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## 2<sup>nd</sup> Progress Report

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

#### TYSAP

TR2009/0136.06

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For any additional information please  
contact:

Economic Crime Cooperation Unit  
Action against Crime Department  
Directorate General I, Council of Europe

F-67075 Strasbourg Cedex FRANCE  
Tel: + 33 388 41 29 76; Fax + 33 390 21 56 50  
Email: [leila.marshania@coe.int](mailto:leila.marshania@coe.int)  
Web: [www.coe.int/corruption](http://www.coe.int/corruption)

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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
EC	European Commission
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)
WG	Working group

## **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 Banking Auditors, Ministry of Justice Directorate of International Law and Foreign Relations; Ministry of Environment and Urbanization, Directorate of Guidance and Inspection.

### **1.6 Implementing Partner**

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 December 2013 – 30 June 2014

**1.8 Contract Number**

TR2009/0136.06

## EXECUTIVE SUMMARY

This report provides an overview of progress in implementation of the project “Strengthening the Coordination of Anti-Corruption Policies and Practices in Turkey” (TYSAP) for the period of 29 December 2013 to 30 June 2014.

During the reporting period several important activities have been delivered, which include preparation of three Technical Papers, development of draft Investigation Guide for Inspectors, finalisation of Reporting Standards, completion of 3 workshops and 8 working group meetings. In the first 6 months of 2014, 10 actions have been completed. In total, since the start of the project implementation, 20 actions out of 31, as planned in the revised Calendar of Activities, have already been implemented and 10 other initiated.

Project’s 3<sup>rd</sup> Steering Committee Meeting took place on 4 June 2014 where the progress in implementation of activities was discussed and next 6-month calendar of activities agreed. Revisions to the Project Fiche, related to the removal of the LTA position and introduction of a new IT procurement component in the direct grant, was approved by the EU by end-March 2014. The amended Project Fiche was officially communicated to the CoE on 26 May 2014. The revised document was presented at the 3<sup>rd</sup> Steering Committee Meeting and it was agreed that the CoE would prepare the subsequent revision of the DoA and Budget for the Action by mid-July 2014.

Despite delays incurred during the first year of project implementation, some progress was achieved during the first half of 2014. The project has partially delivered 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). Minor progress was made towards meeting Expected Result 3 (Inspectors are trained on developing sector specific anti-corruption strategies, coordinating corruption investigations, modern investigation, reporting techniques, and information sharing).

### 3 ACTIVITIES AND ACHIEVEMENTS

#### 3.1 Summary of Implemented Activities

Since the start of the project implementation, **twenty actions** out of **thirty one**, as planned in the revised Calendar of Activities, have already been implemented and **ten** initiated. During the reporting period 11 actions have been completed.

Key actions in the reporting period were:

- Completion of a joint workshop to: 1) Discuss Legislative and Organisational Framework regulating Investigations, Coordination and Information-Sharing (Action 1.3); 2) Present the draft Technical Paper on International Standards on Corruption Investigations (Action 2.1); and 3) Identify needs and topics to include in the Investigation Guide (Action 5.1);
- Preparation of two Technical Papers drafted by international STCs (TP on “The UK’s Best Practices, Standards and Regulations on Corruption Investigation, Coordination and Information Sharing” and TP on “Corruption Audits in Public Administration: Germany”) as supplementary case studies to the Technical Paper “Analysis of Legislative and Organizational Framework Regulating Investigations, their Coordination, Information-Sharing and the Implementation of the Framework”;
- Preparation of the Technical Paper “Report on Analysis of National Legislative and Organisational Framework Regulating Corruption Inquiries, Coordination and Information Sharing: Evaluation of Practices and Recommendations”;
- Preparation of the draft Technical Paper “Gap Analysis between Turkish System and CoE, OECD, and UN Conventions against Corruption” by a national STC;
- Completion of a joint workshop under Action 3.1 (on “Discussing Gap Analysis Report on Compliance of the Domestic Regulation with Council of Europe Criminal Law and Civil Law Conventions, OECD Convention on Combating Bribery of Foreign Officials and UN-Convention against Corruption (UNCAC)”) and Action 4.2 (on “Brainstorm on Draft Policy Report and Discussing Possible Measures and Recommendations for Fulfilling Requirements of International Conventions”);
- Preparation of a draft Investigation Guide by a team of national experts and Working Group members;
- Completion of a workshop with participation of international STCs to discuss draft Investigation Guide;
- Development of initial outlines of training programmes to be delivered at different EU/EU-Member state institutions under Activity 7 (Training inspectors on application of training package on use of investigation guide, reporting standards and investigation techniques), Activity 9 (Training inspectors on developing, implementing and monitoring anti-corruption strategies) and Activity 10 (Training PMIB inspectors on coordinating corruption investigations, modern investigation and reporting techniques, enhanced cooperation and information sharing);
- Identification of the EU-Member state institution where trainers from beneficiary institutions will be trained on application of the training package under Activity 7 (Training inspectors on application of training package on use of investigation guide, reporting standards and investigation techniques). Initiation of content and



logistical-related discussions with EU-Member state institutions that will host trainees;

- Identification of the EU-Member state institution where inspectors from beneficiary institutions will be trained on developing, implementing and monitoring anti-corruption strategies under Activity 9 (Training inspectors on developing, implementing and monitoring anti-corruption strategies). Initiation of content and logistical-related discussions with EU-Member state institutions that will host trainees;
- Identification of the EU-Member state institution where PMIB inspectors will be trained on coordinating corruption investigations, enhanced cooperation and information-sharing among anti-corruption institutions under Activity 10 (Training PMIB inspectors on coordinating corruption investigations, modern investigation and reporting techniques, enhanced cooperation and information sharing). Initiation of content and logistical-related discussions with EU-Member state institutions that will host trainees.

**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.**

<b>Activity 1</b>	
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.	
<b>Action 1.1</b>	Setting up 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 sharing.
	Working Group has been set up and operational since December 2013. Working Group has met three times between December 2013 and May 2014. A national STC has been recruited to review the legislative framework.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Working Group set up and operational;</li> <li>• Minutes of Working Group Meetings;</li> <li>• ToRs for STC.</li> </ul>
<b>Progress</b>	Completed
<b>Action 1.2</b>	Analysis of legislative and organizational framework regulating inquiries/investigations, their coordination, information-sharing, and

	<b>the implementation of the framework and drafting of reports and legislative proposals.</b>
	<p>Selected national STC prepared the first draft of the Technical Paper “Report on Analysis of National Legislative Framework Regulating Corruption Inquiries, Coordination and Information Sharing: Evaluation of Practices and Recommendations” and discussed it with WG members at a workshop held on 30 January 2014. Feedback from officials from different institutions, including WG members, was incorporated into the draft and the TP has been finalised. The “Report on Analysis of National Legislative Framework Regulating Corruption Inquiries, Coordination and Information Sharing: Evaluation of Practices and Recommendations” established that the main legal-institutional bases of administrative inquiries and judicial investigations were well in place in Turkey and many of the coordination and information sharing challenges associated with corruption inquiries and investigations are to be attributed to reasons other than lack of appropriate rules and regulations, such as conjectural conditions, institutional incapacities, or individual failures. It was also noted that initiating new framework legislation (e.g., Law on Preventing, Prosecuting and Punishing Corruption) aiming at consolidating and synchronising provisions from different laws and regulations, which might help to strengthen the existing legal-institutional basis of coordination and information-sharing aspects of anticorruption inspections and investigations, should be given a serious consideration. Similarly, passing of draft legislations on state secrets and commercial confidentiality would help to improve transparency and accountability in the conduct of public affairs in the country. More active and effective involvement of the Prime Ministry’s Inspection Board in coordinating and information- experience-sharing between different inspection boards in the public sector would contribute to the improvement of current conditions.</p>
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Working Group set up and operational;</li> <li>• Minutes of Working Group Meetings;</li> <li>• First draft Technical Paper;</li> <li>• Final Technical Paper.</li> </ul>
<b>Progress</b>	Completed
<b>Action 1.3</b>	<b>The findings of the report are discussed in a workshop/conference and other events with a larger participation of officials from all relevant institutions and especially those of relevance to any possible legislative proposal.</b>
<b>Actions</b>	Findings of the “Report on Analysis of National Legislative Framework Regulating Corruption Inquiries, Coordination and Information Sharing: Evaluation of Practices and Recommendations” were presented at a workshop in Ankara, on 30 January 2014, organised jointly for Actions 1.3, 2.2 (Presentation of the Assessment and Analysis Report on

	standards and regulations as a Compilation of Good Practices) and 5.1 (Organisation of an event on needs and topics to be covered by the Investigation Guide). The workshop was held with participation of one national and two international STCs. The participants included WG members and officials from all relevant institutions.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Agenda of the workshop;</li> <li>• Minutes of the workshop;</li> <li>• Participants List.</li> </ul>
<b>Progress</b>	Completed
<p><b><u>Activity 2</u></b>  <b>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.</b></p>	
<b>Action 2.1</b>	<b>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.</b>
	<p>Working Group has been set up.</p> <p>A Technical Paper “Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information Sharing” was prepared by an International STC with input from an expert from the CoE secretariat. The initial document was submitted to the PMIB in September 2013 and subsequently discussed between the main beneficiary and the international consultants.</p> <p>A revised version of the Technical Paper was discussed at a workshop on 30 January 2014 where beneficiaries requested that some case studies be added to the content of the Technical Paper. In view of this, case studies focusing on the UK and Germany were prepared by two international STCs. OLAF Guidelines for Investigation Procedures were also shared with the beneficiaries as supplementary material. The Technical Paper has been finalised.</p>
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Working Group set up and operational;</li> <li>• Agenda of the Workshop;</li> <li>• Minutes of the Workshop;</li> <li>• Draft 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.</li> <li>• Final Technical Paper 2.1: “Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including</li> </ul>

	<p>Coordination and Information-Sharing”</p> <ul style="list-style-type: none"> <li>• UK Case Study: “Corruption Investigation Coordination and Information-sharing”</li> <li>• German Case Study: “Corruption Audits in Public Administration in Germany”</li> <li>• OLAF: “Guidelines on Investigation Procedures for OLAF-Staff” (available on OLAF website)</li> </ul>
<b>Progress</b>	Completed
<b>Action 2.2</b>	
<b>Action 2.2</b>	<b>Presentation of the Assessment and Analysis Report at a Workshop on standards and regulations as a Compilation of Good Practices.</b>
	<p>The workshop to present the revised Technical Paper “Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information Sharing” was held in Ankara on 30 January 2014, as a joint event organised for Activities 1, 2 and 5.</p> <p>The draft TP was generally accepted. Requests were made to add case studies on EU Good Practices on Corruption Investigation, Coordination and Information-sharing to the paper. Case Studies have been completed.</p>
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Workshop Agenda;</li> <li>• Workshop minutes;</li> <li>• List of participants.</li> </ul>
<b>Progress</b>	Completed
<b>Activity 3</b>	
<b>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.</b>	
<b>Action 3.2</b>	<b>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.</b>
	<p>The Working Group met for the first time on 25 December 2013.</p> <p>A national STC was recruited to review the document and prepare a Gap Analysis Report in light of comments from WG members. On 29 April 2014, a joint workshop with Action 4.2 (workshop on the initial brainstorming and drafting the first version of the policy report with possible measures) was held with the participation of one national and</p>

	<p>two international STCs. A draft Gap Analysis Report on "Compliance of the Domestic Regulation with CoE Criminal Law and Civil Law Conventions, OECD Convention on Combating Bribery of Foreign Officials and the UN Convention Against Corruption", prepared by a national STC was presented and discussed at the workshop. Feedback from participants was collected and missing laws were identified. Additional necessary legislation and information was requested from the Ministry of Justice representatives.</p> <p>The final draft of Gap Analysis Report is expected to be completed in mid-July 2014, provided that all the requested information is received at the beginning of July 2014.</p> <p>Gap Analysis Report will be finalised by National STC once final comments are received from WG members and International STCs.</p>
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Working Group set up and operational;</li> <li>• Workshop agenda;</li> <li>• Gap Analysis Report prepared.</li> </ul>
<b>Progress</b>	<p>Activity in progress:</p> <ul style="list-style-type: none"> <li>• Working Group set up and operational;</li> <li>• First WG meeting held on 25 December 2013;</li> <li>• A draft Gap Analysis Report was prepared by a National STC in April 2014;</li> <li>• Additional information on relevant domestic legislations has been requested in view of finalising the draft Gap Analysis Report.</li> </ul>
<p><b><u>Activity 4</u></b>  <b>Based on the findings of the gap analysis/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.</b></p>	
<b>Action 4.1</b>	<b>Setting up of working groups composed of experts and representatives of relevant institutions.</b>
	Working Group has been set up and has met for the first time on 29 April 2014 at a workshop jointly organised for Action 3.1. Further WG meetings are anticipated to take place during June - July 2014.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Working Group set up and operational.</li> <li>•</li> </ul>
<b>Progress</b>	Activity in progress.
<p><b>Action 4.2</b>      <b>Organisation of 2 workshops: one on the initial brainstorming and drafting of the first version of the policy report with possible</b></p>	

	<b>measures; the second one on discussing possible measures and recommendations for each relevant institution.</b>
	A workshop was held on 29 April 2014 to brainstorm on the Policy Report in light of the findings of the draft Gap Analysis Report. WG members and Experts are expected to meet when progress on the Gap Analysis Report under activity 3 is finalised. The subsequent Draft Policy Report will be completed by two international STCs as soon as the required legislation is received and the Gap Analysis Report is finalised.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Working Group set up and operational;</li> <li>• Workshop agenda;</li> <li>• Draft Policy Report</li> </ul>
<b>Progress</b>	Activity in progress.
<b>Activity 5</b>	
<b>In order to prevent implementation of different methods an investigation guide is prepared and disseminated to all inspectors, auditors and controllers.</b>	
<b>Action 5.1</b>	<b>Organisation of an event on needs and topics to be covered by the Investigation Guide(s)</b>
	Event was held in Ankara on 30 January 2014 as a joint workshop, which also covered the topics under activities 1 (Analysis of national legislative framework) and 2 (Review of international standards on corruption investigations, coordination/cooperation and information sharing).
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Workshop agenda;</li> <li>• Conclusions of workshop;</li> <li>• List of Participants.</li> </ul>
<b>Progress</b>	Completed
<b>Action 5.2</b>	
<b>Action 5.2</b>	<b>Drafting of the Guide by National and International Expert</b>
	<p>The WG met for the first time on 27 March 2014 to define the scope of the Guide, discuss work methodology and WG schedule.</p> <p>Working Group members produced a draft Investigation Guide in early May 2014. The English version of the document has been shared with international experts for review and comments. The final draft is expected to be presented at a workshop in the second half of June 2014. The final version of the Investigation Guide is expected to be ready in July 2014.</p>
<b>Objectively verifiable</b>	<ul style="list-style-type: none"> <li>• WG meeting Minutes</li> <li>• Participants List(s)</li> </ul>

<b>indicators</b>	<ul style="list-style-type: none"> <li>• Draft Investigation Guide</li> </ul>
<b>Progress</b>	Activity in progress.
<b>Action 5.3</b>	
<b>Action 5.3</b>	<b>Workshop with inspectors from different ministries/institutions to review the first draft of the Guide prepared and presented by national and international experts.</b>
	The workshop to discuss the first draft of the Investigation Guide was held in Ankara on 19 June 2014 with participation of inspectors from all the beneficiary institutions, national experts and two international STCs (one of the experts is an investigator at the European Anti-Fraud Office (OLAF)). International experts will be finalising written comments and recommendations to the draft Investigation Guide in the form of a Technical Paper by end June 2014.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Workshop agenda;</li> <li>• Conclusions of the workshop;</li> <li>• List of Participants.</li> </ul>
<b>Progress</b>	Completed
<b>Activity 6</b>	
<b>Reporting standards are set out by a working group and disseminated to all inspectors, auditors and controllers through a conference.</b>	
<b>Action 6.1</b>	
<b>Action 6.1</b>	<b>Setting up of working groups composed of experts and representatives of relevant institutions.</b>
	Working Group has been set up. Members of the WG met several times between July and September 2013.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Working Group set up and operational;</li> <li>• Agenda of the Working Group Meetings;</li> <li>• Minutes of the WG meetings;</li> <li>• List of Participants.</li> </ul>
<b>Progress</b>	Completed
<b>Action 6.2</b>	
<b>Action 6.2</b>	<b>Organisation of 1 workshop on Reporting standards.</b>
	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 to set out the reporting standards to be disseminated to all inspectors, auditors and controllers during the conference planned under activity 6.4. The CoE provided an expert from the Secretariat.

	Feedback from workshop participants was collected at the end of the event. Post-workshop materials, including a wrap-up of the workshop, and a roadmap outlining activities to come after the workshop, were shared with participants.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Workshop agenda;</li> <li>• Participants List;</li> <li>• Workshop materials;</li> <li>• Summary of feedback forms.</li> </ul>
<b>Progress</b>	Completed
<b>Action 6.3</b>	<b>Finalization of “Reporting Standards”; review and compilation by representatives of beneficiaries and international experts.</b>
	<p>The Draft Technical Paper on Reporting Standards was finalised in May 2014. The document was drafted by Working Group members and incorporates feedback collected at the workshop, which was held on 18-19 September 2013.</p> <p>The document has been shared with an international expert for final review and input. Final version of Reporting Standards shall be integrated into the Investigation Guide and shall be disseminated at a conference to be organised in August 2014 jointly under Activities 4 (Preparation of policy reports that address requirements of international Conventions) and 5 (Preparation and dissemination of Investigation Guide for inspectors, auditors and controllers).</p>
<b>Objectively verifiable indicators</b>	Technical Paper on Reporting Standards produced.
<b>Progress</b>	Activity is expected to be completed in July 2014.

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

<b>Activity 7</b>	
<b>Training 20 inspectors on collecting and analysing corruption related data in an EU institution and trained inspectors transfer knowledge to 200 inspectors.</b>	
<b>Action 7.1</b>	<b>Drafting of a training strategy (containing a roll-out for future training of all inspectors in Turkish Public Administration System) and of a training package on the use of the Investigation Guide, reporting standards and investigation techniques.</b>



	<p>An International Consultant was identified to deliver training. At the request of the beneficiaries contribution from European Anti-Fraud Office (OLAF) was requested for this action. The OLAF has been contacted and negotiations are ongoing on modalities of their involvement in the activity. Confirmation about OLAF's availability is pending.</p> <p>The design of the training package depends on the completion of deliverables under activities 1 to 6.</p>
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Training Strategy developed;</li> <li>• Training Package developed;</li> </ul>
<b>Progress</b>	<p>Partial progress:</p> <ul style="list-style-type: none"> <li>• Trainer is identified</li> <li>• Contributor to the training content has been contacted</li> <li>• Confirmation of availability from contributor is pending.</li> </ul>
<b>Action 7.2</b>	<p><b>Introduce and carry out selection modalities and support the selection of 20 Trainers (from PMIB, co-beneficiaries and other line ministries) that will need to be trained. The EU-Member state institution where the training will be delivered will be identified by PMIB and CoE.</b></p>
	<p>The EU-Member state institution was identified by the project team as the European Anti-Fraud Office (OLAF). Negotiations with OLAF are on-going regarding the modalities of cooperation.</p>
<b>Objectively verifiable indicators</b>	<p>Training Programme at selected EU Member State Institution</p>
<b>Progress</b>	<p>Partial progress:</p> <ul style="list-style-type: none"> <li>• EU-Member state institution is identified.</li> </ul>
<b>Action 7.3</b>	<p><b>Training 20 selected Trainers at an EU-Member State institution; training in the application of the training package. The decision of the composition, content, and period of the training package will be finalised by PMIB and CoE.</b></p>
	<p>A preliminary training programme was prepared by the project team. The draft programme was shared with OLAF. The project team is awaiting feedback from OLAF about availability, and logistical questions.</p>
<b>Objectively verifiable indicators</b>	<p>Training Programme at selected EU Member State Institution</p>
<b>Progress</b>	<p>Partial progress:</p> <ul style="list-style-type: none"> <li>• Initial outline of the training programme was drafted and shared with EU-member state institution.</li> </ul>
<p><b><u>Activity 8</u></b>  <b>The maps of corruption prone areas are prepared and appropriate strategies to tackle</b></p>	

those risk areas are prepared via working groups composed of members from government agencies, private sector and NGOs.

<b>Action 8.1</b>	<b>Selection of minimum 10 inspectors from relevant institutions in conjunction with PMIB to participate in the “Identification of Corruption Risks and Development of Anti-corruption Strategies”. This activity will serve as preparation of corruption prone areas’ map (risk assessment).</b>
	Inspectors who are members of the working group on the Mapping of Corruption-prone Areas were selected for participation in the activity on identification of Corruption Risks and Development of Anti-Corruption Strategies.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>List of selected inspectors</li> </ul>
<b>Progress</b>	Activity is in progress.
<b>Action 8.2</b>	<b>Organisation of 2 workshops</b> <b>1) On corruption risks analysis and guidelines on how to manage them;</b> <b>2) On sector related anti-corruption strategies addressing issues of their implementation.</b>
	A workshop on how to conduct corruption risk analysis, develop and implement sector specific anti-corruption strategies was held on 17-18 September 2013, in Ankara. The workshop, led by an international STC, included a number of presentations and hands-on exercises to allow participants to get an overview and be able to critically reflect on all the steps included in the design and implementation process.  Participants to the workshop were handed out the English version of a CoE 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.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>Workshop agenda;</li> <li>Participants List;</li> <li>Workshop materials;</li> <li>Feedback Forms.</li> </ul>
<b>Progress</b>	Completed

<b>Action 8.3</b>	<b>Identifying methodology and procedures for data collection in preparation of map of corruption areas (risk assessments), and actual collection of data.</b>
	A National STC is being recruited to draft the Technical Paper on Methodology and Procedures for Data Collection.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Technical Paper on “Methodology and Procedures for Data Collection in Preparation of Maps of Corruption Areas”;</li> <li>• Corruption data collected.</li> </ul>
<b>Progress</b>	Activity in early stages of progress.

**Expected Result 3: Inspectors are trained on developing sector-specific anti-corruption strategies, coordinating corruption investigations, modern investigation and reporting techniques, and sharing information.**

<b>Activity 9</b>	
<b>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.</b>	
<b>Action 9.1</b>	<b>Organisation of 5 workshops on how to draw up sector-related anti-corruption strategies for all related sectors and public officials.</b>
	The organisation of the workshops depends on the completion of actions under Activity 8.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Workshop agendas;</li> <li>• Workshop materials;</li> <li>• Participants list.</li> </ul>
<b>Progress</b>	No progress.
<b>Action 9.2</b>	<b>Training 10 inspectors at a relevant EU-Member state institution on developing anti-corruption strategies and successfully implementing and monitoring them.</b>
	The EU-Member State institution where project beneficiaries would like their inspectors to be trained has been identified. The French Central

	Service for the Prevention of Corruption (SCPC) has been chosen as the host agency. Content and logistical-related discussions have started with the French Central Service for the Prevention of Corruption (SCPC). Initial outline of the training programme has been prepared and is currently being discussed with the host agency.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Training programme</li> </ul>
<b>Progress</b>	<p>Some progress:</p> <ul style="list-style-type: none"> <li>• EU-Member state institution is identified</li> <li>• Initial outline of the training programme has been developed and shared with EU-member state institution.</li> </ul>
<p><b>Activity 10</b></p> <p><b>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.</b></p>	
<b>Action 10.2</b>	<b>International training of 10 PMIB inspectors on coordination of corruption investigations, modern investigation and reporting techniques, and enhanced cooperation and information sharing among anti-corruption bodies at an EU-Member state institution.</b>
	The EU-Member state institution where PMIB would like their inspectors to be trained has been identified. UK's National Crime Agency and Serious Fraud Office (SFO). Content and logistical-related discussions have started with the British National Crime Agency (NCA) representative at the UK Embassy in Ankara. Initial outline of the training programme was shared with the NCA for review and feedback. Response from the potential host institution representatives has been very slow. Implementation of the training at the NCA depends on good will and cooperation of the host agency. However, as a mitigating measure, it has been envisaged that in the case of unavailability of NCA, the international trainings will be held in the headquarters of the CoE in Strasbourg, with the participation of experts from NCA and SFO.
<b>Objectively verifiable indicators</b>	<ul style="list-style-type: none"> <li>• Training programme</li> </ul>
<b>Progress</b>	<p>Some progress:</p> <ul style="list-style-type: none"> <li>• EU-Member state institution is identified;</li> <li>• Initial outline of the training programme has been developed.</li> </ul>

## **Other Activities and Important Developments**

### **Revision of Project Fiche**

Following agreements reached at the 2<sup>nd</sup> Steering Committee Meeting, which took place on 6 November 2013, revision of the Project Fiche was initiated by the PMIB. The CoE was consulted together with the CFCU and the EUD. The document was submitted to the Turkish Ministry of EU Affairs in December 2013 for circulation to the relevant authorities as required by the procedure and was officially approved by the EU at the end of March 2014. The revised Project Fiche excludes the position of the LTA, introduces an IT procurement component in the value of €50,000 of the Direct Grant section, and envisages an increase of costs for STCs, study visits and international trainings. The new Project Fiche was officially submitted to the CoE on 26 May 2014. Subsequent changes to the DoA and Budget for the Action are being prepared by the CoE and are expected to be submitted to the CFCU in the second half of July 2014.

### **3rd Steering Committee Meeting**

Project's 3<sup>rd</sup> Steering Committee Meeting, attended by all the stakeholders, as well as two representatives from civil society organisations, was held on 4 June 2014. At the meeting, the progress in the implementation of the project was reviewed and the workplan and calendar of activities for the remaining 7 months was discussed and agreed. Revised Project Fiche was also presented, followed by an active discussion on modalities of implementation of the IT component and development of software for data collection. Subsequent revision of the DoA and Budget for the Action will take place during July-August 2014.

## **3.2 Achievements**

This part of the report provides an overview of the progress made during the reporting period in light of achieving the expected results of the project.

From January to end of June 2014 the project has been progressing towards achieving its expected results.

**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).

The drafting of a proposed information-sharing system, an analysis of the national legislative framework regulating administrative inquiries and criminal investigations, and of legislative proposals to improve current coordination and information sharing system have been ongoing actively since January 2014. A national STC was recruited in late December 2013. Two Working Group meetings and a workshop were held and a draft Technical Paper "Report on Analysis of National Legislative Framework" was produced. The TP is being used for finalising the Investigation Guide and Reporting Standards, which are expected to be completed by the end of July 2014.

Good progress has been made in relation to having reviewed international/EU Standards on Corruption Investigations, Coordination and Information-sharing. A team of international experts produced three relevant Technical Papers covering the general framework in TP “Corruption Investigations by Inspection Bodies: International Standards on Investigations, Including Coordination and Information Sharing” and an overview of two specific country examples of the UK and Germany on corruption investigations by inspection bodies. A relevant workshop was held on 30 January 2014. These TPs have been used as guiding materials for the development of the Draft Investigation Guide.

The work on analysis of the compliance of domestic regulation with CoE Criminal Law Conventions, the OECD Convention on Bribery and the UN Convention against Corruption has been actively ongoing. Two working group meetings and a workshop were held, and two Technical Papers were drafted. One national and two international STCs have been working on compliance analysis and developing policy recommendations for fulfilling the requirements of international conventions. However, for the completion of the activity additional information, including texts of the relevant legislation are necessary. The STCs will complete their work once the beneficiaries will provide the remaining missing information.

Investigation Guide has been drafted. Seven Working Group meetings were held since January 2014 and the draft document was produced in the beginning of May 2014. The Draft Investigation Guide is currently being reviewed by international STCs. The relevant workshop to discuss the Draft Investigation Guide was held on 19 June 2014. Subsequent TPs with expert recommendations and comments shall be completed by the end of June 2014 and the Guide is expected to be finalised by the end of July 2014.

Also, a significant progress has been made in developing Reporting Standards for inspectors. The Draft Reporting Standards have been developed and are currently being finalised. Dissemination of the document can be expected by the end of July 2014.

There has been no progress on drafting a Training Strategy on the use of the Investigation Guide, however as the Guide is currently being finalised, the work on Training Strategy is expected to progress during July - August 2014.

**Expected Result No. 2** (Data regarding investigations of corruption cases is gathered and analysed, and a corruption map of risky areas is produced).

Fulfilment of this Expected Result is related to identification of the required methodology and procedures for data collection, as well as creation of special software. Consequently the timing depends on the possible introduction of an IT component in the project DoA.

Currently, a National Consultant is being recruited to prepare a Technical Paper on the Methodology and Procedures for Data Collection.

**Expected Result 3** (Inspectors are trained on developing sector specific anti-corruption strategies, coordinating corruption investigations, modern investigation, reporting techniques, and information sharing).

Progress has been made in relation to the identification of an EU-Member state institution where beneficiaries will be trained on developing, implementing, and monitoring anti-corruption strategies. Initial outline of a training programme has been shared with the identified institution, which is the French Central Service for the Prevention of Corruption (SCPC). The training is likely to be held in October 2014, based on the availability of the host institution.

Similar progress has been made towards the fulfilment of the activity on training of PMIB inspectors on coordinating corruption investigations, modern investigation and reporting techniques, and enhanced cooperation and information-sharing among relevant EU-anti-corruption bodies. The relevant EU-Member state institution to host the training was identified as UK's National Crime Agency and an initial outline training programme was shared with the institution representatives for review and feedback. The training dates are yet to be negotiated with the host institution. Given the slow response from the potential host institutions, certain delays can be expected in implementation of the relevant international training activities.

## **4 COOPERATION WITH OTHER STAKEHOLDERS**

### **4.1 Counterpart and Beneficiaries**

Communication with the beneficiaries on implementation of Workplan of activities has been constructive during the reporting period.

### **4.2 Other Third Parties**

The project team has maintained good cooperation with the European Union Delegation and the Central Finance and Contracts Unit.

## **5 RISKS AND CONCLUSIONS**

### **5.1 Risks**

There is a potential risk of further delays in the project implementation. Any delay in providing legislative input required for the finalisation of the Gap Analysis and Policy Report will inevitably delay completion of Activities 3 (Compliance of domestic regulations with international conventions) and 4 (Preparation of policy report on fulfilling requirements of international conventions).

Lack of availability of experts and summer holiday period may delay completion of certain activities as scheduled in the Calendar of Activities.

Delays incurred in the finalisation of deliverables expected under Activities 3 (Compliance of domestic regulations with international conventions), 4 (Preparation of policy report on fulfilling requirements of international conventions), and 5 (Preparation and dissemination

of Investigation Guide) may cause further postponement of the delivery of Activity 7 (Drafting Training Strategy and training inspectors on collecting and analysing corruption related data), which will also depend on availability of experts identified at this stage.

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 the risks for successful achievement of Activities 7 (Drafting Training Strategy and training inspectors on collecting and analysing 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 was dependent on the amendment of the Project Fiche, which was completed by the end of March 2014. The document was officially communicated to the CoE in late May 2014. Subsequently, a change of the DoA and Budget is necessary for the introduction of a new IT component, and considering the lengthiness of procurement procedures, it is expected that a considerable time period will lapse until all the procedures are completed.

Implementation of international trainings envisaged in the project depends on the good will and availability of hosting institutions. Considering the slow response from the EU Member State institutions that have been identified as host agencies, delays might be anticipated in international training activities. However, as a mitigating measure, it has been envisaged that in the case of slow progress with some of the potential host institutions, international trainings will be held in the Headquarters of the CoE in Strasbourg, with the participation of experts from EU/EU Members state institutions.

## **5.2 Conclusions**

Despite delays incurred during the first year of project implementation, considerable progress has been achieved during the first half of 2014 due to sound cooperation and dialogue between partner institutions. If no major delays are incurred and provided that risks identified in the above section do not interfere with project implementation, TYSAP project activities may be completed by the end of December 2014.

As of end June 2014, the project has only partially contributed to meeting 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). Minor progress has been made towards Expected Result 3 (Inspectors are trained on developing sector specific anti-corruption strategies, coordinating corruption investigations, modern investigation, reporting techniques, and information sharing).

It is too early to assess the impact of the project, but it is worthwhile underlining the contribution the project has made to enhance the dialogue and experience-sharing between the various inspection boards directly benefitting from the project.



Amendments to the Project Fiche have been approved by the EU in March 2014. The amended Project Fiche was officially communicated to the CoE on 26 May 2014. The DoA and Budget of the Project are expected to be revised in July 2014 in light of Project Fiche changes and will concern the introduction of a new IT procurement component and removal of the LTA position.

The next reporting period will coincide with the end of implementation of TYSAP. The final report is expected to assess overall achievements and deliverables obtained under all ten project activities, including the delivery of international trainings, which are due to fulfil the enhancement of inspectors', auditors', and controllers' expertise in modern investigation and reporting techniques, cooperation, data collection and analysis, information-sharing and developing sector specific anti-corruption strategies, while supporting the monitoring of the implementation of the National Anti-Corruption Strategy.

## **6 VISIBILITY**

Project news and upcoming events are reported on the Council of Europe Economic Crime website ([www.coe.int/corruption](http://www.coe.int/corruption)) under a section which is solely dedicated to the TYSAP project ([www.coe.int/tysap](http://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.

Until now, TYSAP has produced six Technical Papers and disseminated one Handbook on corruption risk analysis and sector-specific anti-corruption strategies.

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 as per the agreed visibility rules.

## 7 LIST OF ANNEXES

Annex I: Revised Workplan and Calendar of Activities (May 2014)

Annex II: Technical Paper “Report on Analysis of National Legislative Framework Regulating Corruption Inquiries, Coordination and Information Sharing: Evaluation of Practices and Recommendations”

Annex III: Technical Paper U.K. Case Study: “Corruption Investigation Coordination and Information-sharing”

Annex IV: Technical Paper German Case Study: “Corruption Audits in Public Administration in Germany”

Annex V: Draft Investigation Guide for Civil Servants

Annex VI: Draft of Reporting Standards

Annex VII: Draft Gap Analysis Report on “Compliance of the Domestic Regulation with Council of Europe Criminal Law and Civil Law Conventions, OECD Convention on Combating Bribery of Foreign Officials and the UN Convention Against Corruption”