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Eastern Partnership Project on “Good Governance and Fight against Corruption”

Progress on activities (October 2011 – May 2012)

The Project made good progress in achieving its objectives and expected results and implemented the following activities in accordance with its Workplan.

Expected Result 1: *Eastern Partnership countries have defined and are committed to apply policy and prevention measures to enhance good governance and fight against corruption*

Two Regional **Workshops** on “Designing of national anti-corruption policies” and on “Mechanisms of implementing and monitoring of anti-corruption strategies, including education and public awareness” were held in Strasbourg (3-4 November 2011) and in Warsaw (15-16 December 2011) respectively. The Workshops brought together around 25 national experts from all Eastern Partnership countries, mostly staff of government units responsible for policy design, as well as representatives of civil society organisations. Both events compared practices in Eastern Partnership and other countries and focused on an exchange of good practices. Countries that will have to draft new anti-corruption policies in 2012 (Azerbaijan, Armenia, Belarus) as well as countries that will do so later on emphasised the **practical impact** these two workshops would have on their future work. The Project drafted a 60-page **Handbook** on “Designing and Implementing Anti-Corruption Policies, which compiles good practices and will serve as a resource for drafting anti-corruption policies not only in Eastern Partnership, but also in other countries. The results of the two Workshops and the draft Handbook were presented and reviewed at a **Regional Conference** on “Good practices of designing, implementing and monitoring anti-corruption policies” held in Kyiv on 29 March 2012 together with the 4th meeting of the Eastern Partnership Panel on Fight against Corruption. The conference was attended by more than 60 participants from Eastern Partnership countries, including representatives of EU member states and civil society. Active participation of representatives of various Ukrainian NGOs and Eastern Partnership Civil Society Forum contributed to lively and fruitful discussions.

From 23-25 April 2012, **risk assessment** to identify typical ethical dilemmas and weaknesses in the delivery of public services in Azerbaijan was carried out by the Project’s Long-Term Adviser, who interviewed various stakeholders in Baku. This activity is a part of a regional risk assessment workshop aimed at identifying weaknesses in the integrity system in each Eastern Partnership country. A draft assessment report containing analysis of the situation in Azerbaijan and recommendations will be presented and reviewed at the Risk Assessment Workshop in Strasbourg on 19 June 2012.

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

On 12-16 March 2012, the first **regional specialised training** on “Implementing standards on detection, investigation and criminalisation of economic and financial crimes was conducted at the International Institute of Higher Studies in Criminal Sciences (Syracuse, Italy). The training focused on capacity building of 26 law enforcement officials in investigating and prosecuting large scale international money laundering and corruption cases and was a combination of foundation building lectures, discussions, practical exercises and group work on a complex financial investigation and asset tracing case. As a follow up, a **training manual** is currently being prepared to allow participants to refresh and deepen their newly acquired skills. It will also support further vocational trainings in the six Eastern Partnership countries on this subject.

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

All participating countries have identified their Pilot activities, i.e. national activities tailored to specific reform needs and priorities of each country.

The Republic of Moldova was the first country to start implementation of **Pilot activities**. One of them was designed to bring the law on **political finance** in line with GRECO recommendations. Two Roundtables on Political Finance were held in Chisinau on 1 November 2011 and 27 February 2012 and were attended by representatives of state institutions, civil society and international organisations, as well as national and international experts. Based on the findings of the Roundtables, a Working Group elaborated a legislative draft which was presented to the public on 7 May 2012 and is now expected to be submitted to the Parliament. It was acknowledged by national and international stakeholders that the **draft law** is a major step forward in bringing the Moldovan political finance legislation in line with GRECO recommendations.

Another Pilot activity in the Republic of Moldova is the development of anti-corruption strategies for **local governments**. A methodology was adopted on 31 October 2011 based on a Technical Paper prepared by the Project's Long Term Adviser. Following this decision, workshops for designing anti-corruption strategies in local governments are currently being prepared in co-operation with local NGOs and will be combined with a risk assessment exercise aimed at developing a model anti-corruption strategy for local governments.

One Pilot activity was carried out in Ukraine: the new anti-corruption **Action Plan** ("State Programme") for the years 2011-2015 was analysed and reviewed at a working meeting with the representatives of the Ministry of Justice in Kyiv on 1 February 2012, and the findings and recommendations were documented in a **Technical Paper**. It is expected that these findings and recommendations will contribute to a further review of the Action Plan by the Ukrainian authorities scheduled in the 3rd quarter of 2012.

On 2 March 2012, a Roundtable on the draft "National **Action Plan** on Increasing Transparency and Combating Corruption of the Republic of Azerbaijan" was held in Baku as one of the Pilot activities in Azerbaijan. The Roundtable provided an opportunity for a public discussion and review of the draft Action Plan with the representatives of civil society and international organisations. In addition, the Project worked with the Secretariat of the Commission for Combating Corruption on the further improvement of the draft Action Plan through a **Technical Paper** prepared by the Project's Long-Term Adviser.

On 26 April 2012, the Project organised a Workshop on good practices of **e-government** as another Pilot Activity in Azerbaijan with the aim of facilitating the implementation of a new presidential decree under which all central agencies have to introduce e-government tools for government-to-citizen applications. A variety of international examples of current and future interfaces between the state and citizens were presented to and reviewed with approximately 35 representatives from all central state bodies of Azerbaijan. Three comprehensive presentations document international good practices and are available on the Project's website.

Future activities

Expected Result 1

Regional Workshop on Risk Assessment (1.4): Typologies of underlying causes of corruption (Strasbourg, France, 19 June 2012)

The Workshop will review methods of measuring corruption and assessing weaknesses in integrity systems with the aim to strengthen the capacity of national experts from corruption prevention units to analyse causes of corruption as well as weaknesses in countermeasures. The risk assessment will address the following six sectors, allowing for a regional exchange on a diverse range of topics:

Armenia:	Asset declarations (11-12/2012)
Azerbaijan:	Ethics in the civil service (06/2012)
Belarus:	Compliance with Council of Europe Criminal and Civil Law Convention on Corruption (06-11/2012) - tbc
Georgia:	Health sector (02/2013) - tbc
Moldova:	Local governments (05-12/2012)
Ukraine:	Asset declarations (09-10/2012)

In each of these sectors the weaknesses in the integrity system will be identified through in-country visits and assessment reports providing concrete recommendations. The results of the risk assessments will be presented to a wider public and mutually reviewed and discussed at a Regional Conference in Chisinau (February 2013).

Expected Result 2

Regional Workshop (2.1): Analysis and typologies on laundering the proceeds of corruption in transition economies (Strasbourg, France, 3 July 2012)

This Regional workshop will be the first in a series of activities aimed at analysing and researching patterns on laundering the proceeds of corruption in transition economies. It will bring together experts and analysts from Financial Intelligence Units (FIU) of the six countries to discuss and review the methodology. In the following weeks, data from FIUs in Eastern Partnership countries will be collected and country studies drafted on patterns of the laundering of proceeds of corruption (major players typically involved; forms of investment of the proceeds; occurrence of domestic and of cross border transactions and countries involved).

As a result of this activity, one **regional study** on the Eastern Partnership countries will be prepared and presented at a Regional Conference in June 2013, and FIU staff in the region will have increased capacity of analyzing data on patterns of money laundering by having been involved in collecting and assessing the data for drafting the country studies.

Expected Result 3

Pilot Activity in Belarus (3.3) Training of civil servants on anti-corruption work (Minsk, Belarus, September 2012)

A four-day training aimed at deepening the understanding of civil servants of the following aspects: definitions, causes and consequences of corruption; measuring corruption; international standards; criminalisation; ethics; selected anti-corruption tools. Participants will be from different public agencies who can carry on the expertise either as trainers or as professionals in their anti-corruption work. This activity is subject to further coordination and confirmation from the Belarusian authorities following the expected adoption of the first GRECO Report on Belarus (First and Second Evaluation Round) in June 2012.

Pilot Activity in Azerbaijan (3.2): Training of trainers in ethics (Baku, Azerbaijan, October 2012)

One of the reasons for a comparatively high level of corruption in public services is the low ethical awareness of public officials. The Project will build on previous expertise on ethics in Azerbaijan

acquired under another Council of Europe project and deliver a model-training on ethics focusing on: awareness raising, handling ethical dilemmas, implementation at agency level and enforcement. Trainers from different state institutions will participate in the training. The Pilot activity will be preceded by a respective risk assessment under activity 1.4 to identify relevant ethical dilemmas and challenges for the training.

Pilot Activity in Armenia (3.1): Draft National Anti-corruption Strategy 2013 (Yerevan, Armenia, October-December 2012)

This activity will provide international expertise on the draft anti-corruption strategy 2013 and will bring all stakeholders together at a roundtable, including civil society, to review the draft strategy.

Pilot Activity in Belarus (3.3): Roundtable on the Anti-corruption Strategy 2013 (Minsk, Belarus, October 2012)

This activity will provide international expertise for drafting a new anti-corruption strategy and will bring all stakeholders together at a roundtable, including civil society, to solicit ideas and contributions and to buy in support for the new strategy.

Pilot Activity in Ukraine (3.6): Roundtable on liability of legal persons (November 2012)

Ukraine has been trying for some time to adopt legislation on liability of legal persons for corruption offences committed by the administrative leadership of legal persons. The aim of the Roundtable is to raise awareness among legislators of the possible normative and financial benefits of such liability and thus to facilitate adoption of the respective draft law.

Pilot Activity in Armenia (3.1): Expertise and workshop on good practices in registry of legal entities (Yerevan, Armenia, November 2012-February 2013)

The system of registry of legal entities will be reviewed to allow for better service according to clearly defined procedures, thus reducing corruption risks. A Workshop will identify areas for reform and will come up with concrete recommendations for improvements.

Pilot Activity in Georgia (3.4): Expertise on a red flag system in procurement (Tbilisi, Georgia, May 2013)

Red flag indicators help to identify corruption risks embedded in the procurement system that can be easily identified. A workshop will focus on the use of red flag indicators in the Georgian procurement system.

Pilot Activity in Georgia (3.4): Expertise on anti-corruption strategies for local governments (Tbilisi and other locations, Georgia, June 2013)

The Project will support the development of anti-corruption strategies in selected local communities through participatory workshops.