority issues as investigation and prosecution of corruption, asset declarations, anti-corruption policies, integrity in judiciary, ethics for public sector, etc.

Further, Mrs. Savran presented the ACN Work Programme for 2013-2015. She stressed that a key objective of it is to support the implementation of UNCAC and other key international anti-corruption standards for the ACN region. Mrs. Savran introduced the main directions of the ACN Work Programme for 2013-2015, including:

- Istanbul Anti-Corruption Action Plan Third Round of Monitoring;

- Thematic Reviews on Anti-Corruption Policies and Prevention, the Role of Business in Prevention of Corruption and Criminalisation of Corruption;
- Law-Enforcement Network;
- Steering Group.

In 2013 – 2015, it is envisaged to hold four Steering Group meetings and possibly a High Level Meeting in 2015.

The Work Programme 2013 – 2015 envisages a more robust implementation and evaluation mechanism. Implementation and evaluation will be overseen by the ACN Steering Group and be composed of an internal evaluation by National Coordinators, experts and partners, using regular questionnaires and reports, and an external evaluation by independent consultant conducted in the middle of implementation.

Concerning funding, Mrs. Savran informed that new voluntary contributions for the ACN were made by Switzerland and the United States and discussions with other donors are ongoing to secure the necessary funding to implement the 2013 – 2015 Work Programme. Mrs. Savran underlined the importance of in-kind contributions by ACN countries, for example, hosting events, funding national experts, covering various expenditures related to the work programme implementation.

During the discussion it was noted that the Work Programme 2013 – 2015 should provide for a more active involvement of the civil society and business sector, in particular in the Istanbul Anti-Corruption Action Plan. Given that the focus of this round of monitoring will be on practical implementation and effective enforcement, inputs from civil society and businesses will be key to ensure relevance and accuracy of monitoring reports.

4. ISTANBUL ANTI-CORRUPTION ACTION PLAN THIRD ROUND OF MONITORING

Mr. Dmytro Kotlyar, ACN Project Manager, presented the objectives, main features, stages and reports of the Istanbul Anti-Corruption Action Plan Third Round of Monitoring. The Istanbul Anti-Corruption Action monitoring is a peer review process, based on equal treatment and consensus. Mr. Kotlyar noted that the third round of monitoring will be based on the comprehensive approach, continuing to cover all three areas, namely anti-corruption policies, criminalisation, prevention of corruption, while focusing on the second round recommendations and in particular their practical recommendations.

Mr. Kotlyar informed that the proposed schedule is as follows:

- *Azerbaijan, Georgia*: adoption of the reports in September 2013;
- *Tajikistan, Ukraine*: adoption of the reports in March 2014;
- *Kazakhstan, Armenia*: adoption of the reports in September 2014;
- *Kyrgyz Republic, Uzbekistan*: adoption of the reports in March 2015.

Mr. Kotlyar informed that the reports will assess compliance with each second round of monitoring recommendations looking at policy, legislative, institutional measures taken; enforcement measures and their results; achieved level of compliance; new recommendations, if needed; and other significant anti-corruption measures.

Further, **Mr. Michael Janssen**, GRECO Secretariat Council of Europe, informed that by 2013 all ACN countries, except Belarus, have been evaluated under the GRECO Third Evaluation Round. In 2012, thematic reports on Incriminations and Political Funding were released by GRECO.¹ The GRECO Fourth Evaluation Round examines corruption prevention in respect of members of parliament, judges and prosecutors, in particular looking into ethical principles and rules of conduct, conflicts of interest, prohibition or restriction of certain activities, declaration of assets, income, liabilities and interests and enforcement of the rules regarding conflicts of interest. From ACN countries, Estonia, Latvia and Slovenia have been evaluated under this round. In 2013, GRECO activities will concern the following ACN countries: Ukraine, Moldova and Slovenia (March 2013 GRECO meeting); Georgia, Lithuania, and Albania (June 2013); Bosnia and Herzegovina (October 2013); the FYR of Macedonia, Ukraine, and Croatia (December 2013). In 2014, Lithuania, Bulgaria, Azerbaijan and Serbia will have evaluation or compliance reports and in 2015, Armenia, Montenegro, Georgia and Ukraine.

Ms. Brigitte Strobel-Shaw, the U.N. Office on Drugs and Crime (UNODC), informed that the review reports under the first cycle of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption (UNCAC) have been completed for Ukraine, Azerbaijan and Georgia and the report on Kazakhstan has some delays. Ms. Strobel-Shaw underlined that Istanbul Action Plan countries are well prepared for the review and familiar with the process, given that they have undergone a similar assessment under the Istanbul Action Plan.

During the discussion the question was raised on the benefits from the second round of monitoring and extent to which this process involves key stakeholders within the countries. The discussion on the Third Round of Monitoring showed a clear agreement that it should focus on practical implementation and impact achieved. It was noted that legal reforms are well advanced in the Istanbul Action Plan countries, and the countries should now demonstrate how effectively the laws are enforced and be also given the opportunity to demonstrate achievements. It was also noted that practical impact of anti-corruption measures is often limited and it is important to focus on practical implementation and involve more key stakeholders, in particular civil society and business sector. Participants also noted that country-specific recommendations and ratings is a positive feature of the Istanbul Action Plan countries. Participants also recalled the importance of the government in leading anti-corruption reforms and the need to provide further guidance/general principles on how to demonstrate enforcement and show impact and effectiveness.

5. THEMATIC REVIEW ON ANTI-CORRUPTION POLICIES AND PREVENTION

Ms. Inese Gaika, ACN Project Manager, presented the objectives and proposed topics and activities for the Thematic Review on Anti-Corruption Policies and Prevention. The thematic review aims to promote exchange of experience and good practice, identify common trends and develop regional policy recommendations. Ms. Gaika stressed that in both areas - anti-corruption policies and prevention of corruption - a common challenge is effective implementation, results and impact achieved on corruption. Monitoring implementation of anti-corruption policies, policy co-ordination institutions, involvement of non-governmental partners, awareness raising and public education, integrity in public service, supervision and effective sanctions to prevent conflict of interest, public sector ethics training, prevention

¹ Thematic review of GRECO's Third Evaluation Round. Incriminations, see the full report at http://www.coe.int/t/dghl/monitoring/greco/general/MACAULEY_EN.pdf, Thematic review of GRECO's Third Evaluation Round. Political funding, see the full report at http://www.coe.int/t/dghl/monitoring/greco/general/DOUBLET_EN.pdf

of corruption in public procurement, sectoral approaches to prevention of corruption, risk assessments and integrity plans were among possible topics proposed for this review. The thematic review will involve an advisory group, questionnaire, final report and 2 – 3 regional seminars.

Mr. Janos Bertok, Head of OECD Public Sector Integrity Division, Public Governance and Territorial Development, presented the peer reviews of integrity carried out by the OECD, including comprehensive integrity reviews of Brazil and Italy, and reviews on integrity in such key sectors as public procurement, health and energy sectors in Mexico and other countries. Mr. Bertok emphasised that these peer reviews focus on implementation and consistency of integrity measures taken and also provide an action plan with recommendations for further improvement.

Ms. Simone Bloem, OECD Directorate for Education, reported on the Integrity of Education Systems Project, producing a methodology to assess integrity in education, which will be finalised in 2013, and first country assessment of Serbia.

Mr. Mark Johnson, OECD Centre for Tax Policy and Administration, presented the 2012 report “Effective Inter-Agency Co-Operation in Fighting Tax Crimes and Other Financial Crimes”², as well as capacity building programme and events on financial investigations in 2013. ACN countries were invited to attend these events and share information on inter-agency co-operation.

During the discussion a variety of topics were mentioned that are relevant for participants and could be further explored as part of ACN thematic review on anti-corruption policy and prevention. These issues include anti-corruption strategies at institutional level, risk assessments, institutional capacities of anti-corruption institutions, independence of judiciary, including prosecution, assessment of corruption risks in draft laws, transparency in the public sector, involvement of civil society and business, transparency of lobbying, the problem of revolving doors, e-governance, economic aspects of prevention of corruption, licensing.

6. THEMATIC REVIEW ON THE ROLE OF BUSINESS IN PREVENTION OF CORRUPTION

Mrs. Olga Savran, ACN Manager, presented the objectives and proposed topics and activities for the Thematic Review on the Role of Business in Prevention of Corruption. This review will study regional trends and promote international standards and good practice such as the OECD *Good practice guidance on internal controls, ethics, and compliance* and other standards. The review will involve business associations, selected companies, relevant international organisations and governmental agencies. An advisory group will be established to guide the secretariat on the development and implementation of the study. As a result of this review a regional study will be prepared.

In particular, the review will study good practice in the following areas:

- Public-private dialogue, e.g. sectors with risk, reporting channels, business ombudsmen, etc.
- Compliance programmes by companies
- Collective and other actions supported by associations

² The report “Effective Inter-Agency Co-Operation in Fighting Tax Crimes and Other Financial Crimes” is available [here](#).

The review can draw on other OECD programmes and initiatives. **Ms. Sara Sultan**, OECD Corporate Affairs Division, presented the OECD Guidelines on Corporate Governance of State-Owned Enterprises and the guide how to implement them in the areas of transparency and accountability “Accountability and Transparency: A Guide for State Ownership”.³ Ms. Sultan stressed that improved corporate governance as a means to address anti-corruption and it is important to put SOEs and private enterprises on equal footing with regard to treatment before the law. She informed on such regional networks as Eurasia Group on Corporate Governance for Capital Market Development and South East Europe Corporate Governance Roundtable, as well as on the development of Guidelines for State-Owned Enterprises for the Baltic States. **Ms. Marie-France Houde**, Investment Division, OECD Investment Division, presented the OECD Guidelines for Multinational Enterprises, the OECD standard of conduct for companies.

During the discussions, the importance for governments to create incentives and engage companies in preventing corruption was emphasized. Such topics as transparency and corruption and reputation risks in private companies, preventing corruption in SOEs, measures to prevent corruption in business sector in national anti-corruption strategies, business–government (including local government) dialogue and public procurement were pointed out as key issues for future work. It was said that continuous monitoring is of crucial importance, but also production of useful, practical guides, for instance, on how to be responsible investors in different countries.

7. THEMATIC REVIEW ON CRIMINALISATION OF CORRUPTION AND LAW ENFORCEMENT NETWORK

Ms. Tanya Khavanska, ACN Project Manager, presented the ACN Law Enforcement Network and the Thematic Review a Criminalisation, which will include regular expert seminars and an analytical study. Ms. Khavanska noted that ACN Law Enforcement Network draws on the experience of the OECD Working Group on Bribery Informal Network of Law Enforcement Officials and builds on ACN law enforcement expert seminars in 2010-2012. The ACN Law Enforcement Network is for law enforcement officials from all ACN countries and it will promote exchange of experience and mutual learning of modern investigation and prosecution methods.

During the discussion **Mr. Georg Florian Grabenweger**, the International Anti-Corruption Academy (IACA), informed on the IACA Master in Anti-Corruption Studies started in 2012, which will provide Master of Arts Degree (M.A.) in Anti-Corruption Studies. Mr. Grabenweger expressed IACA’s readiness to co-operate in the future.

8. ADOPTION AND IMPLEMENTATION OF THE ACN WORK PROGRAMME 2013 – 2015

The ACN Steering Group supported the proposed activities and adopted the ACN Work Programme 2013 – 2015. The ACN Steering Group also agreed on the implementation and evaluation mechanism foreseen in the Work Programme, including the role of the Steering Group in the evaluation. The SECO proposed to carry out an external evaluation at mid-term and not at the end of the Work Programme.

5. CLOSING OF THE MEETING

It was agreed that the Secretariat will prepare the draft summary record and circulate it to participants. The next ACN Steering Group will take place in September 2013. The meeting was then closed.

³ OECD Guidelines on Corporate Governance of State-Owned Enterprises (click [here](#)); “Accountability and Transparency: A Guide for State Ownership” (click [here](#)).