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## **Eastern Partnership – Council of Europe Facility**

### **PROGRESS REPORT**

#### **“Good Governance and Fight against Corruption”**

**Prepared by the Economic Crime Unit  
Directorate General I - Human Rights and Rule of Law  
Council of Europe**

Strasbourg, April 2012

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## Abbreviations

ADEPT	Association for Participatory Democracy
CCECC	Centre for Combating Economic Crimes and Corruption of the Republic of Moldova
FATF	Financial Action Task Force
FIU	Financial Intelligence Unit
EU	European Union
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GRECO	Group of States against Corruption
ICAR-BIG	International Centre for Asset Recovery of the Basel Institute on Governance
IFES	International Foundation for Electoral Systems
MONEYVAL	Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism
OECD	Organisation for Economic Co-operation and Development
OSCE	Organisation for Security and Co-operation in Europe
SIGMA	Support for Improvement in Governance and Management
UNDP	United Nations Development Programme
USAID	The United States Agency for International Development

## 1. Description

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- 1.1. Name of beneficiary of grant contract: Council of Europe
- 1.2. Name and title of the Contact person: Ms Ardita Abdiu, Head of Economic Crime Unit, Action against Crime Department, DG I – Human Rights and Rule of Law, Council of Europe
- 1.3. Title of the Action: Eastern Partnership–Council of Europe Facility Component on “Good Governance and Fight against Corruption”
- 1.4. Contract number: 2010/256600
- 1.5. Start date and end date of the reporting period: 1 June 2011 – 31 March 2012
- 1.6. Target country(ies) or region(s): Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine
- 1.7. Target groups/National Anti-corruption Focal Points:
- |                   |   |
|-------------------|---|
| <b>Armenia</b>    | Ministry of Justice   |
| <b>Azerbaijan</b> | Law Enforcement Coordination Department, Administration of the President                              |
| <b>Belarus</b>    | Anti-Corruption Unit, Office of the Prosecutor General  |
| <b>Georgia</b>    | Analytical Department, Secretariat of the Anti-corruption Council                                     |
| <b>Moldova</b>    | General Directorate for Prevention of Corruption, Centre for Combating Economic Crimes and Corruption |
| <b>Ukraine</b>    | Anticorruption Policy Unit, Ministry of Justice   |
- Main final beneficiaries: Policy design/specialised anti-corruption agencies, law enforcement, judiciary, prosecutorial services, financial investigation units, independent bodies, civil society.
- 1.8. Country(ies) in which the activities take place:
- Until now in addition to the Eastern Partnership countries (Azerbaijan, Georgia, Moldova, Ukraine) activities took place in France (Council of Europe Headquarters, Strasbourg), Italy (Syracuse) and Poland (Warsaw).

## 2. Assessment of implementation of Action Activities

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### 2.1. Executive summary of the Action

The objective of this regional Project is to enhance good governance and strengthen the capacities of the public administration and criminal justice sector of six Eastern Partnership countries to effectively prevent and fight corruption in line with the Council of Europe Conventions and other international treaties. It aims at supporting beneficiary countries to implement recommendations of the Council of Europe monitoring and advisory bodies in the areas of good governance, corruption and money laundering through a multilateral approach by mobilising Council of Europe expertise, exchanging good practices and peer-to-peer advice.

The present report covers Project activities implemented from 1 June 2011 to 31 March 2012. During the reporting period, the Project implemented four Regional and three Pilot Activities. These include two Regional **Workshops** and one Regional **Conference** on “anti-corruption policies”, as well as Regional **Training** on economic and financial crimes. The first **Pilot Activities**, tailored to specific needs and priorities of each beneficiary country, have been carried out in Azerbaijan, Republic of Moldova and Ukraine on topics such as political finance and national anti-corruption action plans.

Activities are implemented in line with the **Workplan** and indicative **Calendar** of Activities. Some activities were carried out earlier than foreseen and some were postponed in agreement with the Steering Committee, mainly in order to complement related efforts of other international organisations.

The Project established very good working relations with all **National Anti-corruption Focal Points** and effectively co-operates with all participating beneficiary institutions.

**Civil society** participation in all activities has been strong: representatives actively participated in almost all regional and Pilot Activities implemented so far. At the same time, most of the independent Council of Europe experts involved in the implementation of the activities are also members of international or local civil society organisations. Furthermore, the Council of Europe is working together with an international non-governmental organisation, the International Foundation for Electoral Systems (IFES), on a joint draft law on reforming political finance in the Republic of Moldova (Pilot Activity 3.5) in line with recommendations of the Council of Europe’s Group of States against Corruption (GRECO). The Project plans to continue this inclusion of civil society for all future activities wherever possible.

**Feedback** received from participants in the regional activities and their lively participation shows that the Project fulfils a real need for exchange of good practices and for reflecting on national approaches in the light of other regional examples. At the same time, the comparison of practices introduces competitive element motivating further reforms.

## 2.2. Activities and results

### Overview of Activities:

Date	Activity	Results
31 October 2011	Pilot Activity in the Republic of Moldova (3.5): Working group meeting on local anti-corruption strategies	Technical Paper on methodology on needs assessment in local governments; decision on methodology for developing anti-corruption strategies
1 November 2011	Pilot Activity in the Republic of Moldova (3.5): Expertise to bring the law on political finance in line with GRECO recommendations	1 <sup>st</sup> Roundtable – Agreement reached by all stakeholders on specific reform needs; Technical Paper containing recommendations on amendments to political finance legislation prepared; Working Group for drafting legislative amendments set up; co-operation with civil society organisations secured
3-4 November 2011	Regional Workshop (1.1): “Improving the designing of anti-corruption policies”	Good practices of designing anti-corruption policies identified with participation of 23 representatives of all Eastern Partnership countries and civil society organisations
15-16 December 2011	Regional Workshop (1.2): “Implementing and monitoring anti-corruption policies, including education and public awareness”	Good practices of implementing anti-corruption policies and raising public awareness identified with participation of 27 representatives of all Eastern Partnership countries and civil society organisations. First draft of the “Handbook on Designing and Implementing Anti-corruption Policies” presented and reviewed
1 February 2012	Pilot Activity in Ukraine (3.6): Assessment of the new Anti-corruption Action Plan	Assessment of the new Anti-corruption Action Plan available and finalised at a working meeting with representatives of the Ministry of Justice
27 February 2012	Pilot Activity in the Republic of Moldova (3.5): Expertise to bring the law on political finance in line with GRECO recommendations	2 <sup>nd</sup> Roundtable – Agreement reached by all major stakeholders on essential draft amendments to political finance legislation to be submitted to Parliament
2 March 2012	Pilot Activity in Azerbaijan (3.2): Draft National Anti-corruption Action Plan 2012	Draft Action Plan reviewed by more than 50 participants from several state bodies, including 15 different NGOs and representatives of international organisations (EU, GIZ, OSCE, UNDP, USAID and US Embassy). Public awareness raised through media attendance. Expertise on the draft Action Plan prepared by the Project
12-16 March 2012	Regional Specialised Training (2.3): Implementing standards on detection, investigation and criminalisation of economic and financial crimes	26 law enforcement officials trained on investigating and prosecuting large scale international money laundering and corruption cases

29 March 2012	Regional Conference 1.3: Good practices of designing, implementing and monitoring anti-corruption policies	The results of the both workshops on anti-corruption policies (1.1 and 1.2) presented and reviewed by a larger group of more than 60 participants. The first draft of the “Handbook on Designing and Implementing Anti-corruption Policies” was made public at the conference
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### **Chronological Description of Implemented Activities:**

#### **Pilot Activity in the Republic of Moldova (3.5): Working group meeting on local anti-corruption strategies (Chisinau, Republic of Moldova, 31 October 2011)**

A Technical Paper on designing anti-corruption strategies for local communities has been prepared by the project’s Long-Term Adviser. The aim of this Paper is to assist the Moldovan Centre for Combating Economic Crimes and Corruption (CCECC), the body responsible for providing guidance and assistance to local governments with designing anti-corruption strategies. The Paper compares five different methods of developing anti-corruption strategies/action plans in local communities and gives a recommendation on how to monitor implementation. During a working group meeting held in Chisinau on 31 October 2011, the Paper was discussed with representatives of the CCECC and it was decided to proceed with the methodology developed by a local NGO. Following this decision, a series of workshops for designing anti-corruption strategies in local communities is currently being prepared.

#### **Pilot Activity in the Republic of Moldova (3.5): Expertise to bring the law on political finance in line with GRECO recommendations (Chisinau, Republic of Moldova, 1 November 2011 and 27 February 2012)**

The Roundtable on Political Finance held in Chisinau on 1 November 2011 was attended by the representatives of CCECC, the Central Election Commission, the Prosecutor General’s Office, the Ministry of Justice, the Parliament, two major political parties, the European Union Delegation to Moldova, the Council of Europe Office in Moldova, as well as the civil society (Transparency International, IFES, the Association for Participatory Democracy (ADEPT), etc.). The aim of this Roundtable was to review existing legislation and practices and to discuss possible ways of bringing Moldovan legislation on political finance in line with the European standards, in particular GRECO recommendations formulated in the Third Round Evaluation Report.

Two national television channels broadcasted summaries of statements given at the Roundtable in their news programmes. The Roundtable reached consensus on areas in need of reform, such as enhancing independent auditing, increasing transparency of donations and spending and introducing appropriate sanctions for violations. A Working Group consisting of Council of Europe experts, representatives of the relevant governmental bodies and NGOs was set up to elaborate legislative amendments.

The second Roundtable took place on 27 February 2012 with the aim of agreeing on a draft law to be submitted to the legislature. The legislative proposal on reforming the Moldovan political financing framework, elaborated by the Working Group since November 2011, was presented and reviewed during this Roundtable with representatives of state institutions, civil society and international organisations, as well as national and international experts. It was acknowledged by the national and international stakeholders that the draft law is a major step forward in bringing the Moldovan political finance legislation in line with GRECO recommendations.

Following the input of this Roundtable, the Project fine-tuned the draft and secured support of political parties. The final draft will be presented and explained to the public on 7 May 2012, to be ready for adoption by the Moldovan Government by the end of May 2012 and subsequent submission to Parliament. The Council of Europe has been coordinating its efforts on this activity with IFES, which provides assistance to the Republic of Moldova on democratic elections in general.

**Regional Workshop (1.1): “Improving the designing of Anti-corruption policies” (Strasbourg, France, 3-4 November 2011)**

This Workshop brought together 23 national experts from all Eastern Partnership countries, mostly staff of government units responsible for policy design and advice, as well as representatives of civil society organisations. It compared practices in Eastern Partnership and other countries and focused on an exchange of good practices, especially with regard to needs assessment, designing of anti-corruption policies and definition of indicators of success. Among the speakers were experts from civil society organisations and a Member of the GRECO Bureau. Lively participation and comprehensive discussions demonstrated the relevance of such a regional workshop on anti-corruption policies. It was agreed that the Project would compile good practices into a Handbook that will be a resource for drafting policies not only in Eastern Partnership, but also in other countries.

For organisational reasons (difficulties encountered by participants in obtaining travel visas in due time), this activity was carried out nearly a month later than originally foreseen.

**Regional Workshop (1.2): “Implementing and monitoring anti-corruption policies, including education and public awareness” (Warsaw, Poland, 15-16 December 2011)**

This Workshop on implementing anti-corruption policies complemented the previous Workshop on designing anti-corruption policies (1.1). It again brought together national experts from all Eastern Partnership countries, mostly staff of government units responsible for policy design and advice, as well as representatives of civil society organisations, in total 27 participants. The workshop compared practices in Eastern Partnership countries and Poland, and allowed for an exchange of good practices of coordinating and monitoring the implementation of anti-corruption measures and of raising public awareness on corruption. The Polish authorities (Commissioner for Anticorruption Procedures to the Minister of Foreign Affairs; Central Anticorruption Bureau; Criminal Bureau – Combating Corruption Division – Polish National Police) and one Polish NGO (Batory Foundation) contributed to the success of the workshop by sharing their experience in panel discussions. In addition, the Polish Central Anticorruption Bureau hosted in its premises an information exchange session on its functions and working methods. A first draft of the “Handbook on Designing and Implementing Anti-corruption Policies” (see above Workshop 1.1) was presented and reviewed for further amendments.

For organisational reasons this activity was carried out approximately six weeks later than previously foreseen.

**Pilot Activity in Ukraine (3.6): Assessment of the new anti-corruption Action Plan (1 February 2012)**

According to the Addendum to the GRECO Compliance Report on Ukraine (Joint First and Second Evaluation Round), Ukraine had to report on its development of an anti-corruption action plan by the end of 2011. Ukraine adopted a new Anti-corruption Strategy on 21 October 2011 and a corresponding Action Plan on 28 November 2011. The Project assessed the Action Plan and reviewed the findings in a working meeting with representatives of the Ministry of Justice in Kyiv on 1 February 2012. The aim of the activity was to assist Ukraine to comply with the respective GRECO recommendation and to report on the development of a detailed action plan for the implementation of the new anti-corruption strategy. It is expected that the findings of the assessment will contribute to a further review of the Action Plan by the Ukrainian authorities scheduled in the 3<sup>rd</sup> Quarter of 2012.

**Pilot Activity in Azerbaijan (3.2): National Action Plan on Increasing Transparency and Combating Corruption of the Republic of Azerbaijan (Baku, Azerbaijan, 2 March 2012)**

The Roundtable on the draft “National Action Plan on Increasing Transparency and Combating Corruption of the Republic of Azerbaijan” was organised in co-operation with the Commission for Combating Corruption and its Secretariat at the Administration of the President of the Republic of Azerbaijan. The aim of the Roundtable was to have a public discussion and review of the draft Action Plan with the representatives of civil society and international organisations. It was attended by more than 50 participants from several state bodies, including 15 different NGOs and representatives of international organisations (EU, GIZ, OSCE, UNDP, USAID and US Embassy). In addition, several journalists and TV networks were there to report on the event.



The English translation of the draft Action Plan provided by the Project allowed international observers to comment on the draft Action Plan and to submit further observations following the Roundtable. The Project's Long-Term Adviser presented preliminary observations on the draft at the Roundtable, and worked with the Secretariat of the Commission for Combating Corruption on its further improvement. This activity was a follow-up to the Project's two regional workshops on designing and implementing anti-corruption policies (3-4 November 2011, Strasbourg and 15-16 December 2011, Warsaw).

**Regional Specialised Training (2.3): Implementing standards on detection, investigation and criminalisation of economic and financial crimes (Syracuse, Italy, 12-16 March 2012)**

The training took place at the International Institute of Higher Studies in Criminal Sciences and was conducted by the International Centre for Asset Recovery of the Basel Institute on Governance (ICAR-BIG). It focused on capacity building of 26 law enforcement officials in investigating and prosecuting large scale international money laundering and corruption cases and was a combination of foundation building lectures, discussions, practical exercises and group work on a complex financial investigation and asset tracing case. A comparison of individual tests containing multiple choice questions on money laundering and international investigations conducted at the beginning (without solutions provided afterwards) and at the end of the training showed a 50 percent increase in correct answers after the training.

As a follow up, a training manual will be prepared by ICAR-BIG that will allow participants to refresh and deepen their newly acquired skills and will support further vocational trainings in the six Eastern Partnership countries on this subject matter.

This activity was implemented three months earlier than foreseen in order to fit in with the schedule of ICAR-BIG.

**Regional Conference 1.3: Good practices of designing, implementing and monitoring anti-corruption policies (Kyiv, Ukraine, 29 March 2012)**

The Regional Conference in Kyiv was a follow-up to the two Regional Workshops on anti-corruption policies (1.1 and 1.2) and was a combined event with the Eastern Partnership Panel on the Fight against Corruption. The results of the both workshops were presented to and reviewed by a larger group of more than 60 participants, mainly representatives of government bodies responsible for policy design and advice of the six Eastern Partnership countries, as well as representatives of EU member states and civil society. Active participation of representatives of various Ukrainian NGOs and Eastern Partnership Civil Society Forum contributed to lively and fruitful discussions. Furthermore, the first draft of the "Handbook on Designing and Implementing Anti-corruption Policies" was made public. Once finalised, it will be translated from English into Russian and distributed to project beneficiaries and international stakeholders.

As a result of the postponement of the two Workshops 1.1 and 1.2 (see above), the Conference was rescheduled from December 2011 to 29 March 2012, a date suggested by the host country (Ukraine).

### 2.3. Postponed activities

During the reporting period the Project carried out all planned activities with the exception of a Regional Workshop on “Analysis of typologies on laundering the proceeds of corruption in transition economies” (Activity 2.1) initially scheduled for the 1<sup>st</sup> quarter of 2012. The implementation of this activity has been postponed in order to dovetail related efforts by the Financial Action Task Force (FATF) and the Egmont Group of Financial Intelligence Units to assess the role of FIUs in the detection of proceeds of corruption. In view of this, the implementation of Activity 2.1 will start after the Egmont Group plenary meeting in July 2012.

### 2.4. Assessment of the results of the Action

The results achieved during the reporting period are in line with the Project’s overall and specific objectives.

Overall objective: To enhance the reform processes in the six partner countries through a multilateral approach and to bring them closer to Council of Europe and EU standards in core areas covered by the Eastern Partnership Platform 1

Specific objective: To enhance good governance and strengthen the capacities of the public administration and criminal justice sector in order to effectively prevent and fight corruption in line with the Council of Europe Conventions and other international treaties

Expected Result 1: Eastern Partnership countries have defined and are committed to apply policy and prevention measures concerning enhancement of good governance and the fight against corruption

The two Regional Workshops and the Regional Conference on anti-corruption policies (Activities 1.1-1.3) have contributed to strengthening **capacities** of government officials and civil society representatives in the six partner countries to develop and implement anti-corruption policies. All three events have received **good feedback** from participants. Furthermore, a “**Handbook** on Designing and Implementing Anti-corruption Policies” has been drafted. Once finalised it is expected to benefit experts in drafting anti-corruption policies not only in the Eastern Partnership countries, but also in other countries. The three activities thus support implementation of Principle 1 of the “Ten Principles by the European Union for Improving the Fight against Corruption in Acceding, Candidate and Other Third Countries”: “To ensure credibility, [...] national anti-corruption strategies [...], covering both preventive and repressive measures, should be drawn up and implemented.”<sup>1</sup>

Countries that will have to draft new anti-corruption policies in 2012 (Azerbaijan, Armenia, Belarus) emphasised the **practical impact** that the two workshops would have on their future work; Azerbaijan and Ukraine already had the possibility of feeding the results of the two workshops in the drafting process of new anti-corruption action plans, supported by assessments of the Project. The Project is further planning to assist Armenia and Belarus with drafting their new anti-corruption policies.

Expected Result 2: Eastern Partnership countries are provided with the tools for effective law enforcement and implementation of legal frameworks when fighting economic crime

The regional training on “Implementing standards on detection, investigation and criminalisation of **economic and financial crimes**” (12-16 March 2012) enhanced the capacities of law enforcement agencies in investigating and prosecuting large-scale international money laundering and corruption cases. The relevance and quality of the training was praised by all participants. A comparison of

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1 Annex to the Communication from the [European] Commission to the Council, the European Parliament and the European Economic and Social Committee – On a comprehensive EU policy against corruption (COM/2003/0317 final), [http://eur-lex.europa.eu/smartapi/cgi/sga\\_doc?smartapi!celexplus!prod!DocNumber&lg=en&type\\_doc=COMfinal&an\\_doc=2003&nu\\_doc=317](http://eur-lex.europa.eu/smartapi/cgi/sga_doc?smartapi!celexplus!prod!DocNumber&lg=en&type_doc=COMfinal&an_doc=2003&nu_doc=317)

individual tests containing multiple choice questions on money laundering and international investigations at the beginning of the training (without solutions provided afterwards) and at the end showed a 50 percent increase in correct answers after the training. A training manual is currently being prepared which will allow participants to refresh and deepen their newly acquired skills and will support further vocational trainings in the six countries on this subject matter.

Expected Result 3: Pilot: Eastern Partnership countries efficiently apply and implement European and international standards on good governance and the fight against corruption when addressing their specific needs

The three Pilot Activities on **local** anti-corruption policies of the Republic of Moldova (3.5), and assessments of the national anti-corruption **Action Plans** of Ukraine (3.6) and Azerbaijan (3.2) also support implementation of the above mentioned EU-Principle 1. The draft legislation prepared under Pilot Activity 3.5 (Republic of Moldova) on political finance will bring Moldovan **legislation** in line with the Council of Europe's "Common Rules against Corruption in the Funding of Political parties and electoral campaigns" and specific GRECO recommendations. The assessment of the Action Plan of Ukraine (3.6) is also directly related to the implementation of a GRECO recommendation.

Active participation of **civil society** representatives in Project activities will ensure that the use of Project outputs is accompanied and monitored by civil society.

## 2.5. Potential risks and Project Logframe

The "Description of Action" of the Project has referred to "political and economic instability" as possible risks for implementation. None of these risks have materialised during the reporting period, nor any new risk has been identified during one year period of the implementation.

The Project Logframe has not changed, thus the Workplan remains the same as agreed at the launching Conference of the Project by all partners, beneficiaries and the donor. Furthermore, some activities of the Workplan, namely Pilot Activities and areas of Risk Assessment have been further clarified and mostly confirmed in terms of sectors and themes as planned before and in close consultation with the National Anti-corruption Focal Points. In particular, for the Risk Assessment exercise (Activity 1.4), the areas where the assessment will not be just an analytical exercise but will have an immediate practical impact have been identified: Inexplicable wealth and asset declarations for public officials (Armenia); Ethical integrity in civil service (Azerbaijan); Compliance with Council of Europe Conventions on corruption (Belarus); Health sector (Georgia); Integrity in local governments (Republic of Moldova); asset declarations for public officials (Ukraine). In each of these sectors weaknesses in the integrity system will be identified; in addition, either under the Risk Assessment activity itself or in combination with a national Pilot Activity, the Project will immediately address the weaknesses by strengthening the integrity system through legislative, organisational or similar proposals, or through trainings.

The Workplan is attached as Annex 1 reflecting those areas of interventions for the Pilot activities and risk assessments as sectors that were agreed to be confirmed as intervention sectors based on reform priorities during the implementation period of the project.

The "Sixth Meeting of the Eastern Partnership Platform 1: Democracy, Good Governance and Stability" of 17 November 2011, addressed the possibility of promoting "peer review missions" in the Platform's projects "in relevant areas covered by Council of Europe Conventions, modelled on the Commission's co-operation with the OECD/SIGMA." However, for this Project, there is no need for establishing an additional peer review mechanism in Eastern Partnership countries. In the areas of anti-corruption and anti-money laundering, the Council of Europe has been implementing thorough and effective peer review mechanisms in member states for many years: Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), and more importantly for the anti-corruption focus of this Project, GRECO. Belarus, being the only Eastern Partnership country that is not a Council of Europe member state, joined the GRECO peer review mechanism at the beginning of 2011. With regard to money laundering, although Belarus is not a member of MONEYVAL, it is part of the peer review mechanism of the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), which has observer status with MONEYVAL and implements joint activities with MONEYVAL.

### 3. Partners and other Co-operation

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#### 3.1. Relationship with beneficiaries

The Project established very good working relations with the main beneficiaries of all Eastern Partnership countries, including Republic of Belarus, the only country that is not a Council of Europe member state. Representatives of Belarus participated and contributed to all regional activities organised during the reporting period.

All Project National anti-corruption Focal Points have demonstrated keen interest in the Project and readily co-operate and offer assistance to the Project's team.

#### 3.2. Relationship with other organisations

The Project is co-operating with an international non-governmental organisation, the International Foundation for Electoral Systems (IFES), on a joint draft law on reforming political finance in the Republic of Moldova (Pilot Activity 3.5). The co-operation has been an excellent opportunity for joining efforts to improve Moldovan political financing framework and achieve the best possible outcome.

For the Regional Workshop 1.2 on anti-corruption policies, the Project successfully co-operated with the Polish authorities (Commissioner for Anti-corruption Procedures to the Minister of Foreign Affairs; Central Anti-corruption Bureau; Criminal Bureau – Combating Corruption Division – Polish National Police) and a Polish NGO (Batory Foundation).

Representatives of international organisations such as EU, OSCE and UNDP, and donors such as USAID and GIZ took part in some of the Project's activities (Pilot Activities in Azerbaijan (3.2) and Republic of Moldova (3.5), and Regional Conference 1.3). In addition, for the Risk Assessment Activity (1.4) in the Republic of Moldova the Project is building on the results of a previous project implemented by UNDP on local anti-corruption strategies, and is coordinating the risk assessment with the UNDP office in Chisinau.

Civil society participation in all activities has been strong: representatives from civil society organisations participated in all regional and Pilot Activities implemented so far. At the same time, most of the independent Council of Europe experts involved in the implementation of the activities are also members of international or local civil society organisations. The Project plans to continue this inclusion of civil society for all future activities wherever possible.

#### 3.3. Links and synergies developed with other actions

Some of the Project activities immediately follow GRECO recommendations: one of the Pilot Activities for the Republic of Moldova aims at bringing political financing in line with European standards, in particular GRECO recommendations. One of the Pilot Activities for Ukraine (Assessment of the Anti-corruption Action Plan) follows a request by GRECO to submit additional information on the implementation of the recommendation on developing a comprehensive anti-corruption action plan. As for anti-money laundering, the Project will dovetail research on corruption and money laundering by the Financial Action Task Force (FATF) and the Egmont Group of Financial Intelligence Units.

#### 3.4. Previous projects funded by the European Union

The Project builds upon and complements previous projects funded by the European Union in the Eastern Partnership region, namely:

##### **Project against Corruption and Money Laundering in Moldova (MOLICO) (2006-2008)**

This project supported the Republic of Moldova in its efforts against corruption, money laundering and financing of terrorism in line with European and other international standards. Budget: €3.5 million. The project's activities included measures aimed at strengthening anti-corruption

policies, improving the law enforcement and judicial sector, developing and applying a methodology on risk assessment, and supporting the political finance control system.

The Eastern Partnership Project can complement the previous efforts by: deepening the understanding of anti-corruption policies (Regional Workshops/Conference 1.1-1.3); providing further law enforcement training on economic crime (Training 2.3); further deepening the methodology of risk assessment and applying it to the local level (Risk assessment 1.4 and Pilot Activity 3.5) and by building on previous work in the area of political finance (Pilot Activity 3.5, Regional Training 2.5).

#### **Support to good governance: Project against corruption in Ukraine, UPAC (2006-2009)**

This project assisted Ukraine's anti-corruption effort in a broad manner. It comprised three components: 1. Support to the creation of the strategic and institutional framework against corruption; 2. Strengthening of capacities for the prevention of corruption; 3. Strengthening of the legal framework and the enforcement of anti-corruption legislation. Budget: 1,750,000 €. Activities related to anti-corruption policies, asset declaration, law enforcement and judiciary, liability of legal persons, and to political finance.

The Eastern Partnership Project can complement the previous efforts by: deepening the understanding of anti-corruption policies (Regional Workshops/Conference 1.1-1.3, Pilot Activity 3.6); providing further law enforcement training on economic crime (Training 2.3); supporting adoption of legislation on liability of legal persons (Pilot Activity 3.6); improving the asset declarations system (Risk assessment 1.4) and building on previous work in the area of political finance (Regional Training 2.5). The Project can furthermore build on results of the previous anti-corruption projects in the Region funded by other donors:

#### **Georgia – Project against corruption “GEPAC” (2007-2009)**

The GEPAC-Project aimed at strengthening Georgian institutions' capacities in their anti-corruption efforts through the implementation of the Anti-corruption Strategy and Action Plan. Budget: € 700,000 (Netherlands).

#### **Azerbaijan – Support to the anti-corruption strategy “AZPAC” (2007-2009)**

The AZPAC-Project supported the beneficiary in implementing various aspects of the national anti-corruption strategy. Budget: USD 800,000 (USAID).

## **4. Visibility**

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Information on all Project activities including events' programmes, corresponding documents, deliverables and photos, as well as the Workplan, Calendar of Activities and contact details of National Anti-corruption Focal Points (see Annex 4) are regularly posted and updated on the Project's website ([www.coe.int/eap-corruption](http://www.coe.int/eap-corruption)) and that is in addition to the CoE's Facility website. Furthermore, several events have been reported by the media, including broadcasting on television. All the visibility and media coverage items are being well documented and archived regularly by the project team.

EU visibility is ensured through the inclusion of the JP logo on the Project website, all publications, materials, programmes, letters, as well as through the installation of the European flag in conference rooms. In addition, visibility materials such as document folders, notepads and pens with the Project's title and logo were distributed during activities.

The EU contribution is highlighted during the opening remarks of each activity by the CoE and national stakeholders. The same applies to meetings with the recipients or other partners.

## Annex 1: Updated Workplan of Activities

No	Activity	Description	Max Part	Max Days
<b>1</b>	<b>Policy and prevention measures</b>			
1.1	Regional Workshop I: Improving the designing of anti-corruption policies	<ul style="list-style-type: none"> <li>- Countries compare the methodology, process and outcome of drafting their 1<sup>st</sup> and 2<sup>nd</sup> anti-corruption strategies and action plans including involvement of civil society (0.5 day).</li> <li>- 2 working groups on needs assessment and indicators (0.5 day)</li> <li>- Plenary on typologies and solutions (1 day)</li> </ul>	30	2
1.2	Regional Workshop II: Mechanisms of implementing and monitoring anti-corruption policies, including education and public awareness	<ul style="list-style-type: none"> <li>- Countries present their mechanisms including those of civil society (0.5 day)</li> <li>- 2 working groups on implementation and monitoring (0.5 day)</li> <li>- Plenary on typologies and solutions (1 day)</li> </ul>	30	2
1.3	Regional Conference I: Good practices of designing, implementing and monitoring anti-corruption policies	<ul style="list-style-type: none"> <li>- Presentation of outcomes of 1<sup>st</sup> and 2<sup>nd</sup> workshop</li> <li>- International and peer standards and recommendations</li> </ul>	60	1
1.4	Regional Workshop III: Risk assessment: Typologies of underlying causes of corruption	<ul style="list-style-type: none"> <li>- 2 day workshop in Strasbourg with country representatives and representatives of civil society <ul style="list-style-type: none"> <li>o methods to assess underlying causes of corruption in each country based on different sector (1.5 day)</li> <li>o planning of risk assessments (0.5 day)</li> </ul> </li> <li>- Risk assessments with teams of international and national experts for each country with regard to different sectors (5 days): <ul style="list-style-type: none"> <li>Armenia: Asset declarations</li> <li>Azerbaijan: Ethics in civil service</li> <li>Belarus: Compliance with CoE Conventions on corruption</li> <li>Georgia: Health sector</li> <li>Moldova: Local governments</li> <li>Ukraine: Asset declarations</li> </ul> </li> </ul>	30  18	2  5
1.5	Regional Conference II: Presentation of risk assessment: Typologies of underlying causes of corruption	<ul style="list-style-type: none"> <li>- 6 country presentations on results of risk assessment (experts)</li> <li>- Recommendations on addressing risks</li> </ul>	50	1.5
<b>2</b>	<b>Enforcement and implementation</b>			
2.1	Regional Workshop IV: Analysis and typologies on laundering the proceeds of corruption in	<ul style="list-style-type: none"> <li>- Team of experts and analysts from FIUs of peer countries is formed</li> <li>- 2 day initial regional workshop, with all FIUs (12 participants, e.g. Strasbourg)</li> </ul>	12	2

No	Activity	Description	Max Part	Max Days
	transition economies	<ul style="list-style-type: none"> <li>- Country missions to each FIU, 5 days each, to conduct research, collect data, draft findings</li> <li>- Report drafting (Patterns of the laundering of proceeds of corruption – major players typically involved; forms of investment of the proceeds; occurrence of domestic and of cross border transactions and countries involved)</li> <li>- Workshop to present draft report (25 participants, e.g. Strasbourg, 1.5 days)</li> <li>- Finalisation of report</li> </ul>	25	1.5
2.2	Regional Conference III: Laundering the proceeds of corruption in transition economies	<ul style="list-style-type: none"> <li>- Presentations and recommendations on patterns of the laundering of proceeds of corruption</li> <li>- Recommendations for regional FIU's</li> </ul>	60	1
2.3	Regional Specialised Training I: Implementing standards on detection, investigation and criminalisation of economic and financial crimes	<ul style="list-style-type: none"> <li>- Interactive 5 days training: enhancing the capacities of law enforcement agencies in investigating and prosecuting large scale international money laundering and corruption cases (international co-operation)</li> <li>- Provision of training manual</li> </ul>	30	5
2.4	Regional Specialised Training II: Implementing standards on criminal and civil liability for legal persons	<ul style="list-style-type: none"> <li>- 6 peer country assessments (GRECO and OECD assessments updated and amended)</li> <li>- 2 days training on: Case studies from peer and EU countries, international standards</li> <li>- Provision of training manual</li> </ul>	30	2
2.5	Regional Specialised Training III: Political party and electoral campaign financing	<ul style="list-style-type: none"> <li>- 6 peer country assessments (GRECO and OECD assessments updated and amended)</li> <li>- 2.5 days training on: Case studies, international standards, auditing</li> <li>- Provision of training manual</li> </ul>	30	2.5
<b>3</b>	<b>Pilot: Specialised activities for each country in accordance with their needs and reform priorities</b>			
3.1	Armenia	Expertise on the draft National Anti-corruption Strategy 2013	30	1
3.1	Armenia	Expertise and workshop on good practices in registry of legal entities	10	1
3.2	Azerbaijan	Workshop on good practices of e-government	50	1
3.2	Azerbaijan	Training of trainers on the implementation of ethics in public service	30	1
3.2	Azerbaijan	Expertise and roundtable on the Draft National Anti-corruption Strategy 2012-2017	50	1
3.3	Belarus	Training of civil servants on corruption and its prevention	30	5
3.3	Belarus	Roundtable on anti-corruption strategy 2013	30	1
3.4	Georgia	Expertise on red flag system in procurement	15	2
3.4	Georgia	Expertise on anti-corruption strategies for local governments	30	5
3.5	Republic of Moldova	Expertise on anti-corruption strategies for local governments	70	5
3.5	Republic of Moldova	Expertise to bring the law on political finance in line with GRECO recommendations	30	5

No	Activity	Description	Max Part	Max Days
3.6	Ukraine	Expertise and workshop on the new Action Plan (“State Program”) 2011-2015	5	1
3.6	Ukraine	Roundtable on liability of legal persons	30	1
3.7	Regional (Closing) Conference IV: Share of peer countries on reforms and good practices during the implementation of the Project	<ul style="list-style-type: none"> <li>- Presentations on result of pilot activities</li> <li>- Presentations and recommendations on reforms and good practices in peer countries in relation to project’s activities</li> </ul>	60	2



## Annex 2: Updated Calendar of Activities of 29 March 2012

(as adopted at the 2nd Steering Committee Meeting in Kyiv)

Calendar of Activities		2011										2012												2013								Venue	
Month		3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8		
1.1	Regional Workshop I: Improving the designing of anti-corruption policies									X																							Strasbourg
1.2	Regional Workshop II: Mechanisms of implementing and monitoring anti-corruption policies, including education and public awareness										X																						Warsaw
1.3	Regional Conference I: Good practices of designing, implementing and monitoring anti-corruption policies													X																			Kyiv
1.4	Regional Workshop III: Risk assessment: Typologies of underlying causes of corruption															X																	Strasbourg
1.4	Country study AM: Asset declarations																					X											Yerevan
1.4	Country study AZ: Ethics in civil service														X																		Baku
1.4	Country study BE: Compliance with Council of Europe Criminal and Civil Law Convention on Corruption																						X										Minsk
1.4	Country study GE: Health sector																							X									Tbilisi
1.4	Country study MD: Local corruption risks																							X									Chisinau
1.4	Country study UA: Asset declarations																				X												Kyiv
1.5	Regional Conference II: Presentation of risk assessment: Typologies of underlying causes of corruption																								X								Chisinau
2.1	Regional Workshop IV: Analysis and Typologies on laundering the proceeds of corruption in transition economies (1 <sup>st</sup> Workshop)																				X												Istanbul
2.1	Country studies on each FIU in EaP region																					X	X	X	X	X	X						Region
2.1	Regional Workshop IV: presentation and adoption of draft country studies (2 <sup>nd</sup> Workshop)																											X					Strasbourg
2.2	Regional Conference III: Laundering the proceeds of corruption in transition economies																												X				tbd
2.3	Regional Specialised Training I: Implementing standards concerning detection, investigation and criminalisation of													X																			Syracuse

Calendar of Activities		2011										2012												2013								Venue	
Month		3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8		
	economic and financial crimes																																
2.4	Regional Specialised Training II: Implementing standards concerning criminal and civil liability for legal persons																									X							Kyiv
2.5	Regional Specialised Training III: Political party and electoral campaign financing																										X						Chisinau
3.1	Pilot AM: Expertise on the draft National Anti-corruption Strategy 2013																				X	X	X										Yerevan
3.1	Pilot AM: Expertise on good practices in registry of legal persons																				X	X	X	X	X								Yerevan
3.2	Pilot AZ: Workshop on good practices of e-government														X																		Baku
3.2	Pilot AZ: Training of trainers on the implementation of ethics in public service																				X												Baku
3.2	Pilot AZ: Expertise and roundtable on the Draft National Anti-corruption Strategy 2012-2017													X																			Baku
3.3	Pilot BE: Training of civil servants on corruption and its prevention																			X													Minsk
3.3	Pilot BE: Roundtable on anti-corruption strategy 2013																				X												Minsk
3.4	Pilot GE: Expertise on red flag system in procurement																											X					Tbilisi
3.4	Pilot GE: Expertise on anti-corruption strategies for local governments																												X				Tbilisi
3.5	Pilot MD: Expertise on anti-corruption strategies for local governments									X					X	X	X	X	X	X	X	X											Chisinau
3.5	Pilot MD: Expertise to bring the law on political finance in line with GRECO-recommendations								X	X	X	X	X	X																			Chisinau
3.6	Pilot UA: Expertise and workshop on the new Action Plan (“State Program”) 2011-2015												X																				Kyiv
3.6	Pilot UA: Roundtable on liability of legal persons														X																		Kyiv
3.7	Regional (Closing) Conference IV: Share of peer countries on reforms and good practices during the implementation of the Project																														X		Batumi

### Annex 3: List of Technical Papers

Country	Title	Author	Date
Republic of Moldova	Designing Anti-corruption Strategies for Local Communities in the Republic of Moldova	Tilman Hoppe	11/2011
Republic of Moldova	Recommendations for Legislative Amendments to the Moldova Law on Political Parties and other Measures to Improve Political Party Finance Regulation	Quentin Reed	11/2011
Regional	Draft Handbook on Designing and Implementing Anti-corruption Policies	Tilman Hoppe, reviewed by Vera Devine, Edmond Dunga, Valts Kalnins; additionally reviewed and edited by Quentin Reed	12/2011
Ukraine	Assessment of the Ukrainian “State Programme for Prevention and Combating Corruption 2011-2015”	Tilman Hoppe, reviewed by Vera Devine	03/2012
Azerbaijan	Assessment of the “Action Plan 2012 of the Republic of Azerbaijan on Increasing Transparency and Combating Corruption”	Tilman Hoppe	03/2012

## Annex 4: Screenshot of Project's website



**Council of Europe**  
www.coe.int

Action against  
economic crime



Council of Europe
DG-HL portal
Home
Contact

**Our Approach**

**STANDARDS**

- Treaty Office

**MONITORING**

- GRECO
- MONEYVAL
- PC-OC
- T-CY

**TECHNICAL COOPERATION**

- Activity Reports  
2007 - 2008 - 2009

**Eastern Partnership - Council of Europe Facility**

**Project on Good Governance and Fight against Corruption**

Funded  
by the European Union



EUROPEAN UNION

Implemented  
by the Council of Europe



COUNCIL OF EUROPE  
CONSEIL DE L'EUROPE

The Eastern Partnership (EaP) was launched by the EU at a Summit meeting with the Eastern partners on 7 May 2009 in Prague. It sets out an ambitious path for deeper relations with Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine, through a bilateral and a multilateral dimension. The EaP is based on mutual commitments to the rule of law, good governance, respect for human rights, and respect for the rights of minorities, the principles of market economy and sustainable development. The level of ambition of the EU's relationship with the Eastern partners will take into account the extent to which these values are reflected in national practices and policy implementation.

In its second meeting, the Eastern Partnership Platform 1 adopted its Work Programme for 2009-2011, which mainly focuses cooperation on the following areas: Democratic Governance; Improved Functioning of the Judiciary; Public Administration; Fight against Corruption; Flagship Initiative on Integrated Border Management; Flagship Initiative on Prevention, Preparedness and Response to natural and man-made disasters.

The Corruption component within the Eastern Partnership (EaP) Platform 1, as a major component stems from the realisation that there is a need to further enhance co-operation with Eastern partner countries that face similar challenges in complying with commitments originating from the Council of Europe's membership and its standard-setting instruments. In view of this, in 2010 a series of "Bridge Activities" took place as a first step in contributing to look at the progress made so far of the reform processes in the six partner countries through a multilateral approach, and to facilitate the processes of the EaP' Panel on Corruption as processes of bringing partner countries closer to the European standards. On 1 March 2011, following the "Bridge Activities" the EaP/CoE Facility was launched in order to enhance good governance and strengthen the capacities of the public administration and criminal justice sector in order to effectively prevent and fight corruption in line with the Council of Europe Conventions and other international treaties.

**PROJECT DOCUMENTATION & DELIVERIES**

- EaP/CoE Facility (DoA)
- Anti-corruption@EaP (DoA)
- Project Summary
- Presentation of project
- Inception report
- Workplan and Indicative Calendar of Activities
- 12-Month Calendar
- Technical Papers

**REPORTS/REFERENCES**

- EaP Bridge Activities Report  
English / Russian

**PHOTO GALLERY**

- May-December 2011

**CONTACT**

- EaP/CoE Facility' National Co-ordinators
- Anti-corruption@Eap Project Team

**Resources**

**FILES**

- Archives
- Press Releases

**SPECIAL FILES**

- Octopus Interface 2011
- Octopus Interface 2010
- Octopus Interface 2009
- Octopus Interface 2008
- Octopus Interface 2007
- Corruption and democracy
- Financial Investigations

**OTHERS**

- Links
- Publications

**NEWS**

**COMING UP SOON:**

**Risk assessment (1.4): Ethical weaknesses in service delivery (Baku, Azerbaijan, 23-25 April 2012)**

The aim of this activity is to identify typical ethical dilemmas and weaknesses in the delivery of public services in Azerbaijan. To this end, the Project's Long-Term Adviser will interview various stakeholders in Baku from 23 to 25 April 2012. An assessment report containing analysis of the situation and recommendations will be presented and reviewed at the Regional Workshop on Risk Assessment (Strasbourg, France, 21-22 June 2012), and will allow for a training of trainers planned to take place in Baku in October 2012 to be tailored to specific needs of Azerbaijan

**Pilot Activity in Azerbaijan (3.2): Workshop on Good Practices of E-government (Baku, Azerbaijan, 26 April 2012)**

Under a new presidential decree, all line ministries have to introduce e-government tools for government-to-citizen applications. E-government can be an effective tool for preventing corruption, as it reduces contacts between public officials and citizens and thus reduces opportunities for bribe asking or giving. A workshop on good practices of e-government will be held in Baku on 26 April 2012 with representatives

## Annex 5: National Anti-corruption Focal Points

Country	Anti-corruption Focal Points	
Armenia	Mr Yeghishe KIRAKOSYAN	Deputy Minister, Ministry of Justice Halabyan 41a, 0078 Yerevan, Republic of Armenia Tel: +374 10 38 03 89 e-mail: <a href="mailto:yeghishe.kirakosyan@justice.am">yeghishe.kirakosyan@justice.am</a>
Azerbaijan	Mr Inam KARIMOV	Chief Adviser, Law Enforcement Coordination Department, Administration of the President of the Republic of Azerbaijan, Secretary of the Commission for Combating Corruption "Prezident Sarayı", Istiqlaliyyet St. 19, Baku, Azerbaijan Tel/Fax: +994-12 492-73-52 e-mail: <a href="mailto:inam_karimov@pa.gov.az">inam_karimov@pa.gov.az</a>
Belarus	Mr Aleksandr KOZLOV	Deputy Head of Anti-Corruption Unit, Office of the Prosecutor General of the Republic of Belarus 220050, Minsk, Internatsionalnaya Str., 22 Tel: + 375 17 226 44 25 e-mail: <a href="mailto:Kozlov_Alexandr@mail.ru">Kozlov_Alexandr@mail.ru</a>
Georgia	Ms Nino SARISHVILI	Head of Research and Analysis Unit of Analytical Department, Secretariat of Anti-corruption Council 24 Gorgasali Street, 0114 Tbilisi, Georgia Tel: +99532405799; +99577120121 e-mail: <a href="mailto:nsarishvili@justice.gov.ge">nsarishvili@justice.gov.ge</a>
Republic of Moldova	Mr Vitalie VEREBCEANU	Director of General Directorate for Prevention of Corruption Centre for Combating Economic Crimes and Corruption of the Republic of Moldova Tel: +37322 257425 e-mail: <a href="mailto:vverebceanu@cccec.md">vverebceanu@cccec.md</a>
Ukraine	Ms Olena SMIRNOVA	Head of the Anticorruption Policy Unit, Ministry of Justice of Ukraine 13, Horodetskoho str., Kyiv, Ukraine 01001 Tel. +38 044 271 16 18 e-mail: <a href="mailto:smirnova@minjust.gov.ua">smirnova@minjust.gov.ua</a>

## Annex 6: Provisional list of experts

Expert	Area	Position
Ms Phyllis Atkinson	Economic crime	Head of Training, Basel Institute on Governance, Switzerland
Mr Veaceslav Bulat	Local anti-corruption strategies	Executive Director, Institute for Urban Development, Moldova
Ms Vera Devine	Anti-corruption strategy design and implementation	Former Administrator, Anti-Corruption Network for Transition Economies, OECD; Governance and anti-corruption consultant, UK
Mr Corneliu Gurin	Political Finance, legal drafting	Program coordinator at Association for Participatory Democracy (ADEPT), Moldova
Mr Giorgi Jokhadze	E-government	Lawyer, Data Exchange Agency, Ministry of Justice of Georgia; National Coordinator of the Eastern Partnership Cybercrime Project
Mr Valts Kalniņš	Anti-corruption policies, risk assessment	Good governance and anti-corruption consultant, PROVIDUS think-tank, Latvia
Mr Tom Lasich	Anti-money laundering	Trainer, Basel Institute on Governance, Switzerland
Mr Jeremy Millard	E-government	Danish Technological Institute, Denmark
Mr Serghei Ostaf	Local anti-corruption strategies	Executive Director, Resource Center for Human Rights/CREDO, Moldova
Mr Federico Paesano	Asset recovery	Trainer, Basel Institute on Governance, Switzerland
Mr Mark Philp	Risk assessment	Oxford University Lecturer in Politics, UK
Mr Quentin Reed	Risk assessment, political party finance, anti-corruption policies	Anti-corruption and governance consultant, Czech Republic
Mr Georgi Rupchev	Liability of legal persons	State Expert, Directorate of International Legal Co-operation and European Affairs, Ministry of Justice, Bulgaria
Mr Daniel Thelesklaf	Anti-money laundering	Head of FIU, Lichtenstein

## **Annex 7: Project Contacts/Management Team**

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