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Inception Report

“Strengthening the Coordination of Anti-Corruption Policies and Practices in Turkey”

TYSAP

TR2009/0136.06

Project title	Strengthening the Coordination of Anti-Corruption Policies and Practices in Turkey
Reference numbers	TR2009/0136.06 and CoE No. JP/2374
Project duration	24 months
Implementation	Economic Crime and Cooperation Unit, Action against Crime Department, DG I - Council of Europe
Project budget	EURO 1.400,00
Implementation Period	29 December 2012 – 28 December 2014
Reported Period	Inception Phase
Date of report	25 September 2013

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List of Abbreviations:

Board	The Board of Treasury Controllers
PP	Public Prosecutors
AC	Anti-corruption
BRSA	The Banking Regulation and Supervision Agency
CFCU	The Central Finance and Contracts Unit
CoE	Council of Europe
CPI	Corruption Perception Index
DGI	Directorate General of Human Rights and Rule of Law of Council of Europe
EU	European Union
EUD	The European Union Delegation to Turkey
FIMS	The Finance System of CoE
GRECO	Council of Europe's Group of States against Corruption
GET	GRECO Evaluation Team
IPA	The Instrument for Pre-Accession Assistance
LPO	Local Project Officer
LTA	Long-term Advisor
MASAK	Financial Intelligence Unit (Financial Crimes Investigation Board)
MIPD	Multi-annual Indicative Planning Document
MoEU	Ministry of Environment and Urbanisation
MoF	Ministry of Finance
MoI	Ministry of Interior
MONEYVAL	Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
OLAF	European Anti-Fraud Office
PIU	Project Implementation Unit
PMIB	Prime Ministry Inspection Board
SC	Steering Committee
SOE	State-Owned Enterprise
SPO	Senior Project Officer
TCA	Turkish Court of Accounts
ToT	Training of Trainers
TYEC	Project on Ethics for the Prevention of Corruption in Turkey 2006-2009
TYEC 2	Project on Ethics for the Prevention of Corruption in Turkey 2012-2014
TYSAP	Project on Strengthening Anti-Corruption Policies and Practices in Turkey
UN	United Nations
UNDP	United Nations Development Programme
UNCAC	United Nations Convention against Corruption
SIGMA	Support for Improvement in Governance and Management (A joint initiative of the OECD and the EU, principally financed by the EU)

1 PROJECT SYNOPSIS

Project title	Strengthening the Coordination of Anti-Corruption Policies and Practices in Turkey (TYSAP)
Project Reference	2374
Project area	Turkey
Budget/funding	EUR 1,400,000.00
Funding	The European Union (85%), Council of Europe (5%) and Turkish Authorities (10%)
Duration of the action	24 months (28 December 2012 -27 December 2014)
Implementation	Council of Europe, Economic Crime Unit, Action against Crime Department, Directorate General of Human Rights and Rule of Law (DGI)
Objectives of the action	<p>Overall Objective(s): To contribute to a more efficient and effective structure in the fight against corruption in Turkey</p> <p>Project Purpose:</p> <p>1. To enhance the expertise of the inspectors, auditors and controllers of different institutions about modern investigation and reporting techniques, cooperation, data collection and analysis, information sharing and developing sector specific anti-corruption policies.</p> <p>2. To enhance the expertise of PMIB Inspectors on: (i) coordinating the corruption investigations and implementing anti-corruption policies across relevant agencies; and (ii) monitoring the implementation of national anti-corruption strategy.</p>
Partner(s)	<p>Main Beneficiary: Prime Ministry Inspection Board (PMIB) Mete DEMIRCI The Prime Ministry Chief Inspector Tel: +90 312 422 24 12 Fax: +90 312 230 88 72 e-mail: mdemirci@basbakanlik.gov.tr Address: Necatibey Caddesi No:108 K:2 Yüce-tepe-Ankara/Türkiye</p>
Target group(s)	Inspection Boards, inspectors, auditors, controllers responsible for corruption inspections and investigations, and for anti-corruption policies across all major agencies.
Final beneficiaries	<p>Main Beneficiary: Prime Ministry Inspection Board Basbakanlik Teftis Kurulu Baskanligi NecatibeyCaddesi No: 108 Basbakanlik Yeni Bina Yucetepe/Ankara</p> <p>SPO: Mete DEMIRCI - Prime Ministry Chief Inspector Phone: +90 312 422 24 12-13 Fax: +90 312 422 24 97 mdemirci@basbakanlik.gov.tr</p> <p>Co-beneficiaries:</p> <p>Ministry of Interior Inspection Board Dr. Başol GÜLEÇ-Chief Inspector h.basol.gulec@icisleri.gov.tr Ministry of Finance – Tax Audit Board Bilal YÜCEL-Chief Inspector bilal.yucel@vdk.gov.tr</p>

	<p>Ministry of Transportation, Maritime Affairs and Communication, Directorate of Inspection Services Adnan ÇELİK- Deputy Head of Board adnancelik62@yahoo.com</p> <p>Ministry of Food, Agriculture, and Livestock, Directorate of Guidance and Inspection Tülay ÖZDEMİR- Deputy Head of Board Tulay.OZDEMIR@tarim.gov.tr</p> <p>Ministry of Labour and Social Security, Labour Inspection Board Arif ŞİMŞEK - Deputy Head of Board asimsek@csgb.gov.tr</p> <p>Undersecretary of Treasury Controllers Mehmet ÜVEZ- Deputy Head of Board mehmet.uvez@hazine.gov.tr</p> <p>Sworn In Banking Auditors Faik AKAY- Head of Audit Department fakay@bddk.org.tr</p> <p>Ministry of Justice Harun MERT-Deputy General Director of International Law and Foreign Affairs ab39825@adalet.gov.tr</p> <p>Ministry of Environment and Urbanization, Directorate of Guidance and Inspection Ahmet ÇELIKDIN-Deputy Head of Board acelikdin@cevresehircilik.gov.tr</p>
Expected Results	<p>ER 1</p> <p>The current legislative framework covering investigations, information sharing, anti-corruption strategies and coordination of investigations is analysed and compared with the requirements international conventions. Based on the results, investigation guide, reporting standards are developed.</p> <p>ER 2</p> <p>Data regarding investigations of corruption cases is gathered and analysed, and corruption map of risky areas are produced.</p> <p>ER 3</p> <p>Inspectors are trained on developing sector specific anti-corruption strategies, coordinating corruption investigations, modern investigation and reporting techniques and sharing information.</p>
Main activities	<p><u>ER 1- related Activities</u></p> <ol style="list-style-type: none"> 1. The national legislative and organisational framework regulating administrative inquiries and criminal investigations, their coordination (i.e., with law enforcement agencies), information-sharing, intelligence and the implementation of the framework are analysed, reports and legislative proposals (if necessary) are prepared via working groups composed of academicians, public officials and other experts. The findings of the reports are discussed. 2. International, particularly EU, standards and regulations on corruption investigations, coordination/cooperation and information sharing are reviewed and a report is prepared by a team of experts and discussed 3. Compliance of the domestic regulation with Council of Europe Criminal Law and Civil Law Conventions, the OECD Convention on Combating

Bribery of Foreign Officials and the UN-Convention against Corruption is analysed and gap analysis reports are prepared by a team of national and international experts.

4. Based on the findings of the compliance report, policy reports that address possible measures that can be taken to fulfil the requirements of the conventions are prepared by working groups composed of representatives from relevant institutions.
5. In order to prevent implementation of different methods an investigation guide is prepared and disseminated to all inspectors, auditors and controllers.
6. Reporting standards are set out by a working group and disseminated to all inspectors, auditors and controllers through a conference.

ER 2 related Activities

7. Training 20 Inspectors on collecting and analysing corruption related data in an EU institution and trained inspectors transfer their knowledge to 200 inspectors.
8. The maps of corruption prone areas are prepared and appropriate strategies to tackle those risk areas are prepared via working groups composed of members from government agencies, private sector and NGOs.

ER 3 related activities

9. Training 10 inspectors at a relevant EU institution on developing anti-corruption strategies and successfully implementing and monitoring them. A Users' Guide on AC Strategy drafting and implementing is prepared by those inspectors with assistance from international experts.
10. Training 10 PMIB-inspectors on coordinating corruption investigations, modern investigation and reporting techniques, and enhanced cooperation and information sharing among relevant EU anti-corruption institutions.

2 EXECUTIVE SUMMARY

The EU-funded and the Council of Europe implemented Project on *Strengthening the Coordination of Anti-Corruption Policies and Practices in Turkey* (TYSAP) started on December 28, 2012. The Project is designed to contribute to the building of a stronger preventive and repressive anti-corruption structure within the public administration in Turkey. It also aims at mainstreaming proposals from GRECO and the Turkish Government, while offering identifiable, concrete objectives and outputs.

The present report summarises the activities carried out during the inception phase of the Project which started since the beginning of the project and was completed on 12 June 2013.

The Project staff, both Ankara and Strasbourg based, was recruited and fully operational by 15 April 2013. The Project's Long Term Advisor (LTA) selection procedure was finalised by the end of May 2013. However, after the recruitment and offer of contract as well as initial deployment initiated, the LTA decided to depart from the project in July 2013 due to personal reasons.

Start-up activities took place in Ankara in the second half of April 2013 when bilateral and multilateral meetings of the CoE team with the representatives of the Project's main beneficiary and co-beneficiary institutions, as well as with the contracting authority were held. Purpose of the meetings was to discuss specifics of the Project implementation, planning for the upcoming Steering Committee Meeting and Launching Conference. This was followed by active work on developing the Workplan and calendar of activities.

The first Steering Committee Meeting of the Project took place on 5 June 2013 where the proposed Workplan and calendar of activities were agreed and priority activities defined. The Launching Conference, which was attended by high level officials from all stakeholders, was held on 12 June 2013. At the event the Project Workplan was officially adopted and ready to be carried out.

Implementation of several specific deliverables, as envisaged in the Workplan and calendar of activities has started following completion of the inception phase. Annex I, *Workplan and Calendar of Activities*.

3 BACKGROUND INFORMATION

3.1 Sectorial County context and relevance of the action

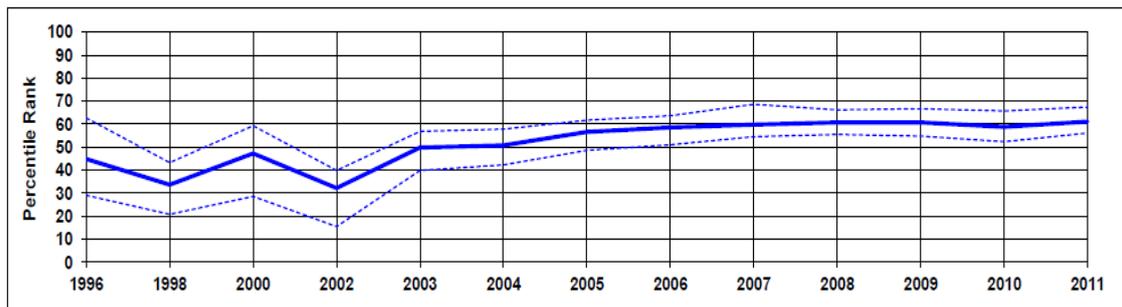
Since the Description of Action (DoA) of the Project there have not been many major changes in the country context and most of the information provided within that document remains relevant.

Turkey's percentile rank in World Bank's Worldwide Governance Indicators data¹ shows a very slight increase from 2010 to 2011 in the area of control of corruption and in the general percentile ranking with minor changes from 2006 to 2011.

¹ <http://info.worldbank.org/governance/wgi/index.asp>

TURKEY, 1996-2011

Aggregate Indicator: Control of Corruption



In the latest Transparency International's Corruption Perception Index² (CPI) Turkey is ranked 54th out of 174 countries with the score of 49.

GRECO recommendations³ indicate the need for reforming the system of Inspection Boards. Based on that, the national "Anti-Corruption Action Plan 2010-2014" identified strengthening capacities of inspection units as one of the priorities. As pointed out in European Commission's Progress Report 2011 need for strengthening the legislative framework to fight corruption and for building up a track record of investigations, indictments or convictions related to corruption cases still remains. The Project remains highly relevant for Turkey in the context of fighting corruption with a view to making progress towards complying with European standards and best practices.

The on-going implementation of the National Anti-Corruption Strategy has led to progress in the Fight against Corruption in Turkey. An important institutional novelty in the field of good governance in Turkey is the establishment of the Office of the Ombudsman in June, 2012. The Ombudsman law provides for the creation of an independent and effective complaints mechanism to scrutinize various activities by the authorities and their conduct and to investigate, research, and make recommendations in conformity with an understanding of justice based on human rights. The law also provides for five Ombudsmen to work under the chief ombudsman, a General Secretary, and other personnel. The Office of the Ombudsman started receiving complaints from March 29, 2013. The institution is not explicitly an anti-corruption body however it may potentially play an important role due to its powers to investigate corruption related complaints and issue recommendations in that regard.

As part of the UNDP Project "Support to Effective Implementation of National Anti-Corruption Strategy in Turkey", an International Conference was held to "Promote Transparency and Accountability for Strengthened Integrity Systems" on 5-6 December 2012 in Ankara. The Conference, co-organized by UNPD and PMIB, provided an opportunity to share knowledge and experiences on recent developments in the area of anti-corruption in Turkey and other country context, to raise awareness about the importance of anti-corruption systems and to define areas of technical assistance on anti-corruption by the Government of Turkey to the Least Developed Countries (LDCs). The event was also aimed at improving public, private and NGO cooperation in the fight against corruption.

3.2 Beneficiaries and Institutions

The main beneficiary and counterpart institution of the Project is the Prime Ministry Inspection Board which is the central national anti-corruption body responsible for the coordination and implementation of anti-corruption activities. The PMIB is the leading public agency setting up the general principles of inspection and auditing regarding the effective and efficient inspection system

² <http://www.transparency.org/cpi2012/results>

³ GRECO, Joint First and Second Evaluation Round, 11 March 2006 (Greco Eval I-II Rep (2005) 3E0) and Compliance Report on Turkey, 11 June 2010 (Greco RC-I/II (2008) 2E).

for all public institutions. It also carries out inspections and investigations at all public institutions and organisations, their affiliates and corporations, and coordinates the efforts for prevention and fight against corruption.

In order to successfully implement the Project activities, PMIB has been coordinating the effort among co-beneficiaries (Ministerial Inspection Boards) and other relevant agencies involved in the fight against corruption. The Project also has nine co-beneficiary institutions among which are the Inspection Boards of several Ministries. The Board of Treasury Controllers is the main audit body of the Under-secretariat of the Treasury of the Prime Ministry. The Board of Sworn-in Banking Auditors is the audit board of the Banking Regulation and Supervision Agency. Both agencies perform important inspection functions within the banking and the financial sector and are co-beneficiaries of the Project. Other co-beneficiaries include the Ministry of Interior Inspection Board, the Ministry of Finance – Tax Audit Board, the Ministry of Transportation, the Maritime Affairs and Communication - Directorate of Inspection Services, Ministry of Food, Agriculture, and Livestock - Directorate of Guidance and Inspection, the Ministry of Labour and Social Security - Labour Inspection Board, the Ministry of Environment and Urbanization - Directorate of Guidance and Inspection, and the Ministry of Justice - Directorate of International Law and Foreign Relations.

The Inspection Boards within the major agencies are in charge of carrying out technical inspections and administrative inquiries on unlawful behaviour of officials. Their mandate includes recovering any material losses incurred. Inspection boards are often the first and only bodies that can detect corruption cases within public bodies and their work is essential in the area of anti-corruption. On this basis, they were selected as the main beneficiary and co-beneficiary institutions.

It should also be noted that the Ministry of Justice's role as a co-beneficiary institution is essential for the achievement of the expected results of the Project. In addition the link with the prosecutorial services that are in charge of bringing successfully inspected cases by the Inspection Boards to court, the Ministry of Justice is responsible for preparing any possible legislative changes. Consequently its expertise and knowledge is crucial for the future analysis of the national legislative framework and compatibility with international conventions. The Ministry of Justice Directorate of International Law and Foreign Relations is the key focal point with regard to implementation of Project activities.

3.3 Donor Organisation and Contracting Authority

The European Union is the donor organisation for the Project and the Prime Ministry Under secretariat of Treasury – Central Finance and Contracts Unit is the contracting authority.

3.4 Implementing Organisation

The Council of Europe is responsible for the implementation of the Project and the use of the Project funds under the European Community agreement with the Central Finance and Contracts Unit. Within the General Secretariat of the Council of Europe in Strasbourg, Directorate General I - Human Rights and Rule of Law, the Directorate of Information Society and Action against Crime, and more specifically the Action against Crime Department, Economic Crime Cooperation Unit is the responsible structure for the overall management and supervision of the Project. A Project Team based in Ankara supported by the Economic Crime Cooperation Unit in the Headquarters of Council of Europe is in charge of day to day implementation of the Project.

4 THE PROJECT

4.1 Methods of Implementation

The Project provides for the following inputs while supporting and assisting the achievement of the expected results in line with the approved workplan and emerging needs as appropriately agreed through the Steering Committee Meetings:

- Expert advice
- Expert opinions
- Roundtables and seminars
- Workshops and Conferences
- Training courses
- Training-of-trainers
- Translations
- Trainings
- Audio-Visual/Publication and dissemination

4.2 Deliverables

The expected deliverables include:

- Assessment and analysis reports, policy reports, draft legislative proposals, maps of corruption prone areas;
- Inquiry guides and reporting standards for inspectors, auditors and controllers;
- Training strategy for inspectors;
- Workshops and Trainings (information sessions) on identifying corruption risks and development of sector-specific anti-corruption strategies as well as supervising implementation of such strategies;
- Conferences (plenary sessions discussing the results of the assessments).

4.3 Preparation for Intervention

The Project's official implementation start date was set to begin on the day following the signature of the European Union Contribution Agreement TR 2009/0136.06-01/001 (December 28, 2012). The establishment and the making operational of the Project team was finalised in Mid April 2013.

This delay was due to the occurrence of complications during the selection and recruitment process of candidates in Ankara that were short-listed to fill the Ankara team position[s]. Consequently the calendar of activities was revised so as to allow successful completion of Project deliverables, as scheduled by end December 2014.

According to the revised Project calendar activities start in June 2013 and end in December 2014. Deliverables related to the Expected Result 1 are spread throughout the period of June 2013 to May 2014. Activities linked to Expected Result 2 are to be implemented between September 2013 and October 2014. Actions planned under Expected Result 3 will unfold over the period of February 2014 to December 2014.

Upon consultations with the beneficiary and co-beneficiary institutions, it was agreed that implementation would start as early as June 2013 with the following priority activities related to:

- The review of National legislative framework regulating investigative and administrative inquiry procedures (Sub-activities 1.1, 1.2)
- Assessing specific areas of international conventions not covered in sufficient detail by previous monitoring and reviews (Sub-activity 3.1)
- The harmonization of reporting standards (Sub-activities 6.1, 6.2)
- The drawing up of a corruption-prone area map (Sub-activities 8.1, 8.2, 8.3)
- Data collection (Sub-activity 8.3)

There are **5 Working Groups** (to be composed of national experts/civil servants working closely with the relevant national institutions that shall cover specific ERs and Activities under the

Workplan). Further to establishment of those working groups, the Council of Europe will provide then additional international experts. Those working groups should be of the following profiles:

Working Group No. 1: Working Group on “the review of national legislative framework regulating the investigation and administrative inquiries procedures and coordination of information sharing s composed of academicians, public officials and other experts to initiate” – linked to Activity 1;

Working Group No. 2: Working Group on “the review of the international and EU good practices on standards and regulations concerning corruption investigations”- Linked to Activity 2 and Activity 5;

Working Group No. 3: Working Group on “Gap Analysis and Policy Recommendations to ensure compliance of the domestic regulations with CoE, OECD and UN-Conventions” - Linked to Activity 3 and Activity 4;

Working Group No 4: Working Group on “Developing Reporting Standards for Inspectors, Auditors and Controllers”- Linked to Activity 6;

Working Group No 5: Working Group on “Identification of corruption prone areas and development of appropriate strategies” – Linked to Activity 8.

Initially there are **only two Working Groups** that have been created. More specifically those are the WG 4 on “Reporting standards” and WG 5 on “Corruption mapping”. Annex III, *Composition of Working Groups*.

5 ACTIVITIES IN THE INCEPTION PHASE

The following activities were carried out during the inception phase of the Project (January 2013 – June 2013):

Description of Inception Phase Activities	Status (September 2013)
Recruitment of the Project Team (Strasbourg and Ankara): Local Project Officer (Ankara – 100% time): Recruited and Operational Local Project Assistant (Ankara – 100% time): Recruited and Operational Senior Project Officer (Strasbourg – 50% time): Recruited and Operational; Project Assistant (Strasbourg – 50% time): Recruited and Operational.	Completed
Engagement of Long-Term Adviser Engagement of 5 international Experts for the period of the Project’s time line (Annex II – List of experts)	Completed However the LTA left the team for personal reasons in July.
Allocation and set-up of the Project Office	Completed
Start-up Activities (18-19 April 2013): Introduction of the Project to counterpart/beneficiary institutions	Completed
Confirmation of Steering Committee Members by Turkish authorities	Completed

Description of Inception Phase Activities	Status (September 2013)
Steering Committee Meeting (5 June 2013) : Discussion of draft Workplan and calendar, Announcement of composition of working groups, preparations for the Project's Launching Conference	Completed
Launching Conference of the Project (12 June 2013)	Completed

5.1 Set-up of the Project Team/Recruitment

The positions of the Project Team in Strasbourg and Ankara were filled by vacancy notices announced in line with the rules and procedures of the Council of Europe. All applicants and then candidates had been shortlisted and then selected based on their qualifications, work experience and skills, as well as their performance during the interviews. In addition, performance and evaluations of prior employment were confirmed through reference checks. The final selection was done after competency based interviews. The Local Project Assistant was recruited in January 2013 and Local Senior Project Officer in April 2013. The selection of the Long Term Advisor was completed in May 2013.

The Ankara Project team (Local Senior Project Officer and Local Project Assistant) report directly to the Economic Crime Cooperation Unit at the Action against Crime Department for substance matters and Workplan implementation related issues. They are supported by a Senior Project Officer and a Project Assistant in Strasbourg (both engaged 50% of time in this project, while working the rest of the time under the TYEC 2 project in Turkey). Their administrative daily work in Ankara is supervised and supported by the Office of the Council of Europe in Ankara.

The Long Term Adviser (LTA) was selected through the relevant Council of Europe Tender Board procedures which were finalised in May 2013. The selected LTA, expected to take the position in Ankara as 1 September 2013 to advise and provide expertise during the Project's implementation on regular basis and for almost all activities left the team quite suddenly due to personal reasons. In meantime as a result, the CoE has been looking at this issue closely and undertaking mitigation measures which yet have to be finalised and approved by all parties.

The Government of Turkey has designated a National Project Coordinator, who is a civil servant and a Chief Inspector of the Prime Ministry Inspection Board. The National Project Coordinator is the main counterpart responsible for the organization and liaison of all Project activities on behalf of the Turkish authorities.

5.2 Project Office/Premises

The Project offices are situated within the premises of the Council of Europe Office in Ankara which also provides the technical and IT infrastructure necessary for the team. The PMIB has set up an office room with furniture and necessary IT Equipment in their premises for the Project team with the objective to facilitate communication and ease the information flow between team members. The latter office space stands ready for project activity-related use.

5.3 Start-Up Activities

Phase 1 (15 - 19 April 2013)

The Council of Europe mission team – composed of Ms Leila Marshania, Senior Project Officer and Ms Tanja Naumovski-Egerton, Project Assistant, Ms Corinne Ilgun, Local Senior Project

Officer and Ms Burcin Crompton, Local Project Assistant initiated the TYSAP start-up activities during the week of 15-19 April 2013 (see Annex V – Agenda of Start-up activities).

During this mission, meetings with the main beneficiary and co-beneficiaries as well as the CFCU took place with a view to discussing the Project in detail. More specifically, presentation of the Project's duration, its cycles, objective, purpose, expected results and its component, including the administrative and human resource engagement in implementing the Project were explained and shared. These meetings once again confirmed great interest in and strong ownership of the TYSAP Project from the side of the Turkish authorities. Composition of the Steering Committee, organisation of the Launching Conference of the Project, preparation of the Project's detailed Workplan and calendar of activities were discussed at the meetings with the PMIB and co-beneficiaries.

Phase 2 (April – May 2013)

Further meetings of the Project local team and the main beneficiary had been regularly taking place in April and May 2013. During those meetings dates of the Steering Committee meeting and of the Launching Event were confirmed. The draft Workplan including calendar of activities had also been actively discussed and shared with the co-beneficiaries for the purpose of getting their input. Discussions amongst the beneficiary institutions were also on-going concerning composition of working groups that would be necessary for several activities of the Project.

On 27 and 28 May 2013 the Council of Europe mission team – composed of Ms Leila Marshania, and Ms Corinne Ilgun., held meetings with the PMIB to finalize the draft Workplan which was subsequently distributed among the Steering Committee members for review/discussions at the 1st Steering Committee meeting and preparation for its adoption at the Launching Conference.

Steering Committee Meeting

On 5 June 2013 the first Steering Committee Meeting of the TYSAP Project was held where the beneficiary and co-beneficiary institutions were represented by the high level officials, specifically Chairpersons of Inspection Boards (see Annexes VI – Agenda of the First Steering Committee Meeting, VII – Minutes of the First Steering Committee Meeting and VIII – List of Participants of the First Steering Committee Meeting). Representatives of the European Union Delegation in Ankara and Central Finance and Contracts Units were also present. The draft Workplan was presented by the CoE Project team and thoroughly discussed by the Steering Committee Members. The draft Workplan was finalised with a view to have the final official approval of the document at the Launching Event of the TYSAP Project. The SC meeting also focused on the modalities and the preparation of the Launching Conference which was aimed at ensuring high-level political support and visibility to the TYSAP Project.

Launching Conference

On 12 June 2013 the Launching Conference of the Project took place in Ankara (see Annex IX – Agenda of the Launching Conference). The event was opened by high level speakers from majority of stakeholders including Head of the PMIB, Deputy Minister of Labour and Social Security, Deputy Minister of Interior, Head of the EU Delegation to Ankara and Head of Action against Crime Department of the CoE. The Launching Conference was attended by public officials, academics, civil society and private sector representatives as well as by Council of Europe member states' representatives in Turkey. The event was organised in three sessions. The first session focused on the Project presentation. The second dealt with progress in the field of anti-corruption in Turkey, the role of internal auditing, and perspectives from the viewpoint of civil society and the private sector. The third session consisted of an interactive survey that intended to gather anonymous answers to questions pertaining to the level of corruption in the Turkish Public Administration and behaviour of individuals in corruption prone situations. **The Project Workplan and its related calendar of activities were officially adopted at the Launching Conference.**

The Launching Conference received coverage in Turkish media. The news items from several online publications are provided in Annex X.

6 SUSTAINABILITY

The Project will not create new structures. Instead, TYSAP provides inspection boards with support to efficiently carry out their functions while, at the same time, strengthening their institutional, administrative capacities, as well as interagency co-operation. This target achievement is based on the assumption that the government's commitment to effectively prevent and control corruption will be maintained in the future. The action aims to ensure full ownership by the PMIB, co-beneficiaries and the line ministries' Inspection Boards.

This Project will be reinforcing the PMIB's key role in the strategic anti-corruption system, and will also serve to convince authorities to make sufficient resources available in the future to follow up on Project results and maintain the capacity of the Inspection Boards' investigative system.

This Project has also the potential to complement the "TYEC 2 Project on *Ethics for the Prevention of Corruption in Turkey*"; purpose of which is to effectively disseminate and implement the Code of Ethics across the public sector by strengthening the capacities of the Council of Ethics for Public Service and Ministries' Ethics Commissions in developing ethical frameworks within ministries. Strong synergies with regard to impact will be sought between the TYSAP and the TYEC 2 Projects.

UNDP's work in Turkey is expected to equally contribute to the sustainability of the TYSAP Project to some extent. As such, the UNDP "*Support to Effective Implementation of National Anti-Corruption Strategy in Turkey*" Project, completed in December 2012, focused on eradicating corruption through prevention and on the implementation of the "National Anti-Corruption Action Plan 2010-2014", which covers a far broader spectrum than the public administration. The first two phases covered a gap analysis identifying areas where Turkey focused efforts to meet its own standards and obligations in eradicating corruption, and a change management plan to address the residual gaps identified. In the last phase of the Project, a needs assessment and action plan for the restructuring process of the PMIB were developed so the Board can fulfil their responsibilities in the field of anti-corruption. The Project achievements are thus expected to contribute to the fulfilment of the responsibilities of the PMIB under United Nations UNCAC Review process for Turkey in 2014. The UNDP and the PMIB are now considering a follow-up Project.

TYSAP activities are designed to be sustainable in that training materials and inspections/inquiries guides can be updated and used in the future without external assistance. Strong ownership of these tools by the beneficiary will be ensured. Trainers trained by the Project are also expected to use their skills to train additional target groups.

Experience of previous Projects shows that a mix of measures addressing at the same time the whole system – prevention and repression, legislation and its enforcement, support to policies and strategies, training of professionals currently in service, training of trainers and elaboration of training curricula for both public and private sector players – produces very good and sustainable results. This is why it is assumed that the results produced by the Project will be sustainable in three ways: financially, institutionally, and policy-wise.

Sustainability is also foreseen to be achieved through the strong intertwining of the activities with the outputs of other activities. In some cases, this sequencing is a condition for carrying out the next activity (e.g. Activity 3 being conditioned based on the outputs of Activity 1 and 2), in some cases this sequencing is optional (Activity 7 should possibly, but not necessarily include data achieved as a result of Activity 4).

The relatively high number of trainers trained under Activities 5.2-5.4 will ensure a fast and sustainable delivery of the training to a substantial part or all of the 2.300 inspectors within the Project's timeframe.

7 PUBLICATIONS AND VISIBILITY

Project news, upcoming events, and outputs/deliverables are reported on the Council of Europe Economic Crime website (www.coe.int/corruption), a section of which is exclusively dedicated to the TYSAP Project: <http://www.coe.int/tysap>. The Council of Europe official Project site has links to other relevant sites in Turkey and internationally.

The Prime Ministry Inspection Board has also set up a section dedicated to the TYSAP project on the institution's website: <http://www.teftis.gov.tr/tysap/>. News, upcoming events and relevant project deliverables are available in the Turkish language on the website.

The visibility plan/strategy of the Project has been prepared (See Annex XI – Visibility Strategy).

8 RISK AND MITIGATION

The political risk involved in this Project is not considered to be high at the time of reporting as Turkish authorities have been demonstrating willingness to adapt policies and practices in line with EU and Council of Europe standards. However, it is advised to also keep track of other risks that have emerged in the course of the Inception Phase.

8.1 Risk of delays in implementation

In the course of the Inception Phase delays were incurred due to the need for finalising necessary administrative and human resources procedures in forming the Local Project Team. Consequently implementation of specific activities initially envisaged to start from May 2013 started in June 2013. While a 1-month delay does not cause significant risks, the non-availability of experts and national authorities for workshops in the months of July and August due to the holiday season had further impact. However the Project team took the necessary mitigating measures by proceeding with activities involving desk-based research and drafting of technical papers in order to ensure that there is a number of deliverables for consideration at subsequent Workshops and working group sessions planned thereafter.

The withdrawal of the selected Long Term Advisor has not been anticipated however this will not affect implementation of the activities according to the Workplan and calendar of activities. Given the disengagement of the LTA, the strategy of the CoE to mitigate possible risks to the Project includes the following set of measures:

- The CoE to allocate additional staff resources of its own (not from the project budget) to oversee the substantive aspects of Project implementation. One additional Administrator (A-Grade level staff) has been engaged to advise on the substance of implementation of TYSAP Project activities, including planning and content preparation, as well as in the delivery of a number of Project activities on the ground in Turkey. The involvement of an additional staff highly-qualified in the area of anti-corruption provides the Project with the necessary steering in terms of content, while at the same time maintaining a high-degree of mobility in resource allocation.
- The CoE to continue to revise and update the list/pool of short-term consultants, who are and will be involved in the implementation of the scheduled Project activities under the overall guidance of the Project team. Given the absence of an on-the-ground LTA the CoE has aimed to select consultants with prior experience in anti-corruption activities in Turkey and extensive knowledge of the local context. Thus the CoE is able to draw on their knowledge and advice in a broader context across the full range of Project activities, thus partially substituting for the absence of an LTA.

While the two mitigating measures mentioned above are of an immediate nature, the CoE is taking the necessary steps to ensure a strategic solution to the issue of the LTA, particularly either by undertaking the shortest possible procedure to complete this process through re-launching an LTA tender or maintain the alternative of additional A-grade staff allocation Project Advisor during the entire course of the project implementation and in the context of the existing CoE rules.

8.2 Risk of deviation from Workplan and Description of Action

While the Workplan foresees a detailed framework and means for implementing each of the activities agreed between the parties, it is a key tool for smooth and timely implementation, financial planning, coordination of all stakeholders and Project team management, as well as proper substantive implementation of the DoA. Any unilateral deviations from the Workplan by any of the parties involved create cascading risks for activities' implementation and their quality, including risks of delays, managerial and procedural implications.

In order to ensure that the Workplan remains the key reference and Project management instrument, constant consultations will be undertaken by parties to check progress of Workplan implementation, based on the activities and means described.

9 FINANCIAL MANAGEMENT AND RESOURCES

The Council of Europe undertakes to ensure in accordance with its role as the implementing organization for the TYSAP Project the sound financial management based on the CoE rules and procedures.

The Council of Europe undertakes periodic internal reviews of Project spending and where necessity requires reallocation between budget headings within the limits prescribed by the General Conditions to the Contribution Agreement. Such reviews are undertaken based on *inter alia* an analysis of prior spending.

A first in-house review of the financial spending under TYSAP will be conducted following at least 3 months of activities' implementation, at which point it may be possible to factor into account the proposed spending for the IT-procurement component to be included in the Project Fiche and DoA following mutual agreement in principle by the CoE, the EUD, the CFCU and the PMIB in July 2013. However for such adjustment, the CFCU would need to submit a revised Project Fiche and DoA—thus an amended contract to reflect any possible inclusion of IT procurement component.

10 CONCLUSIONS AND NEXT STEPS

The implementation of activities of the Project was officially launched on 12 June 2013 and at this event the Workplan and the calendar of activities were adopted. The implementation process has started and priority activities are being implemented.

11 ANNEXES:

Annex I – Workplan and the Calendar of Activities

Annex II – Initial List of Experts

Annex III – Composition of Working Groups

Annex IV – Team Composition and Contact Details

Annex V – Agenda of Start-Up Activities

Annex VI – Agenda of the First Steering Committee Meeting

Annex VII – Minutes of the First Steering Committee Meeting

Annex VIII – List of Participants of the First Steering Committee

Annex IX - Agenda of the Launching Conference

Annex X – Links of media coverage of Launching Conference

Annex XI – Visibility Strategy