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Progress Report

Strengthening the Coordination of Anti-Corruption Policies and Practices in Turkey (TYSAP)

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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. DESCRIPTION

1.1 Contact person

Ivan Koedjikov, Head of Action against Crime Department, DG I – Human Rights and Rule of Law, Council of Europe.

1.2 Title of the Action

Strengthening the Coordination of Anti-Corruption Policies and Practices in Turkey (TYSAP)

1.3 Beneficiary Country

Turkey

1.4 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.

1.5 Beneficiary Institutions

The main project beneficiary is the Prime Ministry Inspection Board. Co-beneficiaries are Ministry of the Interior Inspection Board; Ministry of Finance Tax Audit Board; Ministry of Transportation, Maritime Affairs and Communication Directorate of Inspection Services; Ministry of Food, Agriculture, and Livestock, Directorate of Guidance and Inspection; Ministry of Labour and Social Security, Labour Inspection Board; Undersecretary of Treasury Controllers; Sworn In Baking Auditors, Ministry of Justice Directorate of International Law and Foreign Relations; Ministry of Environment and Urbanization, Directorate of Guidance and Inspection.

1.6 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.

1.7 Start Date and End Date of the Reporting Period

29 June 2013 – 28 December 2013

1.8 Contract Number

TR2009/0136.06

2. EXECUTIVE SUMMARY

This report summarizes project activities implemented during the second 6 months of the project implementation, following the official launch of the project in June 2013 and covers the period from 29 June to 28 December 2013.

During the reporting timeframe **eleven actions** out of **twenty one**, as initially envisaged by the Workplan, were initiated and **nine activities implemented**. The activities completed to date only partially contributed to achieving project's expected results. Under the Expected Result No.1, some progress was made towards the setting up of reporting standards. As for the Expected Result No. 3, some progress was made towards the training of inspectors on developing sector-related anti-corruption strategies as well as corruption risk analysis. No progress has been made under Expected Result No. 2.

Key activities in the reporting period were:

- Completion of a workshop on Reporting Standards;
- Completion of a workshop on Corruption Risk Analysis and Sector-related Anti-Corruption Strategies;
- Adapting for the project purposes, translation into Turkish and dissemination of the CoE's Handbook on Designing and Implementing Anti-Corruption Policies for Different Sectors;
- Preparation of the draft Technical Paper on "Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information Sharing";
- Preparation of the draft Technical Paper on "Turkish Law and International Conventions: Coverage of GRECO, OECD, and UNCAC-Monitoring";
- Organisation of working group meetings that allowed experts, representatives of project beneficiaries to exchange experience and information on reporting standards;
- Organisation of first working group meeting on review and analysis of international and EU good practices;
- Organisation of first working group meeting on review of national legislative framework regulating the investigation, administrative inquiries and information sharing;
- Organisation of first working group meeting on compliance of domestic regulations with relevant international Conventions.

With regard to compliance with the Calendar of Activities embedded in the Workplan, activities planned between June and September 2013 were delayed due to a general slowing down in the pace of work over the summer and the absence of a Long-term Advisor. Moreover, the feast of Ramadan celebrated between July and August 2013 and the unavailability of the key co-beneficiary, Ministry of Justice, to start work on Activity 1 throughout the same period further contributed to extending the slow paced holiday season. Nonetheless, several working group meetings were held during July and August 2013. The Council of Europe's international experts also prepared three draft Technical Papers between June and September 2013, which were translated into Turkish. In September 2013 the TPs were shared with the PMIB, project co-beneficiaries and working group members for review and discussion.

Two workshops (one on Reporting Standards and another on Corruption Risk Analysis and Sector-related Anti-Corruption Strategies) were held in September 2013. The third workshop on International Standards on Corruption Investigations was postponed and instead a meeting of international STCs with the PMIB was held to discuss findings of the relevant technical paper.

In October 2013 all activities were put on hold following a decision of an Ad-hoc meeting attended by PMIB, other co-beneficiaries, CFCU and EUD. The CoE was informed that until the final agreement would be reached on revision of the Project Fiche, DoA and Budget of Action, in order to exclude the position of LTA. Status quo remained as such until 6 November 2013 when Steering Committee meeting was convened. During the SC meeting agreement on the issue of LTA, list of international Short-Term Consultants and revision of the Project Fiche for the purpose of introducing a new IT procurement component worth of 50,000.00 EUR was reached between all parties. The work on drafting amendments to the Project Fiche took place in November – December 2013 and once the amended document is officially received by the CoE work on revision of the DoA and the Budget for the Action will follow.

All the above events contributed to substantial delays in the implementation of the project. However in December 2013 preparations for the activities were re-launched and two working group meetings were held.

During the next reporting period, TYSAP will follow-up on activities such as the compliance of Turkish regulation with the International Anti-Corruption Conventions, and focus on the analysis of legislative framework regulating investigations, the drafting of an Investigation Guide, and on developing a sustainable training strategy on the use of the Investigation Guide. Working Group meetings and workshops will be held to discuss the findings of the draft technical papers, produce possible policy recommendations, and to draft investigation guide for inspectors, auditors and controllers.

3. 29 JUNE – 28 DECEMBER 2013: ACTIVITIES IMPLEMENTED

During the reporting period, the following activities were implemented:

Workplan Activities

Expected Result 1: The current legislative framework covering Investigations, Information-sharing, anti-corruption strategies and coordination of investigations is analysed and compared with the requirements of international Conventions. Based on the results, an investigation guide, and reporting standards are developed.

Activity 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.	
Activity 1.1	Setting of working groups composed of academicians, public officials and other experts to initiate the review of the national legislative framework regulating the investigation and administrative inquiries procedures and coordination of information share.
Actions	<p>The Prime Ministry Inspection Board (PMIB) submitted a preliminary list of working group members on 19 June 2013. The list included names of co-beneficiary representatives that were selected to participate in the various working groups but did not include any civil society representatives¹. Subsequently the list was revised and participation of civil society representatives, including experts from private sector and NGOs is expected.</p> <p>First Working Group meeting has been held in Ankara on 23 December 2013. The main reason for initial delay in holding a WG meeting was the unavailability of the Ministry of Justice representatives during the judicial recess that ended on August 31. The Ministry of Justice's role is essential given its extensive knowledge of the national legislative framework and responsibility for preparing any legislative proposal that may be identified as needed. Further delay was caused by putting on hold of all project activities in October 2013 until an agreement on LTA position would be reached.</p> <p>First WG meeting was held on 23 December 2013. At the same time, in December 2013 a national STC, nominated by the PMIB was recruited and commenced work to draft a Technical Paper based on the feedback provided by the WG members. Second WG meeting and the workshop under Activity 1.3, with participation of international STCs are planned for second half of January 2014. Initial findings of the WG are expected to be presented at the workshop.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Composition of Working Group; • Agenda of the Working Group Meetings; • List of Legislation to be analysed;
Progress	<p>Minor progress:</p> <ul style="list-style-type: none"> • Working Group set-up; • Upcoming WG meetings planned; • List of legislation to be analysed not prepared.
Activity 2 International, particularly EU, standards and regulations on corruption investigations, coordination/cooperation and information sharing are reviewed and a report is	

¹ The lists of all the working groups included academics from Public Universities that cannot be considered as civil society.

prepared by a team of experts and discussed.

Activity 2.1	Setting up of working groups composed of international and national experts in order to carry out review and analysis of international and EU good practices. Prepare an Assessment and Analysis Report by the team of experts.
Actions	<p>The preliminary list of WG members was submitted by PMIB in June 2013 and the list was revised in November 2013.</p> <p>During July-August 2013 one international STC and one expert from the CoE secretariat prepared a Draft Technical Paper "Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information Sharing. The document was submitted to the PMIB in first half of September 2013 and subsequently discussed between the main beneficiary and the international consultants. The latter updated their first draft so as to reflect to changes requested by PMIB. The updated version was shared again with the PMIB to be distributes among the WG member for discussion before the Workshop under Activity 2.2 (on corruption investigation standards and regulations) would be held. A request from the PMIB for further revision was received to address all the comments of the beneficiaries and possibility of producing practical case studies as supplementary materials for the TP were discussed at a Working Group meeting.</p> <p>In second half of December 2013 a national STC, nominated by the PMIB was recruited. First WG meeting was held on 23 December 2013.</p> <p>The main beneficiary and co-beneficiaries are expected to provide their contributions to the draft TP in January 2014. International STCs are ready and on standby to present the finding of the draft TP at the workshop which is expected to be held in the second half of January 2014. Following the workshop and feedback from the WG members, the review of the Draft TP is expected to be prepared.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Composition of Working Group; • Agenda of the Working Group Meetings; • Technical Paper on Assessment/Analysis (Compilation of Good Practices): International and EU good practices on corruption Investigations, coordination, information-sharing and identification of areas for improvement in current Turkish system.
Progress	<p>Some Progress:</p> <ul style="list-style-type: none"> • Working group set up; • Draft Technical Paper 2.1: "Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information-Sharing" delivered.

Activity 2.2	Presentation of the Assessment and Analysis Report at a Workshop on standards and regulations as a Compilation of Good Practices.
Actions	<p>A workshop to present and discuss the first version of the Technical Paper "Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information-Sharing" was scheduled on 16 September 2014.</p> <p>The event was postponed at the last minute at the request of PMIB in order to allow additional time to review the draft TP and discuss it with the Council of Europe experts (authors) before sharing it with WG members. Instead a meeting of PMIB with the international STCs took place in Ankara to discuss the draft TP. Subsequently, the workshop kept being postponed and finally was planned to take place in January 2014.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Workshop Agenda; • Workshop materials; • Workshop List of participants.
Progress	No Progress made as of 28 December 2013. The CoE is still awaiting a response from the PMIB about the new dates in 2014 suggested for the workshop.
<u>Activity 3</u> 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.	
Activity 3.1	Assessing specific areas of the conventions not covered in sufficient detail by previous monitoring, reviews, etc.
Actions	A draft Technical Paper on "Turkish Law and International Conventions: Coverage of GRECO, OECD, and UNCAC-Monitoring" was prepared by an international STC and shared with the PMIB for review in the first half of October 2013. As of 28 December 2013 no feedback has been received from the beneficiaries.
Objectively verifiable indicators	Technical paper: List of areas common to international Conventions and Assessment of areas insufficiently covered by previous monitoring.
Progress	A draft TP completed by an international STC. Feedback is now expected from the PMIB and other co-beneficiaries in order to proceed with the Gap Analysis Report.

Activity 3.2	Setting up of working groups composed of international and national experts in order to ensure compliance of the domestic regulation with Council of Europe, OECD and UN-Conventions; a gap analysis report is prepared by the team of national and international experts.
Actions	<p>The preliminary list of WG members submitted by PMIB in June 2013 includes names of co-beneficiary representatives for this working group. Subsequently the list was revised and participation of civil society representatives is expected.</p> <p>First Working Group meeting was held on 25 December 2013.</p> <p>A national STC has been recruited to review the draft TP in light with the comment of the WG members. Second meeting of the WG is expected to be held in second half of January 2014.</p> <p>Once the WG members review the TP and provide comments already recruited team of national and international STCs are ready to proceed with preparation of Gap Analysis / Compliance Report.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Composition of Working Group; • Agenda of the Working Group Meetings; • Attendance List; • Technical Paper (1) – Gap Analysis/Compliance Report on Turkish regulations and international conventions.
Progress	<p>Some progress:</p> <ul style="list-style-type: none"> • Working Group set up; • First WG meeting held on 25 December 2013; • Tentative agenda of WG meetings prepared.
<u>Activity 4</u> 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.	
Activity 4.1	Setting up of working groups composed of experts and representatives of relevant institutions.
Actions	The preliminary list of WG members submitted by the PMIB in June 2013 includes names of co-beneficiary representatives. Subsequently the list was revised and participation of civil society representatives is expected.
Objectively verifiable indicators	<ul style="list-style-type: none"> • Composition of Working Group; • Agenda of the Working Group Meetings; • Attendance List.

Progress	Minor progress: <ul style="list-style-type: none"> • Working Group set up; • No WG meeting held as of 28 December 2013.
Activity 6 Reporting standards are set out by a working group and disseminated to all inspectors, auditors and controllers through a conference.	
Activity 6.1	Setting up of working groups composed of experts and representatives of relevant institutions.
Actions	In July 2013, a joint meeting for members of working groups 6 (Reporting Standards) and 8 (Identification of Corruption Risks and Development of Anti-corruption Strategies) was held. The working group on Reporting Standards met 3 times between July and End August 2013, and prepared a draft output to be used during the relevant workshop.
Objectively verifiable indicators	<ul style="list-style-type: none"> • Composition of Working Group; • Agenda of the Working Group Meetings.
Progress	Good progress: <ul style="list-style-type: none"> • Working Group set up; • Regular meetings held; • Required pre-workshop activities completed.
Activity 6.2	Organisation of 1 workshop on Reporting standards.
Actions	<p>A two-day workshop on Reporting Standards was held on 18-19 September 2013. The workshop gathered experts and representatives of relevant public, private and civil society institutions to discuss national and international best practices in reporting standards, to agree on how Reporting Standards currently in use in Turkey can be improved, and set out the reporting standards to be disseminated to all inspectors, auditors and controllers during the conference planned under activity 6.4 4 (Conference on Reporting Standards). The CoE provided an expert from the Secretariat.</p> <p>Feedback from workshop participants was collected at the end of the event. Post-workshop materials including a roadmap outlining activities to come after the workshop were shared with participants.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Workshop agenda; • Participants List; • Workshop materials; Feedback Forms, Summary of feedback forms.

Progress	Good progress (Activity completed): <ul style="list-style-type: none"> • Workshop held; • Workshop materials prepared and distributed; • Feedback forms prepared.
Activity 6.3	Finalisation of “Reporting Standards”; review and compilation by representatives of beneficiaries and international experts.
Actions	A Roadmap was prepared by the PMIB and shared with participants of the Workshop on Reporting Standards to inform them about the next steps planned and deadlines foreseen for activity on Reporting Standards. According to the roadmap, the draft document on Reporting Standards was expected to be finalised by Working Group members by mid-October 2013, translated into English and shared with the international expert for input. The revised version of the Reporting Standards was to be disseminated via a conference supposed to be held by mid-November 2013. However due to the putting on hold of activities by the main beneficiary in October 2013 finalization of the reporting standards and a Conference on Reporting Standards (Action 6.4) were postponed and rescheduled for first half of 2014.
Objectively verifiable indicators	Technical Paper: Review and Compilation of Best Practices in Reporting Standards
Progress	No progress has been achieved with regards to the roadmap made since the workshop.

Expected Result 2: Data regarding investigations of corruption cases is gathered and analysed, and corruption map of risky areas are produced.

<u>Activity 8</u> 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.	
Activity 8.1	Selection of minimum 10 inspectors from relevant institutions in conjunction with PMIB for participating into the “Identification of Corruption Risks and Development of anti-corruption Strategies”. This activity will serve for preparation of corruption prone areas’ map (risk assessment).
Actions	PMIB informed CoE that the inspectors identified as members of the working group on the Mapping of Corruption-prone Areas are the ones

	<p>who were selected for participation in the “Identification of Corruption Risks and Development of Anti-Corruption Strategies”. As a result, the list consists of more than 10 inspectors representing all relevant institutions.</p> <p>The WG members attended a first introductory meeting organised by the PMIB in July to provide information about expectations from working groups 6 (Reporting Standards) and 8. The WG 8 held 2 additional meetings between End July and Early September 2013, just days before the workshop under Activity 8.2.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Participant list of the Working Group on Corruption Risk, Anti-Corruption Strategies and Mapping of Corruption-Prone areas. • Minutes of meetings.
Progress	<p>Good progress:</p> <ul style="list-style-type: none"> • List of WG members • ToRs for WG • 3 WG meetings, participants lists, minutes of the meetings
Activity 8.2	<p>Organisation of 2 workshops</p> <p>1) On corruption risks analysis and guidelines on how to carry them;</p> <p>2) On sector related anti-corruption strategies addressing issues of and their implementation.</p>
Actions	<p>Inspectors representing the project main beneficiary and co-beneficiary Ministries were trained on how to conduct corruption risk analysis, develop and implement sector specific anti-corruption strategies during a two-day workshop held on 17-18 September 2013. This workshop, led by an international expert, included a number of presentations and hands-on exercises to allow trainees to get an overview and be able to critically reflect on all the steps included in the design and implementation process.</p> <p>Participants to the workshop were handed out the English version of a handbook on “Designing and Implementing Anti-corruption Policies for Different Sectors”. The handbook was translated into Turkish and shared with the beneficiaries. Feedback from workshop participants was collected at the end of the event.</p>
Objectively verifiable indicators	<ul style="list-style-type: none"> • Workshop agenda; • Participants List; • Workshop materials; • Feedback Forms.
Progress	<p>Good progress:</p> <ul style="list-style-type: none"> • Workshop agenda;

	<ul style="list-style-type: none"> • Participants List; • Workshop materials distributed: Handbook on “Designing and Implementing Anti-corruption Policies for Different Sectors”; • Feedback Forms.
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4. DIFFICULTIES ENCOUNTERED DURING IMPLEMENTATION PHASE

During the course of implementation the project encountered several difficulties which resulted in significant delays in carrying out Workplan activities. The difficulties were related to departure of the selected Long Term Advisor, reaching agreement with the beneficiaries on selection of international and local Short-Term Consultants, need for introduction of the new project component related to IT procurement, limited availability of beneficiaries in the months of July-August 2013 and putting on hold of activities in October 2013 until a resolution on the outstanding issues would be achieved.

4.1 Issues Related to Resignation of Long Term Advisor and Relection of Short Term Consultants

As stipulated in the DoA, selection of the LTA took place in accordance with the CoE rules, including the CoE Tender Boar procedures and was completed by the end of May 2013. The PMIB, the EUD and the CFCU enjoyed the observer status in this process. Selected LTA took up her duties from June 2013, held bilateral meeting with the PMIB and participated in the Launching Conference on 12 June 2013. However in July 2013, the LTA resigned from the project due to personal reasons. Following departure of the LTA, as a temporary mitigating measure, the CoE proposed to use more STCs, to increase input from the CoE Secretariat and the beneficiary. Given the significance of the input that according to the DoA LTA was envisaged to provide (involvement in 37 actions out of a total of 39), the CoE began the replacement procedure. This resulted into the PMIB questioning rationale behind opening up new recruitment procedure as they had doubts that a suitable candidate would be found and raising the issue of altogether abolishing the position of an LTA.

As provided in the DoA, during the inception phase the project team established an initial list of five international STCs with relevant qualifications and shared it, together with experts' Curricula Vitae with the beneficiaries. Initially no objections were raised to the list by the PMIB. Later on the PMIB raised concerns about the CoE procedures for selection of STCs, demanding from the CoE to have consultations prior to assigning each STC and to indicate the exact number of STCs to be used in each activity. It was explained to the beneficiary that the CoE had been drawing on expert knowledge based exclusively on professionalism and experience, and no other aspects such as country of origin, age, gender, religion, political views or sexual orientation were taken into consideration. It was also stipulated by the CoE that the input of experts for each action, according to the DoA was foreseen in specific terms of service (working) days for both local and international STCs.

On 25 September 2013 the PMIB called an extraordinary Steering Committee Meeting to be held on 2 October 2013 in Ankara. The main beneficiary questioned the CoE's decision to proceed with selection procedure for a new Long-Term Advisor and wished to discuss the

issue at the SC meeting. Due to the short notice, the CoE was not able to arrange a full-fledged participation and proposed to set a later date for the SC meeting.

The beneficiaries, the CFCU and the EUD met on 2 October 2013 and the subsequent letter with summary of the issues raised and the minutes of the meeting (in Turkish) were sent by the CFCU to the CoE on 10 October 2013. The letter outlined the issues of concern for the beneficiaries including future of LTA position and assignment of Short-Term Consultants. The CoE was also informed that the PMIB, following the meeting of 2 October 2013, was putting on hold all the activities until an agreement would be reached on the aforementioned issues.

A detailed response letter was sent by the CoE to the CFCU on 24 October 2014 and following e-mail communications with the PMIB a Steering Committee Meeting was scheduled on 6 November 2013.

Agreement between all the stakeholders on the above mentioned issues was reached at the subsequent Steering Committee Meeting, which was held on 6 November 2013.

It was agreed at the Steering Committee Meeting that the position of LTA would be abolished and consequently the tasks initially envisaged for an LTA would be carried out through engagement of more STCs, increased input from the CoE Secretariat and the beneficiary institutions. The revised list of proposed STCs was approved and from their part the PMIB agreed to send the list of national STCs to be assigned to specific Workplan activities.

In order to make up for the abovementioned delays, the Workplan was revised to ensure that future project activities, given the full commitment and cooperation between the stakeholders, do not suffer from the additional delay.

4.2 IT Procurement Component

In July 2013, the CoE was informed by the PMIB and the EUD that the procurement of one lot under the supply component of project, provided by the Project Fiche to be carried out by the Contracting Authority, had failed. The component envisaged procurement of the IT supplies, namely Software and Website Design (including hardware for the IT system), needed to collect, analyse and share data. The procurement of the IT component was considered crucial for achievement of the project's Expected Result 2: "Data regarding investigations of corruption cases is gathered and analysed, and corruption map of risky areas are produced". The contracting deadline being over, the EUD advised to consider the option of transferring the item under Direct Grant, and having the CoE handle the IT procurement per its own rules and procedures. The EUD reminded that the process would require changing the Project Fiche. The cost of the item was estimated at around 50,000 EUR. However, at the time, it was unclear whether the new item would be covered under the already assigned project funds or the additional grant would be given to the CoE for this specific component.

As a courtesy to the beneficiaries, the CoE agreed to handle the procurement and requested that the PMIB would start to draft changes to the Project Fiche and share the Technical

Specifications of the software while proceeding with activities without incurring any further delays. The CoE also informed the stakeholders that the procurement procedures would be initiated once the change to the DoA and the Budget of the Action would be signed.

At the Steering Committee Meeting in November 2013 it was also decided that the PMIB would initiate changes in the Project Fiche, share them with the CoE for comments and submit the revised document to the EU Ministry for further procedures. Following the Project Fiche change, the CoE would prepare Addendum to the European Union Contributing Agreement including amendments to the DoA and Budget of the Action. The new IT component would be introduced in the DoA and the procurement would be done by the CoE based on its internal rules. The cost of the IT component of 50,000 EUR would be covered from the TYSAP project funds that were initially envisaged for an LTA.

Following the SC Meeting, the CoE has been actively communicating with the main beneficiary and in the beginning of December 2013 the revised Workplan was agreed. Preparations for the draft Project Fiche amendments were completed by the PMIB in consultation with the CoE and submitted to the EU Ministry on 18 December 2013.

As of 28 December 2013, project implementation has been proceeding with 2 Working Group meetings held on 23 and 25 December, two national STCs contracted and a workshop with international and local STCs planned in late January 2014.

5. PROJECT ACHIEVEMENTS, RISKS AND CONCLUSIONS

5.1 Achievements

Project implementation has achieved minor progress towards the targeted results by the timeline indicated in the Workplan.

Some progress has been made towards the identification of Reporting Standards and the training on Corruption risks and the development of sector-related anti-corruption strategies. Technical papers for Activities 2.1 ("Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information Sharing") and 3.2 ("Turkish Law and International Conventions: Coverage of GRECO, OECD, and UNCAC-Monitoring") were produced but partial progress has been achieved on those activities as they foresee discussion on technical papers. Minor or no progress has been achieved on activities 1 (Analysis of national legislative framework), 4 (Compliance of Turkish Regulations with International Conventions and Policy Recommendations), 5 (Development of Investigation Guide for Inspectors, Auditors and Controllers), and 7 (Drafting Training Strategy and training inspectors on collecting and analyzing corruption related data) during the reporting period. Therefore, significant efforts by stakeholders are necessary in order to ensure proper project implementation and adequate use of TYSAP resources.

The drafting of a proposed information-sharing system, of an analysis of the national legislative framework regulating administrative inquiries and criminal investigations, and of legislative proposals to improve current coordination and information system were delayed

due to the unavailability of the Ministry of Justice until September 2013. The potential national consultant, who could have been tasked with the analysis of the national legislative and organisational framework, was only been identified in late December 2013. Working Group meeting was held on 23 December 2013. In the light of the above-mentioned reasons analysis of legislative and organisational framework regulating inquiries will have to be conducted during the first half of 2014.

Activities related to analysis of International/EU Standards on Corruption Investigations, coordination and information-sharing, it has only been partially completed. A Technical Paper "Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information Sharing" was prepared by two international experts, and was further translated into Turkish. The Working Group 2 only met on 23 December 2013. The beneficiaries requested subsequent revision of the TP through including additional case studies based on examples of corruption investigation systems of two European countries. The follow-up work and a workshop were scheduled for January - February 2014.

The Analysis of the compliance of domestic regulation with CoE Criminal Law Conventions, the OECD Convention on Bribery and the UN Convention against Corruption has commenced by preparation of the Technical Paper "Turkish Law and International Conventions: Coverage of GRECO, OECD, and UNCAC-Monitoring" which was shared with the PMIB. The relevant Working Group only met on 25 December 2015. The related gap analysis was not yet conducted as this work would require feedback from the WG on the Technical Paper and the involvement of a national consultant. The national consultant was identified only in late December 2013. The fact that agreement on the suitable date for a meeting of the working group took several months, and the failure to identify early on a national consultant suitable to the beneficiaries contributed to further delaying this activity.

No progress has been made in drafting of an Investigation Guide. The commencement of work has been rescheduled to January 2014. Despite some initial work undertaken in July – September 2013, including working group meetings and a workshop, the Reporting Standards have not yet been either finalised or disseminated to inspectors, controllers and auditors. Follow-up work is scheduled for first half of 2014.

There has been some progress on the training of inspectors on developing sector-specific anti-corruption strategies. The relevant Working Group held two meetings during the reporting period and one workshop was organised in September 2013. The identification of the required methodology and procedures for data collection are still to be carried out and are related to development of specific software, which can be procured through introduction of the new IT component in the project.

5.2 Risks

The significant delays incurred during the reporting period represent a risk to the timely implementation of the activities in the next 6-months phase. Additional delays may not be ruled out as planning for activities depend on availability of the beneficiaries and experts.

The lack of a Long-Term Advisor at the beginning of project implementation increased the challenge of proceeding with activities as planned under the initial Workplan. Disagreements over Short-Term Consultants to be used contributed to delaying activities. Parties have agreed to proceed with alternative solutions as mitigation measures.

Introduction of a new IT procurement component and its successful and timely implementation also poses a risk. The failure of the previous tenders, carried out by the contracting authority, to procure the IT software needed for the project has also factored into risks for successful achievement of activities 7 (Drafting Training Strategy and training inspectors on collecting and analyzing corruption related data) and 8 (Preparation of maps of corruption prone areas and appropriate strategies to tackle those risks). Implementation of the new IT component is dependent on Project Fiche change and then subsequent change of the DoA and Budget. Consequently it is expected that a considerable time will lapse until all the procedures are completed.

Tensions created by the past issues related to selection of Long Term Advisor and Short Term Consultants have affected the quality of communication between the main beneficiary and the CoE. It is in the interest of signatories to preserve good communication for successful project implementation.

Considerable efforts need to be made by all the stakeholders in order to catch up with delays. Combining activities where possible may help avoid the risk of leaving some activities incomplete at the end of implementation period.

5.3 Conclusions

The project has only partially contributed to achieving Expected Result 1 (The current legislative framework covering investigations, information sharing, anti-corruption strategies and coordination of investigations is analysed and compared with the requirements of international conventions. Based on the results, an investigation guide and reporting standards are developed) and Expected result 2 (Data regarding investigations of corruption cases is gathered and analysed, and a corruption map of risky areas is produced). The activities envisaged under the Expected Result 3 (Inspectors are trained on developing sector specific anti-corruption strategies, coordinating corruption investigations, modern investigation, reporting techniques, and information sharing) are scheduled to be carried out in the second year of the project implementation.

Following agreements reached at the Second Steering Committee Meeting, it is expected that activities will be carried out according to the revised Workplan and will be completed in 2014. Both the Workplan and the Calendar of Activities have been revised for a second time with beneficiaries and the CoE agreeing on the changes made to the initial versions. Priority Activities are 1 (Analysis of national legislative framework), 2 (International standards on corruption investigations), 3 (Gap Analysis of Turkish regulations with International

Conventions), 4 (Policy Recommendations for ensuring compliance of Turkish Regulations with International Conventions) and 5 (Development of Investigation Guide for Inspectors, Auditors and Controllers). At the 2nd Steering Committee held on November 6, 2013, all parties agreed to move forward without a Long-term Advisor. Instead, signatories of the Agreement decided to increase the number of short-term consultants to be used in the project. The revised Project Fiche was submitted to the Turkish Ministry of EU Affairs mid-December 2013 for circulation to the relevant authorities as required by the procedure. Following the revision of the Project Fiche the DoA and Budget of the Project are expected to be revised.

During the next reporting period, TYSAP will follow-up on activities such as data collection for the mapping of corruption prone areas, the compliance of Turkish regulations with the International Anti-Corruption Conventions, and focus on the analysis of the legislative framework regulating investigations, the drafting of an Investigation Guide, and on developing a sustainable training strategy on the use of the Investigation Guide. TYSAP will also organise public events to discuss the findings of the draft technical reports, brainstorm on possible policy recommendations, disseminate publications, and determine the tools to be included in the User's Guide on corruption risk identification.

6. VISIBILITY

Project news and upcoming events are reported on a section of the Council of Europe Economic Crime website (www.coe.int/corruption) under a section which is exclusively dedicated to the TYSAP project (www.coe.int/tysap). The website report on project activities and ongoing public events is updated on a regular basis. Furthermore, as the Council of Europe's main partner/counterpart in the TYSAP Project, the Prime Ministry Inspection Board has created the link to the project web address on its own webpage.

The project ensures the visibility of the EU's contribution at all stages of its activities. All reporting, printing materials and information used and disseminated acknowledge that "This project is co-financed by the European Union and the Republic of Turkey", and display the bilateral cooperation logo combining the European Union-Republic of Turkey logo per the agreed visibility rules.

LIST OF ANNEXES

Annex 1: Technical Paper: “Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information-Sharing”

Annex 2: Technical Paper: “Turkish Law and International Conventions: Coverage of GRECO, OECD, and UNCAC-Monitoring”

Annex 3: Handbook on “Designing and Implementing Anti-corruption Policies for Different Sectors”

Annex 4: Agenda of the workshop on Reporting Standards

Annex 5: Agenda of the workshop on Corruption Risk Analysis and Sector-related Anti-Corruption Strategies