



ACN

Anti-Corruption Network for Eastern Europe and Central Asia

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11th ACN STEERING GROUP MEETING

8 December, 2010

OECD, 2 rue André-Pascal, 75016 Paris

SUMMARY RECORD

The summary record was prepared by the ACN Secretariat to summarise the discussion and decisions taken at the 11th ACN Steering Group meeting. It was approved by the participants of the meeting by 1 March 2011.

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1. OPENING

The 11th ACN Steering Group meeting took place on 8 December 2010 at the OECD in Paris. It was organised back-to-back with the 10th Istanbul Anti-Corruption Action Plan Monitoring Meeting.

The meeting was co-chaired by **Mr. Horatiu Baias**, Prosecutor, National Anti-Corruption Directorate, Romania, and by **Mr. Patrick Moulette**, Head of the Anti-Corruption Division, OECD.

2. REPORT FROM THE BUCHAREST SEMINAR ON INVESTIGATION AND PROSECUTION

Mr. Baias reported about the ACN expert seminar "*Effective Means of Investigation and Prosecution of Corruption*" that took place in Bucharest, Romania, on 20–22 October 2010. The seminar was hosted by the National Anticorruption Directorate, Romania. This peer learning seminar gathered around 50 investigators and prosecutors specialized in corruption-related cases from ACN countries and from several members of the OECD Working Group on Bribery. The seminar combined presentations with practical workshops, and allowed practitioners to discuss challenges they face in their practical work and identify possible solutions through exchange of experience and good practice. The discussions confirmed the need to further increase the independence and specialization of anti-corruption law-enforcement bodies. The participants recommended to continue providing seminars for investigators and prosecutors on a regular basis, and to address such issues as investigation of economic offences, money laundering, asset recovery and confiscation, and cooperation between relevant bodies.

Ms. Inese Gaika, ACN Project Manager, noted that experts who took part in the seminar particularly appreciated its practical approach. Special effort was made by the organizers to invite investigators and prosecutors who deal with corruption cases in their daily work, to avoid general and theoretical speeches about the need to fight corruption, and to allow participants to discuss real life problems and solutions they face in their work. Proceedings of the seminar will soon be available on the ACN web site. The possibility of the continuation of training for this network of practitioners will be addressed in the ACN work plan for 2011.

3. UPDATE ABOUT THE ACN PROJECT IN UKRAINE AND ABOUT THE GUAM PROJECT

Ms. Tanya Khavanska, Manager of the ACN Project "*Strengthening the Capacity for Investigation and Prosecution of Corruption in Ukraine*" informed the Steering Group about this country specific project. The project is supported by the US Department of State and includes the following main elements: support to the government in its efforts to establish a specialised anti-corruption law-enforcement body, through the development and promotion of the Draft Law on the National Bureau of Anti-Corruption Investigations; and assistance in the development of technical skills and specialisation of investigators and prosecutors, through the development of a manual on investigation and prosecution of corruption and other related training activities.

Ms. Khavanska further informed the Steering Group that the US Department of State provided ACN with a new voluntary contribution in September 2010. This contribution will be used in the broader framework of the ACN peer learning activities and will support *professional training and development of analytical and methodological tools on detection, investigation and prosecution of corruption in Georgia, Ukraine, Azerbaijan and Moldova (GUAM countries)*. The outputs from both the Ukraine's and the GUAM projects,

such as the Manual on investigation and prosecution of corruption offences, will be disseminated and used for other regional ACN activities. More information about both projects is available at the ACN web site.

4. PROPOSAL ABOUT CORRUPTION IN EDUCATION

Mrs. Barbara Ischinger, Director, OECD Directorate for Education, stated that her Directorate supported non-member economies in their efforts to raise the quality, equity and relevance of education. The work of the Directorate, such as the Programme for International Student Assessment (PISA) covers 74 countries, including many ACN countries. One of the lessons from PISA is that the quality of governance and accountability can have a considerable impact on the quality of education. Mrs. Ischinger stressed that a joint effort of the Directorate for Education and of the ACN was welcome to tackle this important challenge.

Mr. Mihaylo Milovanovitch, OECD Directorate for Education, Programme for Co-operation with Non-member Economies, recalled that at the Astana Conference in September 2009, the ACN countries confirmed that fighting corruption in education was high priority. At its meeting in March 2010, ACN Steering Group further agreed to explore the possibility to address this issue, based on the proposal prepared by the Directorate for Education. Building up on this proposal, the Directorate for Education developed a review framework to examine corruption in education, which can be tested through pilot reviews in selected ACN countries during 2011-2012. Based on the results of these pilot reviews, it would become possible to finalise the methodology, to introduce education in the regular peer review process in the ACN framework, and to develop policy recommendations on good governance in education. Mr. Milovanovitch presented the proposed review framework, including a draft methodology dealing with the procedure and the substantive questionnaire. The proposed review framework is attached.

In the discussion that followed, Ms. Natalia Zavarzina, of the Canadian Embassy in Ukraine, inquired if any research about the levels of corruption and education was used in the development of the project, and noted that Canada supported projects related to corruption and education in Ukraine. Mr. Yuriy Lavrenyuk from a Ukrainian anti-corruption NGO further noted that the Ukrainian Students Union had recently launched activities related to the research of corruption in education. It was clarified that while there are many examples of such research carried out in various countries, there is so far no systematic methodology. It would therefore be useful to discuss the findings available in Ukraine, and other ACN countries.

It was agreed that the Directorate for Education together with the ACN Secretariat would liaise with the ACN countries to identify potential pilots. They will also liaise with the potential donors to raise funds necessary to finance the proposed activities.

5. UPDATE FROM GRECO

Mr. Michael Janssen, GRECO Secretariat, informed the ACN Steering Group that Lichtenstein and San Marino joined GRECO in 2010; Belarus will possibly join GRECO in the near future. He further informed the Group that the 3rd round of GRECO evaluation on incriminations and political party financing has well advanced during 2010 and will be completed in 2011; the number of non-compliance procedures under this round has increased, probably due to themes examined in this round. Concerning the 4th round of GRECO evaluations, this will start in the end of 2011 and will focus on corruption prevention among members of parliaments, judges and prosecutors. Mr. Janssen noted that GRECO is participating in the

implementation of the EU Stockholm programme, which foresees the elaboration of an EU comprehensive anti-corruption strategy, including EU's accession to GRECO, and the development of an EU anti-corruption review mechanism.

6. FEEDBACK FROM DONOR CONSULTATIONS SESSION

Mr. David Mikosz, US State Department, informed the ACN Steering Group about the donor consultation session, which took place immediately prior to the Steering Group. The donor consultation allowed representatives of donor agencies and international organisations to exchange information about anti-corruption and good governance projects which they fund or implement in the ACN region. Participants of the consultation expressed their support to the ACN activities and discussed the ACN activities for 2011 and beyond.

Ms. Severine Chuffart, State Secretariat for Economic Affairs (SECO), Switzerland, reiterated SECO's support to the ACN. Ms. Chuffart expressed SECO's appreciation to other donors for their support to the ACN, as well as to the ACN Secretariat and the participating countries. Ms. Chuffart specifically noted the good quality of the monitoring work and the significance of the peer learning programme. She further stressed the importance of coordination of the ACN activities with other international organisations, including in the framework of the UNCAC implementation.

7. LESSONS LEARNED FROM THE SECOND ROUND OF MONITORING TO DATE

Mr. Daniel Theleskalf, Executive Director of the Basel Institute on Governance, Chair of the 10th Istanbul Action Plan Monitoring meeting and Team Leader for the 2nd round of monitoring of Tajikistan, and **Mr. Goran Klemencic**, President of the Commission for the Prevention of Corruption of Slovenia, and Team Leader for the 2nd round of monitoring of Ukraine, shared their views about the lessons learned from the monitoring work to date. This was followed by a general discussion. The main points are presented below.

1. The methodology for the 2nd round of monitoring provides important positive features:
 - 1.1. *The monitoring questionnaire* provides a useful guidance to the countries for compiling comprehensive information for the review and monitoring; however, filling it out represents a real challenge (e.g. as noted by Uzbekistan);
 - 1.2. *The Issues papers*, which are prepared by the Secretariat on the basis of the answers to the questionnaire prior to the on-site visits, provide an important improvement in the preparatory process and allow the monitoring team to focus on the key issues during the on-site visit;
 - 1.3. *The on-site visits* continue to provide key opportunity to objectively assess progress achieved by countries and should be maintained; introduction of the thematic sessions with officials during visits in the 2nd round of monitoring allowed to further focus the discussions;
 - 1.4. *The monitoring teams* composed of experts representing other ACN and OECD countries, as well as of experts from international organisations, provide a useful diversity of cultural backgrounds and professional skills;
 - 1.5. *Civil society participation* is a strong element of the ACN monitoring methodology; participation of non-governmental representatives, including NGOs and private sector representatives allows to improve objectiveness of the assessment; civil society organisations also benefit from the participation in the monitoring process as they can learn about international standards and best practices and put pressure on the governments through an established framework (as noted by the Tajik NGO delegate);

- 1.6. *The comprehensive nature of reports* is a value added of the ACN monitoring process; the reports cover three broad areas of anti-corruption policy, criminalisation, and prevention of corruption, and provide a unique comprehensive assessment and recommendations, and a useful policy guidance to the governments; indeed, several countries confirmed that the ACN recommendations were used in the development of their national anti-corruption strategies (e.g. in Georgia), and provided important international policy messages to the countries (e.g. as noted by Ukraine).
2. At the same time, several areas of the monitoring require further improvements:
- 2.1. *Provision of necessary information on time* remains a challenge for all countries; it is vital for the quality of the monitoring and of the recommendations to equip the monitoring experts with all relevant legislation in advance, before and during the on-site visit; information provided later than 60 days before the adoption of the reports, or during the monitoring plenary meeting cannot be taken into account; it is also important to clarify the status of various legislation, e.g. which laws are in effect, which are adopted, and which are drafts;
- 2.2. *Good representation of monitored countries* during the plenary session is important to ensure the high quality of the reports. However, countries sometimes bring delegations which are composed of representatives of one agency (e.g. corruption prevention body) or few agencies (e.g. law-enforcement bodies), which are responsible for one part of the recommendations, but cannot negotiate equally well all assessments and recommendations. It is therefore important that, in the future, countries undergoing monitoring ensure that their delegations are diverse and well balanced, and are composed of the representatives of all key agencies covered by the assessment and recommendations.
- 2.3. *Better involvement of the ACN country delegates* in the plenary meetings is needed to ensure the peer review nature of the monitoring. While bi-lateral negotiations between the monitored country and the monitoring team allow addressing outstanding technical issues, the final decision of the adoption of the reports stays with the ACN Istanbul Action Plan plenary meeting. To further promote the peer review nature, Lithuania proposed to provide all delegates of the plenary meeting with additional information, such as extracts from legislation, to allow delegates to fully participate in the discussion. The Secretariat further called on the delegates to ensure good discipline and attendance of the plenary session to ensure equal peer review approach.
- 2.4. *Too much emphasis on the ratings* indicates the importance that countries attach to their update and to the overall country image provided by the monitoring reports; it is however important that countries pay more attention to other elements of the monitoring reports, such as ensuring the high quality of the assessment and of the new recommendations.
- 2.5. *Continuous monitoring* is provided by the regular updates by countries at the plenary meetings. In order to improve this tool, experts who participated in the monitoring or the countries were invited to review the updates and to propose questions for the discussion. Besides, the civil society delegates are invited to provide their contributions to the discussion of the updates (e.g. TI Georgia and Azerbaijani NGOs provided such contributions). However, updates cannot provide sufficient grounds for the update of ratings between the monitoring rounds, and additional tools may be necessary to strengthen continuous monitoring.

8. ACN WORK PROGRAMME: UPDATE FOR 2010, PLANS FOR 2011 AND BEYOND

Ms. Olga Savran, ACN Manager, presented a report by the ACN Secretariat, which summarised activities implemented during the 2010, and provided a proposal of the activities for 2011 and beyond. The ACN

Secretariat report is attached. The ACN work plan for 2011, as adopted by the ACN Steering Group, includes the following main activities:

1. Peer Review

- 1.1. Second round of monitoring of Armenia and Kazakhstan will take place in the first half of 2011, including on-site missions to Armenia (week of 25 April), and to Kazakhstan (week of 4 April); the plenary meeting is tentatively scheduled for 27-30 September 2011.
- 1.2. Second round of monitoring of Kyrgyzstan and Uzbekistan will take place in the second half of 2011, including on-site missions to Kyrgyzstan in October, and to Uzbekistan in November; the plenary meeting is tentatively proposed for March 2012.
- 1.3. The Istanbul Action Plan countries are encouraged to submit their reports as an input to the mechanism of the review of implementation of the UNCAC; the Secretariat will make these reports available to the UNODC. The Secretariat will also ensure coordination with GRECO.
- 1.4. Upon completion of the second round of monitoring, in 2012, the Secretariat will prepare a summary report about the results of implementation of the Istanbul Action Plan, and a proposal for the Steering Group on the future monitoring work.

2. Peer Learning

- 2.1. Seminar for prosecutors and investigators from the ACN countries with the focus on financial investigations and other methods of investigation and prosecution of corruption offences, first half of 2011.
- 2.2. Seminar for officials responsible for anti-corruption policy and corruption prevention measures in the ACN countries, first half of 2011.
- 2.3. Seminar on political party financing could be organised in the second half of 2011 (subject to confirmation of interest of the potential host country and co-organisers).
- 2.4. Consultations with the private sector and a seminar for public officials about the role of business in preventing and fighting corruption could be organised during the second half of 2011.
- 2.5. Seminar about the role of judiciary in the fight against corruption could be foreseen in 2012.

3. ACN Steering Group

- 3.1. ACN Steering Group meetings will be organised back-to-back with the Istanbul Action Plan plenary sessions in September 2011 and March 2012, and will continue to provide guidance to the Secretariat on the development and implementation of the ACN Work Programme, the framework for consultations with the key international partners, and support for donor coordination and fundraising.
- 3.2. The ACN is part of the OECD Working Group on Bribery's global relations programmes; the ACN Secretariat will continue to ensure regular reporting to the Working Group. It will also promote coordination of ACN with other OECD global relations programmes.

4. Other activities

- 4.1. The ACN together with the OECD Education Directorate will continue exploring the possibility of an activity on corruption in public education.
- 4.2. The ACN Secretariat will continue exploring possibilities for other activities in cooperation with other partners and in consultations with the participating countries.

Ms. Savran noted in the conclusion that the work of the ACN was funded mainly through voluntary contributions of the OECD member states, together with limited core funding of the OECD and co-funding

by the ACN countries. Voluntary contributions from the US, Switzerland, and the UK will provide main funding for activities in 2011. The ACN countries are invited to consider and inform the Secretariat about their *co-funding* for 2011 activities.

Finally, ACN countries are invited to update the ACN Secretariat about any changes concerning their *National Coordinators*, providing name of the coordinator, institution and full contact details. The ACN countries were further reminded that the role of National Coordinators was to coordinate and to ensure participation of relevant institutions of their countries in ACN peer review and peer learning activities.

9. CLOSING OF THE MEETING

It was agreed that the Secretariat will prepare the draft summary record and circulate it to participants. The meeting was then closed.