



ACN

Anti-Corruption Network for Eastern Europe and Central Asia

Anti-Corruption Division
Directorate for Financial and Enterprise Affairs
Organisation for Economic Co-operation and Development (OECD)
2, rue André-Pascal, 75775 Paris Cedex 16, France
Phone: +33(0)1 45249964, Fax: +33(0)1 44306307
Website: www.oecd.org/corruption/acn

12th ACN STEERING GROUP MEETING

29 – 30 September 2011

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 12th ACN Steering Group meeting. It was approved by participants through written procedure by 21 November 2011.

For more information, contact Ms. Inese Gaika, ACN Secretariat, tel.: 33 1 45 24 13 19, e-mail: inese.gaika@oecd.org.

1. INTRODUCTION

The 10th Anti-Corruption Network for Eastern Europe and Central Asia (ACN) Istanbul Anti-Corruption Action Plan Monitoring Meeting took place on 28 – 30 September 2011 at the OECD in Paris. The meeting was opened by Mr. Nicola Bonucci, Director of the OECD Legal Directorate.

The 12th ACN Steering Group meeting took place on 29 – 30 September 2011 back-to-back with the above meeting.

The 12th ACN Steering Group meeting was co-chaired by **Mr. Alvis Vilks**, Deputy Director, Corruption Prevention and Combating Bureau, Latvia and by **Mrs. Zorana Markovic**, Director, Anti-Corruption Agency, Serbia.

The Steering Group took note of the Summary Record of its 11th meeting adopted by its participants on 1 March 2011. The Steering Group also adopted the proposed agenda for the 12th Steering Group meeting.

The Steering Group adopted the Note “Role of ACN Contact Points and National Coordinators”, which was prepared by the Secretariat and mailed out for written comments by 27 May 2011. The Note clarifies the role of ACN Contact Points and National Coordinators and contains their names and contact information. The Secretariat called upon the delegates to ensure that when contact information changes, the Contact Points and National Coordinators provide updated and functional information (actual and working telephone and fax and e-mail they actually use) to the Secretariat without delay, to ensure effective communication.

2. ACN AS A PART OF OECD WORKING GROUP ON BRIBERY’S GLOBAL RELATIONS

Mr. Patrick Moulette, Head of OECD Anti-Corruption Division, addressed the Steering Group with a presentation on the work of the OECD Working Group on Bribery, giving a broader context for ACN’s work and indicating how the future ACN work programme could develop, from an OECD perspective.

Mr. Moulette informed the group about the monitoring of the enforcement of the OECD Convention against Foreign Bribery by the OECD Working Group on Bribery and the concrete results achieved in member countries in enforcing foreign bribery. Mr. Moulette further noted that OECD Working Group on Bribery has developed typology studies on cross-cutting issues, for example, intermediaries in international business transactions or bribery in public procurement and will prepare a study on mutual legal assistance. In 2010, a new tool - Good Practice Guidelines on Internal Controls, Ethics and Compliance – was adopted.

Mr. Moulette noted that ACN constitutes an important part of OECD Working Group on Bribery global relations, which also include cooperation with China, India, Indonesia and countries in South-East Asia, as well as other regional outreach initiatives.

Mr. Moulette noted the importance of complementarities between work of OECD Working Group on Bribery and regional work of ACN and Istanbul Anti-Corruption Action Plan.

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

Mr. Daniel Thelesklaf, Executive Director of the Basel Institute on Governance and Team Leader for the 2nd round of monitoring of Armenia, and **Mr. Dmytro Kotliar**, Resident Advisor of the ACN project in Ukraine and Team Leader for the 2nd round of monitoring of Kazakhstan, shared their views and lessons learned from the monitoring work in 2011.

The increasing involvement of Istanbul Action Plan countries was noted as a positive development, together with the improvement of the quality of the draft reports due to a greater role of the Secretariat in their compilation. Therefore, it was proposed that the first preparatory bilateral meeting between the examiners and the country should be used to review the draft report and to propose changes, which can be presented already at the first reading at the plenary meetings. It would therefore be possible to finalize the draft report during the second bilateral meetings and to present the changes in advance of the second reading at the plenary meeting. This more efficient use of time during the bilateral meetings will also allow the plenary to discuss any outstanding issues of concern which were not resolved during the bilateral meetings, and help to ensure equal treatment approach is taken on key common issues. Besides, the discussions of outstanding issues at the plenary sessions will help to identify cross-cutting issues which will need to be addressed by the peer learning programme. Finally, it was proposed to consider adopting reports with a "consensus minus one" in the next round of monitoring, as opposed to full consensus approach used at the current round of monitoring.

4. UPDATES BY THE OECD SECRETARIAT ON IMPLEMENTATION OF THE ACN WORK PROGRAMME IN 2011

4.1. Study on Asset Declarations

The Secretariat informed the Steering Group about the completion of the project "Asset Declarations for Public Officials – a Tool to Prevent Corruption". The main product of this project is presented in a study, which includes policy recommendations, comparative analysis of asset declarations systems in ACN and several other countries, and several case studies illustrating various approaches. This publication is available in English and Russian languages at the ACN web site. The Secretariat called upon the countries and partner organisations to examine the study carefully and to approach the Secretariat with proposals as to how to further disseminate and promote the implementation of recommendations in practice.

4.2. Vilnius seminar on Ethics and Strategies and follow-up Project on Ethics

The Secretariat informed the Steering Group about the expert seminar "*Anti-Corruption Policy and Ethics Training*" held in Vilnius, Lithuania on 23 – 25 March 2011. The seminar discussed anti-corruption strategies; ethics training for public officials and anti-corruption awareness raising. It brought together about 50 practitioners from state institutions responsible for these issues. The proceedings of this seminar are available [here](#).

As a follow-up to this seminar a project on Ethics Training for Public Officials was started by ACN jointly with OECD and EU SIGMA Programme. Its aim is to develop a thematic study, including a training module which can be used by the ACN countries to design and deliver ethics training to their public officials. A questionnaire on Ethics Training for Public Officials was sent to all ACN countries. The Secretariat requested ACN countries to complete the questionnaire and send answers to the Secretariat. The Secretariat will keep the Steering Group informed about next steps in the implementation of this project.

4.3. Kyiv Seminar on Investigation and Prosecution of Corruption

The Secretariat informed the Steering Group about the expert seminar “*Investigation and Prosecution of Corruption: Financial Investigations and Links with Money Laundering*” in Kyiv, Ukraine on 28 – 30 June 2011. This was second peer learning seminar for corruption investigators and prosecutors. The seminar focused on the following topics: financial investigations; multidisciplinary investigation teams; forensic accounting; links of corruption and money laundering. The seminar gathered practitioners in these areas from ACN and OECD countries. The Secretariat informed that a third seminar for investigators and prosecutors could be organised in 2012. The proceedings of this seminar are available [here](#).

4.4. Update on GUAM project

The Secretariat informed the Steering Group about ongoing ACN project to support training and development of analytical and methodological tools on detection, investigation and prosecution of corruption in GUAM countries – Ukraine, Georgia, Azerbaijan and Moldova. The project will deliver a series of seminars for investigators and prosecutors, development and dissemination of a training manual on investigation and prosecution of corruption, a study on specialised anti-corruption prosecutors offices and other supporting materials.

4.5. ACN business consultations

The Secretariat informed the Steering Group about ACN Business Consultations started in 2011. The aim of these consultations is to take stock of government and business activities to prevent corruption in the private sector, and to identify areas for regional activities which could be implemented by the ACN in the future. The business consultations are held back-to-back with ACN missions and other events in selected countries. Consultations involve separate meetings with business sector representatives and responsible government authorities. So far, consultations have taken place in Lithuania, Armenia, Kazakhstan and Ukraine.

A note on ACN Business Consultations is attached.

4.6. Assessments of Integrity in Education

Mr. Mihaylo Milovanovitch, OECD Directorate for Education, Programme for Co-operation with Non-member Economies, presented the methodology for assessing integrity of education systems. He noted that this methodology could be useful for Ministries of Education, in particular in the phase of designing or assessing education or sector anti-corruption strategies, bodies involved in designing and implementing anti-corruption policies and measures, lawmakers, stakeholders in education and international partners. The result of the assessment can be presented in reports with policy recommendations and a “corruption forecast”. Mr. Milovanovitch further informed the Steering Group about pilot assessment of Serbia which is currently underway, in co-operation with UNDP and UNESCO. The on-site visit was conducted in September 2011. He informed that more assessments in ACN countries could be conducted, subject to available funding.

Mrs. Vesna Ratkovic (Montenegro) informed that a similar risk assessment on corruption in education was conducted in Montenegro in 2011.

5. UPDATE FROM INTERNATIONAL PARTNERS

5.1. Update by the OSCE

Ms. Nina Lindroos-Kopolo, Office of the Co-ordinator of OSCE Economic and Environmental Activities, recalled to the ACN Steering Group that OSCE was a co-organiser of the seminar “Anti-Corruption Policy and Ethics Training” and continues this cooperation also within the follow-up project on ethics training. Ms. Lindroos-Kopolo informed that in future the OSCE is interested to support ethics training in ACN countries, especially where there are OSCE field offices.

Mrs. Lindroos-Kopolo invited the ACN countries to approach OSCE, if there is interest to organise a training for public officials. Mrs. Lindroos-Kopolo also offered that OSCE could assist in disseminating the asset declarations study.

Ms. Lindroos-Kopolo informed about a meeting on participation of the civil society in the fight against corruption organised by OSCE in July 2011 in Vienna for countries from OSCE region. The meeting discussed how OSCE could further support civil society engagement in the fight against corruption and Article 13 of the UNCAC regarding *participation of society*. Ms. Lindroos-Kopolo informed that a report will be published as a result of this meeting.

Ms. Lindroos-Kopolo further informed the Steering Group that about the OSCE ‘s 20th Economic and Environmental Forum on Promoting Security and Stability under the theme “Promoting Security and Stability through Good Governance” that will be organised by OCEEA on 12 – 14 September 2012 in Prague. Among objectives of this meeting is to promote good governance and transparency through fighting corruption. ACN is invited to provide inputs in the preparation and conduct of the Forum.

5.2. Update from UNODC

Ms. Tanja Santucci from UNODC informed the ACN Steering Group that 4 of 8 countries parties to the Istanbul Anti-Corruption Action Plan are being reviewed under the UNCAC Implementation Review Mechanism in the first two years – Ukraine, Azerbaijan, Kazakhstan and Georgia. The UNCAC reviews focus on the criminalisation and international cooperation requirements of the UNCAC in the first cycle. As of 2015 they will cover the requirements on prevention and asset recovery. Ms. Santucci noted that UNODC has launched a new UNCAC Legal Library that includes anti-corruption laws and strategies related to UNCAC for 178 States, at www.track.unodc.org.

Ms. Santucci stressed that coordination between the Istanbul Anti-Corruption Action Plan and UNCAC reviews is of key importance. She noted that the UNCAC reviews take into account Istanbul Anti-Corruption Action Plan reports and draw on their conclusions where appropriate.

Ms. Olga Zudova, Senior Legal Adviser, Regional Office for Central Asia, United Nations Office on Drugs and Crime, informed about a project, which includes a training conducted and a training manual and which has facilitated Uzbekistan’s accession to the Istanbul Anti-Corruption Action Plan.

5.3. Update from GRECO

Ms. Sophie Meudal Leendres, GRECO Secretariat, informed the ACN Steering Group that Belarus joined GRECO in 2011. He further informed the Group about the progress made in the 3rd round of GRECO

evaluation. While Ms. Meudal Leendres noted generally that the level of compliance is going down, from ACN countries Albania and Latvia complies with most of recommendations issued in the 3rd round.

Ms. Meudal Leendres noted that the themes of the 4th round of GRECO evaluation will be prevention of corruption in judiciary and prosecution and among Members of Parliament and that training will be conducted for evaluators in November 2011 in Moldova.

Ms. Meudal Leendres further informed about enhanced cooperation of GRECO with the EU and the preparations of the EU to join GRECO.

5.4. Update from World Bank

Ms. Laura Pop, World Bank, informed about the recommendations of an upcoming World Bank policy paper "Using Asset Disclosure for Identifying Politically Exposed Persons (PEPs). Ms. Pop informed that the World Bank analyzed asset declaration systems in 176 jurisdictions.

Besides, a regional seminar "Asset Disclosure by Public Officials: Challenges and Lessons Learned" involving 16 countries from Latin America took place in June 2011 in Chile. Ms. Pop also mentioned the World Bank's technical assistance work in the asset declaration area including: training on design and management of asset declaration system; and a pilot training in Africa region on financial investigations for verification of asset declarations.

6. TOUR DE TABLE

A *tour de table* on achievements, challenges and good practices in fighting corruption in ACN countries was held for the first time at this Steering Group. The *tour de table* provides a forum for ACN countries to brief on selected examples of major achievements in fighting corruption and examples of outstanding good practice. The *tour de table* was started with first 7 countries (in alphabetical order); it will continue at next ACN meetings.

Mr. Davor Dubravica presented anti-corruption programmes implemented in state-majority owned enterprises in **Croatia**. Mr. Dubravica briefly outlined the anti-corruption programmes developed in Croatia, how they were implemented and monitored and what are the next steps. This was a useful presentation of a concrete example of good practice to be shared at regional level.

Ms. Helena Papa (Albania) presented anti-corruption strategy, implementation of GRECO recommendations and awareness raising; **Mr. Konstantin Lyubovitsky (Belarus)** presented work in implementing UNCAC and legal and institutional framework to fight corruption in Belarus; **Ms. Nadya Hringova (Bulgaria)** presented a series of new legal initiatives (new CPC, elaboration of new CC, new law on administrative sanctions, introduction of liability of legal persons) and noted that Bulgaria underwent three monitoring in 2010 by GRECO, OECD Working Group on Bribery and within UNCAC; **Mr. Vladimir Georgiev (FYROM)** talked about anti-corruption strategy, role of political will, e-governance, lack of measurement of corruption, capacity of law enforcement and noted that main challenge is a proper implementation of laws; **Mr. Gheorghe Russu (Moldova)** noted that a significant concern is corruption in judiciary and low level of trust to it and informed about control of asset declarations by Centre for Combating Economic Crimes and Corruption of Moldova, new law on whistleblower protection, but also low level of reporting of corruption and reform of Centre for Combating Economic Crimes and Corruption of Moldova (change of status from a body subordinated to the President to a body accountable to the

Parliament); **Ms. Vesna Ratkovic (Montenegro)** noted increasing number of cases and convictions, a new law on civil service and envisaged training, integrity plans, development of whistleblowers' protection measures.

Presentations of the Tour de Table are attached.

7. ACN WORK PROGRAMME

Ms. Olga Savran, ACN Manager summarised activities implemented in 2011 in the framework of the ACN Work Programme and presented a proposal for the activities in 2012 and beyond, including the following three components:

- **Peer review:**
 - Completion of the second round of monitoring under the Istanbul Action Plan,
 - Preparation of the summary report based on the outcomes of the second round, and
 - Developing a methodology for the next round of monitoring, which could involve (1) a comprehensive country peer reviews with a continued focus at the Istanbul Action Plan countries, or (2) thematic cross-country reviews covering all ACN countries;
- **Peer learning:**
 - Two ACN seminars, including on investigation and prosecution of corruption and on corruption in the judiciary;
 - Continuation of business consultations;
 - Contribution to the projects led by other international partners, including the study "Ethics training for public officials" led by SIGMA; promotion of study "Asset Declarations for Public Officials" in cooperation with the OSCE;; cooperation with the OECD Education Directorate on assessing integrity in public education sectors, cooperation with the EBRD on prevention of corruption in public procurement, and other additional activities;
- **Coordination:**
 - Continuation of ACN Steering Group meetings back-to-back with other events, and coordination with other international organisations;
 - Possible High Level or General ACN Meeting, to confirm political will of the leaders of the ACN countries to fight corruption, to identify new regional priorities, and to adopt the future ACN Work Programme, including the next round of monitoring.

The note containing more detailed proposal by ACN Secretariat is attached.

Main points of the general discussion are summarised below.

Peer Review

Many countries expressed their support to the **peer review and monitoring** programme under the Istanbul Action Plan (IAP). They agreed that reviews were very important tools to help countries pursue their anti-corruption reforms. Some ACN countries (e.g. EU candidate countries) are reviewed under multiple overlapping frameworks, which require a lot of work from the national administrations. At the same time, countries under heavy monitoring have improved their anti-corruption performance better than others, while countries with fewer monitoring (e.g. Central Asia) have not demonstrated such improvements yet. However, delegates agreed that in designing future peer review work of the ACN duplication with other international organisations should be avoided.

During the discussion the countries supported 3 various approaches: one group of countries (Switzerland and Ukraine) supported thematic reviews; it was further specified that thematic reviews could help develop detailed standards, which can later be used for monitoring; second group of countries (Azerbaijan, Bulgaria, Croatia, FYROM, Montenegro and Uzbekistan) supported the proposal to continue the comprehensive approach with the focus on the IAP. It was stressed that this approach allowed ownership of the process by the national coordinators, and avoided duplication with thematic reviews carried out by GRECO. It was further suggested that the third round of monitoring under the IAP could focus on enforcement and case law; finally, third group (Armenia, Georgia, Latvia, Romania, and Serbia) proposed to develop the next round of monitoring as a combination of the comprehensive country review with the focus on the IAP and the thematic reviews. It was suggested that maintaining the ACN *Tour de Table* would be a useful addition to the IAP monitoring in order to bring the experience of other ACN countries.

The UNODC noted that the ACN peer review work provides useful synergies with the UNCAC review mechanism, and welcomed the IAP countries to continue their monitoring programmes and to share their reports as part of the UNCAC reviews. The GRECO also supported the proposal that the next round of monitoring under the IAP provides for a combination of comprehensive country reviews with thematic reviews.

NGOs welcomed the opportunity provided by the IAP peer review process for the involvement of the civil society, and suggested institutionalising shadow reports, based on UNCAC TI coalition example, and taking into account the IAP experience.

Peer Learning

All countries supported the continuation of the **peer learning** programme as an effective and useful form of training and sharing good practice. Delegates supported the proposal by the Secretariat to organise expert seminars on investigation and prosecution of corruption and on corruption in judiciary. It was proposed that the seminar on investigation and prosecution addresses specific topics, such as corruption cases of high – level officials, officials with immunities, demand side of bribery, cases in risk areas, such as education or public procurement, asset recovery and confiscation.

Several countries proposed additional topics, which could be addressed by the peer learning programme, if funding is available. It was proposed to address the following issues: implementation of national programmes, indicators, involvement of NGOs; ethics training and asset declarations; cooperation with the private sector, including on such issues as simplification of regulation; business integrity; assessment of corruption in customs; effective prevention tools, including in public procurement, health and other sectors. Further, it was proposed to promote existing ACN studies, for example, on Asset Declarations for Public Officials and develop new publications that could include success stories.

The NGO delegates noted that participation of civil society delegates in the peer learning seminars should be allowed, when appropriate.

Coordination

The majority of the ACN countries supported the idea to organise a **high level meeting** in 2012 to reinforce political commitment of the leadership of the countries to fight corruption. Some countries

(Azerbaijan, Bulgaria, Georgia, Romania and Ukraine) proposed to host the meeting. At the same time, some countries (Latvia, Serbia and Switzerland) had concerns that high levels events, while popular among policy makers in the region, are often not productive and entail significant costs and organisational efforts. They therefore suggested considering the real needs for such an event before making commitments.

Ms. Savran noted in the conclusion that the Secretariat will liaise with the ACN donors to raise funds necessary for the implementation of the activities proposed for 2012. The Secretariat will also prepare a proposal of the future work programme, including the third round of monitoring, based on the discussion of the Steering Group, and will propose it for the discussion and adoption at the next meeting tentatively scheduled for February 2012.

8. 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.