

# ENPI

## Eastern Partnership – Council of Europe Facility

### Project No. 2524

### Good Governance and Fight against Corruption (Anti- corruption @ EAP)

### Description of the Action

Title	Eastern Partnership – Good Governance and Fight against Corruption (Corruption@EAP)
Project area	Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine
Duration	30 months (March 2011-August 2013)
Budget	EURO 1 126 365 (Anti-corruption@EaP Component)
Funding	European Union (ENPI)
Implementation	Council of Europe: Economic Crime Division, Directorate of Cooperation, DGHL

# TABLE OF CONTENTS

<b>I.</b>	<b>THE ACTION</b>	<b>3</b>
1	DESCRIPTION.....	3
1.5.1	Overall findings: EaP Bridge Activities (August -November 2010).....	5
1.5.2	The anti-corruption project under the Council of Europe Facility .....	6
1.6.1	Council of Europe' Relevant Standards.....	7
1.6.2	Existing Monitoring Mechanisms.....	8
1.7.1	Conventions and Monitoring Mechanisms.....	10
1.7.2	International Ratings .....	10
1.7.3	Previous and Current CoE/EC Joint Programmes in the region .....	11
1.8.1	Area: Policy and Prevention .....	11
1.8.2	Area: Law Enforcement and implementation of legal frameworks .....	11
1.8.3	Areas: Education and Public Awareness .....	12
1.10.1	Approach.....	14
1.10.2	Implementation arrangements.....	15
1.10.2.1	Role of the Council of Europe .....	15
1.10.2.2	EaP countries/relevant institutions .....	15
1.10.2.3	Project Steering Committee .....	15
1.10.2.4	Means for implementation.....	16
2	BUDGET FOR THE ACTION .....	25
<b>II.</b>	<b>THE APPLICANT</b>	<b>25</b>

# I. THE ACTION

## 1 DESCRIPTION

### 1.1 Title

Regional Cooperation in Criminal Justice: Strengthening capacities for good governance and fight against corruption.

### 1.2 Location(s)

Eastern Partnership countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine.

### 1.3 Cost of the action and amount requested from the Contracting Authority

Total cost of the action (A)	Amount requested from the Contracting Authority (B)	% of total eligible cost of action (B/Ax100)
EUR 1 126 365	EUR 1 126 365	100 %

### 1.4 Summary

Total duration of the action	30 months
Objectives of the action	<p><u>Overall objective:</u> to enhance the reform processes in the six partner countries through a multilateral approach and to bring them closer to Council of Europe and EU standards in core areas covered by the Eastern Partnership Platform 1</p> <p><u>Specific objective:</u> To enhance good governance and strengthen the capacities of the public administration and criminal justice sector in order to effectively prevent and fight corruption in line with Council of Europe Conventions and other international treaties.</p>
Target group(s)	<ul style="list-style-type: none"><li>▪ Governmental bodies at all levels, notably specialised structures within the Ministries of Justice, Interior, and Finance;</li><li>▪ Relevant and specialised structures at the Ministries responsible for public administration and civil service management;</li><li>▪ Specialised agencies/bureaux/commissions involved in the prevention and fight against corruption and economic crime (i.e., Anti-corruption Agencies);</li><li>▪ Financial Investigation Units (FIUs);</li><li>▪ Judiciary and prosecutorial services, supervisory bodies (i.e. Judicial Council/Prosecutors Council); and</li><li>▪ Civil Society and Private Sector Associations.</li></ul>
Final beneficiaries	Societies of Eastern Partnership countries

Estimated results	<ol style="list-style-type: none"> <li>1. Eastern Partnership countries have defined and are committed to apply policy and prevention measures concerning enhancement of good governance and the fight against corruption.</li> <li>2. Eastern Partnership countries are provided with the tools for effective law enforcement and implementation of legal frameworks when fighting economic crime.</li> <li>3. Pilot: Eastern Partnership countries efficiently apply and implement European and international standards on good governance and the fight against corruption when addressing their specific needs.</li> </ol>
Main activities	<ul style="list-style-type: none"> <li>• Regional thematic conferences</li> <li>• Regional thematic workshops</li> <li>• Regional multidisciplinary and specialized trainings</li> <li>• Six pilot activities: specifically tailored in-country activities</li> </ul>

## 1.5 Objectives

The Eastern Partnership was launched by the EU at a Summit meeting with the Eastern European partners on 7 May 2009 in Prague. It sets out an ambitious path for deeper relations with Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine, through both bilateral and multilateral dimensions.

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

The Democratic Governance area links three major components: the Judiciary, the Public Administration, and the Fight against Corruption. In view of this, and also of the on-going procedures under the recently established **Panel on the Fight against Corruption** under EaP's Platform 1, it was agreed that it is necessary that a Panel Review<sup>1</sup> on the existing reforms and project results deployed in the region take place, initially as a stock-taking exercise and peer review through exchange of good practices in the region. Therefore, the proposed CoE Facility is to ensure technical assistance and advice through regional cooperation and multi-country activities in order to sustain current reforms and further strengthen capacities in the region with regard to good governance and measures against corruption. To this end, a set of "Bridge Activities" – aimed at initiating action in this direction, and in support of the preparatory work of the Panel against Corruption under the EaP Platform 1 – was carried out over a period of 4 months, during which, among other things, participation of EaP partner countries in designing a Workplan of activities based on priority areas was ensured.

Being a key actor in the thematic area, and in the EaP region, the Council of Europe, and more specifically the DGHL (Directorate of Cooperation), is well-positioned to carry out specifically tailored activities against corruption. Co-operation with the Council of Europe is

---

<sup>1</sup> 1st Meeting Panel on the fight against corruption took place in Brussels in September 2010, while the 2nd Meeting of the Panel which will confirm the CoE Facility Workplan on good governance and anti-corruption is scheduled to take place in mid-November 2010.

thus a key element for further progress in the relations between the EaP countries and the EU.

### **1.5.1 Overall findings: EaP Bridge Activities (August -November 2010)**

The proposed project and its logical framework along addressing the identified needs are mostly a result of the recent review and discussions that took place under the EaP Bridge Activities and which were finalised during the 1<sup>st</sup> and 2<sup>nd</sup> EaP Expert Panel against Corruption held in Brussels and Warsaw and that addressed issues and needs articulated by EaP partner countries.<sup>2</sup>

These EaP Bridge activities provided a stocktaking exercise concerning the past, ongoing, and planned anti-corruption reforms in Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine. This stocktaking exercise which was led by the Platform's 1 Task Force and Council of Europe (Economic Crime Division) has been part of this countries' commitment to the European Neighbourhood Policy (ENP) process, launched in 2009, in which all countries, albeit to various extent, agreed to improve anti-corruption legislation, and good governance reforms. However, while ENP has provided a new framework to the advancement of these reforms, anti-corruption reform processes in all six participating countries have a decade-long history already.

Adherence to the international conventions has set the standards for the direction of legislative reform, and progress on modernising legislation in accordance with these standards has been impressive. However, levels of implementation of this legislation have been uneven at best, a finding that has been confirmed by reports of national and international think-tanks and NGOs. Decisive application of the legal framework - although often ascribed to the lack of human and financial resources - is evolving to become the litmus test for the political will of the ENP countries to tackle corruption in serious. It certainly is the greatest challenge ahead in establishing a functioning anti-corruption regime based on the rule of law.

Five of the six countries are implementing, or designing, their second generation of Anti-corruption Strategies. Level of detail, focus, and resources for implementation of these key policy documents vary. What is common, though, is that despite these strategies not being the first of their kind, only one country (Georgia) has been able to achieve noticeable and convincing success in some sectors that had been deeply afflicted by corruption. This, again, is less a reflection of the quality of strategies themselves, as it is of a need to more convincingly demonstrate the political will, and thus create the preconditions, for successful implementation.

Monitoring of the success of anti-corruption strategies does, in all countries with the exception of Belarus, foresee a role for civil society, though for all not much of the private sector. In overall, this is a positive development, although the impact of this participation has been uneven, at least in part because of the specific arrangements in place. These have, for example, resulted in criticism by NGOs that they are cast to fulfil a mere symbolic role, and that their voice is not really heard during implementation.

Except for Belarus, countries' anti-corruption efforts, including the anti-corruption strategies, reflect the consensus that there has to be a mix between enforcement, prevention, and education measures to advance anti-corruption reforms.

---

<sup>2</sup> The proposed CoE Facility contains four components: 1) Electoral Standards; 2) Support to the Judiciary and respect for Human Rights in the delivery of Criminal Justice; 3) Support measures against serious forms of Cybercrime; 4) Good governance and Fight against Corruption.

With regards to specialised anti-corruption agencies, there is no one path that is followed by all six countries. While Belarus has no dedicated body for anti-corruption issues, Armenia, Azerbaijan, Georgia, Moldova, and Ukraine, have opted for various models of anti-corruption structures/coordinating commissions, with various locations in the political structure and different reporting lines. However, the lack of a clear mandate and insufficient human and technical resources has raised concerns in most countries.

So, while substantial efforts have been invested to create the formal legislative, policy, and institutional preconditions to achieve success in decreasing the levels of corruption in the ENP countries, implementation across all three vectors remain, to date, the single biggest challenge to this objective.

### **1.5.2 The anti-corruption project under the Council of Europe Facility**

The present project is part of the Council of Europe Facility and aims at supporting follow-up to the findings of Council of Europe monitoring and advisory bodies in the areas of corruption and money laundering. It will allow for the mobilisation of Council of Europe expertise, peer-to-peer advice, and the exchange of good practices among participating countries.

The overall objective of the Council of Europe Facility is to enhance the reform processes in the six partner countries through a multilateral approach and to bring them closer to Council of Europe and EU standards in core areas covered by the Eastern Partnership Platform 1.

The specific objective of the present project is to enhance good governance and strengthen the capacities of the public administration and criminal justice sector in order to effectively prevent and fight corruption in line with the Council of Europe Conventions and other international treaties.

Indicators include:

- The standards and practices of Eastern Partnership countries are in line with international standards, including in particular the Council of Europe Conventions against Corruption and other treaties and instruments;
- 3 regional workshops and 2 Regional Conferences on specific tools on good governance and Fight against corruption are carried out;
- Methodologies in identifying the underlining causes of corruption presented and will be finalised through a regional conference and published for wider dissemination;
- Expression of regional and domestic priorities regarding good governance and the fight against corruption will be issued by Eastern Partnership countries;
- Assessment reports on actions adopted for each Eastern Partnership country will present progress of specific reforms;
- 2 regional workshops and 1 regional Conference on Analysis and Typologies on laundering the proceeds of corruption is carried out;
- Recommendations on Typologies on laundering the proceeds of corruption are adopted;
- 3 Specialized Trainings provided and training manuals made available; and
- Level of specific institutional and legislative reforms in each Eastern Partnership countries improved due to specially tailored advice (through each Pilot Country activity).

The objective of the project will be achieved through the delivery of the following results:

- Result 1: Eastern Partnership countries have defined and are committed to apply policy and prevention measures concerning enhancement of good governance and the fight against corruption
- Result 2: Eastern Partnership countries are provided with the tools for effective law enforcement and implementation of legal frameworks when fighting economic crime

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

## **1.6 Relevance of the action**

The Corruption component within the Eastern Partnership (EaP) Platform 1 stems from the realisation that there is a need to further enhance co-operation with Eastern partner countries that face similar challenges in complying with commitments originating from the membership in the Council of Europe and its standard-setting instruments. The "Bridge Activities" were the first step in contributing to look at the progress made so far of the reform processes in the six partner countries through a multilateral approach, and to facilitate those processes by bringing them closer to the Council of Europe and EU standards in the areas covered by Platform 1.

Since their accession to the Council of Europe, five EaP countries have been monitored in their efforts to comply with the relevant European standards, and have received extensive support to implement the recommendations resulting from the monitoring mechanisms. This work contributed to facilitating the relations of EaP countries with the EU, making them better aware of the requirements for co-operation with it. New EU member States and applicant states have worked with the Council of Europe to fulfil criteria for accession to the EU, notably in the fields of democracy, human rights, and the rule of law.

The European Commission is regularly supporting joint management programmes with the Council of Europe, within the framework of a strategic partnership which has been reconfirmed in the Memorandum of Understanding between the EU and the Council of Europe signed in 2007. This EU/Council of Europe co-operation has led to positive experiences in a number of areas, such as in human rights and in capacity-building of the judiciary system, and in the fight against economic crime (anti-corruption and anti-money laundering).

For many years, the Council of Europe has carried out a wide range of activities aimed at strengthening capacities in the fight against corruption and its prevention in the framework of reforms to combat economic crime and to enhance good governance in line with CoE's and international standards. These activities included legal expertise, legislative assessments and support of legislative reforms, on-site expertise, regional and national peer-reviews and advice, networking of specialised structures, training programmes, conferences and workshops.

This proposed action builds on the results of a previous EU and other voluntary contributions which funded projects in Azerbaijan, Georgia, Moldova, and Ukraine.

### **1.6.1 Council of Europe' Relevant Standards**

All countries have acceded to the key international legal instruments - the Council of Europe's Criminal and Civil Law Conventions on Corruption, and the United Nations Convention against Corruption (UNCAC). All countries, except Belarus, have been evaluated under GRECO at least twice, and MONEYVAL; this includes also reporting to the plenary on progress made on the implementation of the recommendations issued during the evaluations.

#### **Civil Law Convention on Corruption (ETS No. 174)**

It requires Contracting Parties to provide in their domestic law "for effective remedies for persons who have suffered damage as a result of acts of corruption, to enable them to

defend their rights and interests, including the possibility of obtaining compensation for damage" (art.1).

The Convention is divided into three chapters, they cover: measures to be taken at national level, international co-operation and monitoring of implementation) and final clauses. In ratifying the Convention, the States undertake to incorporate its principles and rules into their domestic law, taking into account their own particular circumstances. The Convention deals with:

- compensation for damage;
- liability (including State liability for acts of corruption committed by public officials);
- contributory negligence: reduction or disallowance of compensation, depending on the circumstances;
- validity of contracts;
- protection of employees who report corruption;
- clarity and accuracy of accounts and audits;
- acquisition of evidence;
- court orders to preserve the assets necessary for the execution of the final judgment and for the maintenance of the status quo pending resolution of the points at issue;
- international co-operation.

### **Criminal Law Convention on Corruption (ETS No. 173)**

The Criminal Law Convention on Corruption is an ambitious instrument aiming at the coordinated criminalisation of a large number of corrupt practices. It also provides for complementary criminal law measures and for improved international co-operation in the prosecution of corruption offences. The Convention is open to the accession of non-member States. Its implementation will be monitored by the "Group of States against Corruption - GRECO", which started functioning on 1st May 1999. The Convention is wide-ranging in scope, and complements existing legal instruments. It covers the following forms of corrupt behaviour normally considered as specific types of corruption:

- active and passive bribery of domestic and foreign public officials;
- active and passive bribery of national and foreign parliamentarians and of members of international parliamentary assemblies;
- active and passive bribery in the private sector;
- active and passive bribery of international civil servants;
- active and passive bribery of domestic, foreign and international judges and officials of international courts;
- active and passive trading in influence;
- money-laundering of proceeds from corruption offences;
- accounting offences (invoices, accounting documents, etc.) connected with corruption offences.

### **Additional Protocol to the Criminal Law Convention on Corruption (ETS No. 191)**

This Protocol extends the scope of the Convention to arbitrators in commercial, civil and other matters, as well as to jurors, thus complementing the Convention's provisions aimed at protecting judicial authorities from corruption. Countries which ratify this instrument will have to adopt the necessary measures to establish, as criminal offences, the active and passive bribery of domestic and foreign arbitrators and jurors.

#### **1.6.2 Existing Monitoring Mechanisms**

The Group of States against Corruption (GRECO), established in 1999 by the Council of Europe, is aimed at improving the capacity of its members to fight corruption by monitoring their compliance with Council of Europe anti-corruption standards<sup>3</sup> through a process of

---

<sup>3</sup> The Criminal Law Convention on Corruption (ETS173) and its Additional Protocol (ETS 191), the Civil Law Convention on



mutual evaluation and peer pressure. GRECO helps to identify deficiencies in national anti-corruption policies, and prompts necessary legislative, institutional, and practical reforms. GRECO also provides a platform for the sharing of best practice in the prevention and detection of corruption. Currently, GRECO comprises 46 member States, including all EU members and four of the five EP countries; Belarus has recently initiated its membership procedures to become a GRECO member as of January 2010. GRECO monitoring comprises a “horizontal” evaluation procedure, leading to recommendations aimed at furthering necessary legislative, institutional and practical reforms, as well as a compliance procedure designed to assess the measures taken by its members to implement the recommendations.

GRECO works in cycles, each covering specific themes. GRECO’s first evaluation round deals with the independence and specialisation of national bodies engaged in the fight against corruption. It also covers the issue of immunities of public officials as obstacles to effective law-enforcement. The second evaluation round focuses on the identification, seizure and confiscation of corruption proceeds, the prevention and detection of corruption in the public administration, and on the prevention of legal persons (corporations, etc.) from being used as shields for corruption. The ongoing third evaluation round addresses the incriminations provided for in the Criminal Law Convention on Corruption, and transparency of party and election campaign funding.

With reference to economic crime issues, and of relevance to five EaP countries, the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) monitors Member State's compliance with the relevant international standards and the effectiveness of their systems to counter money- laundering and terrorist financing. MONEYVAL is an FATF-type regional body and undertakes regular peer evaluations of its Member States. All countries covered by the Eastern Partnership (except for Belarus)<sup>4</sup> are Members of this mechanism. All EaP countries (except for Belarus) have received large numbers of recommendations due to their monitoring rounds which refer to fundamental issues, such as national strategies and policies, specialised law enforcement agencies on economic crime, legislative incriminations, conflicts of interest in the public administration and immunities of public officials, as well as political financing. Recent evaluation and compliance reports highlight the level and the identified needs for technical assistance in each of the EP countries.

---

Corruption (ETS 174), Twenty Guiding Principles for the Fight against Corruption (Res (97)24), the Model Code of Conduct for Public Officials (Rec No. R (2000)10) and Common rules against corruption in the funding of political parties and electoral campaigns (Rec(2003)4).

<sup>4</sup> Belarus is a member of Eurasian Group (another FATF-style body).

## 1.7 State of Play

### 1.7.1 Conventions and Monitoring Mechanisms

Anti-corruption instruments	CoE Criminal Law Convention on Corruption <sup>5</sup>	CoE Civil Law Convention on Corruption <sup>6</sup>	CoE Additional Protocol to the Criminal Law Convention on Corruption <sup>7</sup>	Status of GRECO <sup>8</sup> Evaluation Reports (ER)	Status of GRECO Compliance Reports (CR)	UN Convention against Corruption <sup>9</sup>
<b>Armenia</b>	Ratified on 9/1/2006 Entry into force on 1/5/2006	Ratified on 7/1/2005 Entry into force on 1/5/2005	Ratified on 9/1/2006 Entry into force on 1/5/2006	2nd ER (March 2006) Public	CR on 2nd ER (June 2008) Public	Ratified on 8/3/2007
<b>Azerbaijan</b>	Ratified on 11/2/2004 Entry into force on 1/6/2004	Ratified on 11/2/2004 Entry into force on 1/6/2004	-	2nd ER (June 2006) Public	CR on 2nd ER (Oct. 2008) Public	Ratified on 1/11/2005
<b>Belarus</b>	Ratified on 6/11/2007 Entry into force on 1/3/2008	Ratified on 15/3/2006 Entry into force on 1/7/2006	-	Agreement of Immunities signed January 2010	Agreement of Immunities signed January 2010	Ratified on 17/2/2005
<b>Georgia</b>	Ratified on 10/1/2008 Entry into force on 1/5/2008	Ratified on 22/5/2003 Entry into force on 1/11/2003	-	2nd ER (Dec. 2006) Public	CR on 2nd ER (May 2009) Public	Ratified on 4/11/2008
<b>Moldova</b>	Ratified on 14/1/2004 Entry into force on 1/5/2004	Ratified on 17/3/2004 Entry into force on 1/7/2004	Ratified on 22/8/2007 Entry into force on 1/12/2007	2nd ER (Oct. 2006) Public	CR on 2nd ER (December 2008) Public	Ratified on 1/10/2007
<b>Ukraine</b>	Ratified on 27/11/2009 Entry into force on 1/3/2010	Ratified on 19/9/2005 Entry into force on 1/1/2006	Ratified on 27/11/2009 Entry into force on 1/3/2010	2nd ER (March 2007) Public	CR on 2nd ER (May 2009) Public	Ratified on 2/12/2009

### 1.7.2 International Ratings

INDEX	CPI <sup>10</sup>					EDBI <sup>11</sup>	
	2005	2006	2007	2008	2009	2009	2010
<b>Armenia</b>	2,9 (88)	2,9 (93)	3,0 (99)	2,9 (109)	2,7 (120)	50	43
<b>Azerbaijan</b>	2,2 (137)	2,4 (130)	2,1 (150)	1,9 (158)	2,3 (143)	38	38
<b>Belarus</b>	2,6 (107)	2,1 (151)	2,1 (150)	2,0 (151)	2,4 (139)	82	58
<b>Georgia</b>	2,3 (130)	2,8 (99)	3,4 (79)	3,9 (67)	4,1 (66)	16	11
<b>Moldova</b>	2,9 (88)	3,2 (79)	2,6 (111)	2,9 (109)	3,3 (89)	108	94
<b>Ukraine</b>	2,6 (107)	2,8 (99)	2,7 (118)	2,5 (134)	2,2 (146)	146	142

<sup>5</sup> Council of Europe (CoE) Criminal Law Convention on Corruption (entered into force on 1/7/2002) ETS 173

<sup>6</sup> Council of Europe Civil Law Convention on Corruption (entered into force on 1/11/2003) ETS 174

<sup>7</sup> Council of Europe Additional Protocol to The Criminal Law Convention on Corruption (entered into force on 1/2/2005) ETS 191

<sup>8</sup> GRECO's webpage on <http://www.coe.int/t/dghl/monitoring/greco>

<sup>9</sup> United Nation Office on Drugs and Crime (UNODC) on <http://www.unodc.org/unodc/en/treaties/CAC/signatories>.

### 1.7.3 Previous and Current CoE/EC Joint Programmes in the region

Anti-corruption projects with a recent Council of Europe involvement include:

Country -Project	Start	End	Budget Euro	Funding
EaP Bridge Activity	01/08/10	30/11/10	30 000	EC
Ukraine - Project against corruption (UPAC)	01/06/06	31/12/09	1 750 000	EC/CoE
Moldova - Project against corruption and money laundering in Moldova (MOLICO)	01/08/06	30/11/09	3 500 000	EC/Sida/CoE
Georgia- Project against corruption in Georgia (GEPAC)	01/09/07	31/03/10	700 000	Netherlands
Azerbaijan- Project against economic crime in Azerbaijan (AZPAC)	01/10/07	30/09/09	700 000	USAID

### 1.8 Issues to be addressed

The stocktaking exercise through the "Bridge Activities"<sup>12</sup> - which consisted of information provided by countries to a questionnaire and two meetings, in September 2010 in Brussels, and in November 2010 in Warsaw, respectively - highlighted a number of issues that have emerged as key to all EaP countries. These are:

#### 1.8.1 Area: Policy and Prevention

- Capacity building of structures in charge of policy and prevention measures;
- Introduction of tools to monitor and ascertain indicators of progress/success in implementing anti-corruption reforms and strategies;
- Streamlining Anti-corruption Strategy design processes;
- Policy adoption and mechanism designs for monitoring and controlling
- Declaration of Assets and Conflict of Interests;
- Introduction of Risk Assessment Methodologies in identifying the underlining causes of corruption in different sectors.

#### 1.8.2 Area: Law Enforcement and implementation of legal frameworks

- Enhance capacities of Specialised Investigative Means (SIMs) while safeguarding human right aspects;
- Provision of Specialise Training of Economic and Financial Crimes (AML/CTF) and Fraud in Tax and Customs;

---

<sup>10</sup> Transparency International (TI) Corruption Perceptions Index: The CPI Score relates to perceptions of the degree of corruption as seen by business people and country analysts, and ranges between 10 (highly clean) and 0 (highly corrupt). The results draw from polls of independent institutions. 158 (2005), 163 (2006), 179 (2007), 180 (2008) and 180 (2009) states were rated.

<sup>11</sup> The World Bank' Survey on "Doing business" – Ease of Doing Business Index (EDBI): Economies are ranked on their ease of doing business, from 1 – 183, with first place being the best. A high ranking on the ease of doing business index means the regulatory environment is conducive to the operation of business. This index averages the country's percentile rankings on 10 topics, made up of a variety of indicators, giving equal weight to each topic.

<sup>12</sup> See, Country Profile Report "Bridge Activities" with relevance to the status of reforms and issues and needs as identified by EaP member states.

- Standard Codes on Judicial Ethics;
- Confiscation of Crime Proceeds and Asset Recovery;
- Public Administration and Civil Service Reforms;
- Political Party and Electoral Campaign Financing;
- Criminal and Civil Liability of Legal Persons.

### 1.8.3 Areas: Education and Public Awareness

- Tools and methodology of involving Civil Society in designing and monitoring anti-corruption reforms.

EaP countries expressed their interest to work, on a regional basis, to advance the above mentioned issues. It is planned that, through this project the Council of Europe will mobilise the technical expertise to facilitate targeted interventions on these topics. Interventions are planned to be both country-specific, and regional: this will allow to work on topics in-depth and with the specificities of the respective countries in mind, but also to extrapolate solutions that might be commonly applicable. Further, the regional mode of working is also hoped to mobilise peer pressure among participating countries.

In overall while addressing those issues, the project is expected and foreseen to act as a complement to existing monitoring and evaluation efforts, and to offer hands-on assistance to countries in order to advance progress on some of the key areas where reforms need to take place or further strengthened.

## 1.9 Results and activities

As indicated above, the overall objective of the Council of Europe Facility is to enhance the reform processes in the six partner countries through a multilateral approach and to bring them closer to Council of Europe and EU standards in core areas covered by the Eastern Partnership Platform 1.

The Specific Objective will be to enhance good governance and strengthen the capacities of the public administration and criminal justice sector in order to effectively prevent and fight corruption in line with the Council of Europe Conventions and other international treaties.

The objective and purpose will be achieved through activities contributing to 3 expected results:

<b>Result 1</b>	<b>Eastern Partnership countries have defined and are committed to apply policy and prevention measures concerning enhancement of good governance and the fight against corruption</b>
Activities	
1.1	Regional Workshop I: Analysis and Typologies of structures and procedures concerning good governance policy design
1.2	Regional (Start-Up) Conference I: Strategic policies and measures concerning good governance policy design
1.3	Regional Workshop II: Analysis and Typologies of mechanisms to implement and monitor corruption, including Education and Public Awareness
1.4	Regional Workshop III: Analysis and Typologies of causes of corruption
1.5	Regional Conference II: Introduction of Risk Assessment Methodologies in

	identifying the underlining causes of corruption
<b>Result 2</b>	<b>Eastern Partnership countries are provided with the tools for effective law enforcement and implementation of legal frameworks when fighting economic crime</b>
Activities	
2.1	Regional Workshop IV: Analysis and Typologies on laundering the proceeds of corruption in transition economies
2.2.	Regional Conference III: Laundering the proceeds of corruption in transition economies
2.3	Regional Specialised Training I: Implementing standards concerning Detection, Investigation and Criminalisation of Economic and Financial Crimes
2.4	Regional Specialised Training II: Implementing standards concerning criminal and civil liability for Legal Persons
2.5	Regional Specialised Training III: Political Party and Electoral Campaign Financing
<b>Result 3</b>	<b>Pilot: Eastern Partnership countries efficiently apply and implement European and international standards on good governance and the fight against corruption when addressing their specific needs.</b>
Activities	
3.1-3.6	Support through specific country activities (pilot activities) specific reforms/needs concerning legal drafting, policy design and specialised training for each country in accordance to their specific needs and reform priorities (those activities which will derive from 3.1 – 3.6 are subject to confirmation through inception phase).
3.7	Regional (Closing) Conference IV: Share of Pilot Countries Specific on-going Reforms and Good Practices during the implementation of the Project.

## **1.10 Methodology**

### **1.10.1 Approach**

All activities will follow a regional approach and combine technical advice, with training, assessments, development of methodologies, and policy design and tools exchange in the area of good governance, corruption and money laundering.

Furthermore, the following types and size of activities will be held:

- **Regional Technical Workshops-4:** involving up to 30 participants
- **Regional Training-3:** involving up to 30 participants
- **Regional Specific Theme Conferences-4:** involving up to 60 Participants
- **Pilot/Country Tailored Activity-6:** involving different technical experts and decision-makers from each Pilot country and possibly international and regional experts.

The regional workshops and trainings will be organised to initiate analysis, reviews and provide technical advice and trainings among the practitioners and experts on priority and selected themes/disciplines. Further on, those workshops and training results will build up the content and support the subject matter recommendations and coaching covered by Regional Thematic Conferences by also disseminating and sharing good practices and tools in a larger scale that will be attended by decision-makers in addition to EaP national experts and practitioners.

The Pilot Activities will be dedicated to each partner country and provide specifically tailored assistance and support in response to the country's individual needs and priorities, which will be confirmed and further identified during the inception phase of the project.

The first Regional Thematic Conference, in addition to its dedicated theme, will serve as the launching event of the project, while the last Regional Conference will serve as the closing event of the project.

Between these four conferences and the regional workshops/trainings the focus of action will be on:

- Corruption-prevention legislation;
- Anti-corruption polices and tools;
- Judicial and law enforcement training;
- Economic and financial crime investigations;
- Analysis and typologies that, in turn, will provide identified tools and recommendations; and
- Country-specific actions addressing legislative and institutional reform issues.

Each Eastern Partnership country will host more than one regional event (conference/workshop or/and training). Furthermore, each country will be visited to carry out reviews, study/typology assessments, and for purposes of pilot activities, in order to provide advice. The inception phase would constitute a period of 3 months out of 30 months of the implementation period, where the 1<sup>st</sup> Regional Launching Event would take place at the end of the third month of the inception. The inception phase would allow that the first in-country visits initiate direct dialogue with experts and policy-makers in confirming identified individual country priorities that will be addressed through Pilot Activities but also through the foreseen regional workshops and trainings. The resulting reports, technical papers and legal advise documentation from all these actions including all relevant information (tools, methodologies, and practices will be shared, and analysed, and presented and disseminated in the form of a publication at the final regional conference.

## **1.10.2 Implementation arrangements**

### **1.10.2.1 Role of the Council of Europe**

The Council of Europe (Economic Crime Division of the Directorate General of Human Rights and Legal Affairs) will be responsible for the implementation of the project and for the use of the funds under a direct grant agreement with the European Commission. The Council of Europe will recruit a project team, consisting of: a Project Coordinator, and a Part-time Financial Assistant (30%), for a day-to-day management; in addition a Long Term Adviser and short term consultants/experts on different and specific fields will be recruited to provide technical and legal advice with regard to activities as forecasted. The project team and experts (short and long term recruited) will be lead and supervised under the Corruption and Money Laundering Unit at the Economic Crime Division.

### **1.10.2.2 EaP countries/relevant institutions**

Each EaP country are expected to appoint one National Coordinator who will be responsible for mobilising and liaise the participation of each national and relevant subject-matter expert[s] , policy and decision makers for the relevant project activities.

The National Coordinators should furthermore ensure that relevant information (such as replies to questionnaires or/and information related to certain typologies, methodologies or subject matter research is provided to the project management at the CoE. The following beneficiaries are expected to partake in this project from each EaP country:

- Governmental bodies at all levels, notably specialised structures within the Ministries of Justice, Interior, and Finance;
- Relevant and specialised structures at the Ministries responsible for public administration and civil service management;
- Specialised agencies/bureaux/commissions involved in the prevention and fight against corruption and economic crime (i.e., Anti-corruption Agency);
- Financial Investigation Units (FIUs);
- Judiciary and prosecutorial services, supervisory bodies (i.e. Judicial Council/Prosecutors Council).

Participation and consultation as deemed so and with relevance to the activities subject matter and involvement of the following groups and partners will be ensured, those are:

- Civil Society; and
- Private Sector Associations.

### **1.10.2.3 Project Steering Committee**

During the implementation of these activities for and during the above proposed period of 30 months, the EaP' Platform 1-Panel against Corruption will serve as the Steering Committee of the proposed activities and carry out this as back to back with the Panel Meetings and will review results and objectives reached by EaP countries through the proposed workplan/logical framework.

Therefore, the Steering Committee (SC) will consist of:

- The European Commission and representative from the Platform 1 – Task Force of the Panel against Corruption;
- Council of Europe (including the project management team/Long Term Adviser);
- The Project's National Coordinators of each EaP country; and

- EaP Country Delegations to the Panel against Corruption.

The SC will physically meet in conjunction with each regional event or when necessary in Brussels/Strasbourg.

The responsibilities of the SC are:

- To report and provide information to the Platform 1 Task Force and Panel against Corruption;
- To agree on the workplan based on the proposed logical framework;
- To assess progress made in project implementation and agree on the necessary actions or measures to be taken to address emerging needs;
- To review progress reports and other documentation;
- To ensure the participation of relevant institutions from each country in project activities.

The SC meetings will be chaired by the Chairman of the Panel against Corruption. SC meetings will take place every 6 (six) months of the project's implementation, starting from its end of inception phase.

#### **1.10.2.4 Means for implementation**

The Council of Europe will establish a project team in Strasbourg which will interact with the EAP-country coordinators and short-term consultants in the implementation of project activities.

Long Term Adviser (long-term consultant/expert) - Strasbourg or/and tele-working while travelling in the region extensively

The project's Long Term Adviser could be a long term contracted independent consultant or a recruited professional/practitioner under a CoE employment CDD contract (A2) and shall be responsible for the technical and legal advice necessary to initiate and attain the estimated results. She/he will, in particular:

- Provide day-to-day technical and legal advice to the Secretariat of the Council of Europe when executing activities under the Project's workplan;
- According to each specific activity and pilot activity, provide consultations to the counterpart project groups;
- Technically advise members of the Steering Committee in cases of need to recommendations or interventions that need to take place or change the workplan
- Advice on the terms of reference of specific activities and expertise needed
- Provide technical advice in writing for specific actions to certain activities and themes in relation to the workplan of activities.
- Provide the necessary input in the project's final and narrative reporting when dealing with technical and subject matter expertise issues.

Qualifications required, include:

- University degree in law, political science, or in a related field
- Minimum of 7 years of professional experience related to criminal law reform, rules of law, including at least 3 years in matters related to good governance, ethics, anti-corruption or/economic crime and a minimum of 2 years of international work experience in this area;
- Proven knowledge of relevant international instruments and tools on corruption and economic crime;
- Knowledge of measures against corruption in developing countries



- Experience working with counterparts such as management of technical cooperation projects
- Proven ability to work in an international and multi-cultural environment
- Ability to travel extensively in the project region
- Confirmed skills in written and spoken English.

#### Assistant Project Officer (B3/B4) - Strasbourg

The assistant project officer will be responsible for the delivery of administrative and overall results and the organisation of project activities. She/he will, under the supervision of the Head of the Corruption and Money laundering Unit shall in particular:

- Engage in day-to-day liaison with project's National Coordinators and counterparts in EaP countries;
- Prepare workplans in consultation with counterparts for approval by the Steering Committee;
- Prepare meetings of the Steering Committee;
- Prepare terms of reference for specific project interventions;
- Support the organisation of project activities, including administrative and contractual aspects;
- Coordinate, organise the logistics of the engagement of the short-term experts recruited for individual activities/outputs of the Workplan;
- Ensure the timely preparation of the narrative project reports.

Qualifications required, include:

- University degree in law, political science, or in a related field
- Minimum of 3 years of professional experience related to assistance projects in the field of criminal justice matters;
- Minimum of 2 years of working experience in an international working environment;
- Ability to travel extensively in the EaP region and other possible countries;
- Confirmed skills in the drafting of project reports, and excellent oral and written English language skills
- Knowledge of Russian or other languages of EaP countries would be an advantage.

#### Project Accountant (Grade B2 – part-time) - Strasbourg

The project accountant will provide financial administrative support to the assistant project officer and the team during the organisation of project activities:

- Prepares and follows up on draft purchase orders, administrative arrangements and contracts
- Assists, follows and reviews payment requests;
- Prepares expenditure monitoring reports and interim and final financial reports.

Qualifications required:

- Proven practical knowledge of the administrative procedures of the Council of Europe, notably concerning the drawing up and following up of contracts, invitation letters, service contracts, administrative arrangements etc
- ICT skills: has very good computer skills of standard tools in office applications (word processing, spreadsheet, data bases, presentation software, outlook, internet/intranet publications)

### Consultants and experts

The Council of Europe will conclude long term and short term contracts with consultants and experts from subject-matter institutions of public and private institutions as required. Moreover, the Council of Europe will ensure the use of expertise from the region and outside the region in EaP as well as from other parts of Europe.

#### **1.11 Duration and indicative action plan for implementing the action**

The duration of the action will be 30 months.

### Indicative action plan for 30 months

Activity		Year 1												Year 2												Year 3							
		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30				
<b>1.1</b>	Regional Workshop I: Analysis and Typologies of structures and procedures concerning good governance policy design	X																															
<b>1.2</b>	Regional (Start-Up) Conference I: Strategic policies and measures concerning good governance policy design			X																													
<b>1.3</b>	Regional Workshop II: Analysis and Typologies of mechanisms to implement and monitor corruption, including Education and Public Awareness								X																								
<b>1.4</b>	Regional Workshop III: Analysis and Typologies of causes of corruption										X																						
<b>1.5</b>	Regional Conference II: Introduction of Risk Assessment Methodologies in identifying the underlining causes of corruption													X																			
<b>2.1</b>	Regional Workshop IV: Analysis and Typologies on laundering the proceeds of corruption in transition economies						X																										
<b>2.2</b>	Regional Conference III: Laundering the proceeds of corruption in transition economies														X																		
<b>2.3</b>	Regional Specialised Training I: Implementing standards concerning Detection, Investigation and Criminalisation of Economic and Financial Crimes																X																
<b>2.4</b>	Regional Specialised Training II: Implementing standards concerning criminal and civil liability for Legal Persons												X																				
<b>2.5</b>	Regional Specialised Training III: Political Party and Electoral Campaign Financing																									X							
<b>3.1 to 3.6</b>	Support through specific country activities (Pilot activities specific reforms/needs concerning legal drafting, policy design and specialised training for each country in accordance to their specific needs and reform priorities (those activities which will derive from 3.1 – 3.6 are subject to confirmation through inception phase).					X					X				X				X						X			X					
<b>3.7</b>	Regional (Closing) Conference IV: Share of Pilot Countries Specific on-going Reforms and Good Practices during the implementation of the Project.																												X				

## **1.12 Sustainability: risk analysis and assumption**

Political instability in various forms, resulting in changes of government, but also in military or other conflicts, could slow down or stop the implementation of the action, and therefore, represents the main risk in Eastern partner countries.

Political instability can cause changes in the authorities' approaches to reforms, and their willingness to extend regional co-operation and to adapt their standards in the fields of human rights and democracy in line with the EU and Council of Europe norms and standards.

Economic instability can affect stakeholders' capacities to provide sufficient resources, both quantitatively and qualitatively, to implement the activities planned and ensure their follow-up. The lack of common goals or even contradictory interests among EaP countries can also affect the implementation of the project, especially multilateral activities.

The Council of Europe has experience of working in environments where there are risks of political and economic instability. This, coupled with a reasonable degree of flexibility in the implementation of the Bridge Action, should allow for effective risk management, except in extreme situations.

The membership of five EaP countries in the Council of Europe and the growing contacts that the Council of Europe has with Belarus will allow it to build the projects on a wider political basis and through closer political and technical contacts, thus minimising risks.

The proposed area of intervention will interlink with other issues that will be addressed through other international cooperation programmes in the region but also the follow up CoE's previous actions in the region. In addition, they will have a direct positive influence on rule of law, good governance, and democracy.

## 1.13 Logical framework

	<b><i>Intervention logic</i></b>	<b><i>Objectively verifiable indicators of achievement</i></b>	<b><i>Sources and means of verification</i></b>	<b><i>Assumptions</i></b>
<b>Overall objective</b>	<b>To enhance the reform processes in the six partner countries through a multilateral approach and to bring them closer to Council of Europe and EU standards in core areas covered by the Eastern Partnership Platform 1</b>		<ul style="list-style-type: none"> <li>- Final evaluation report and final project report</li> </ul>	
<b>Specific objective</b>	<b>To enhance good governance and strengthen the capacities of the public administration and criminal justice sector in order to effectively prevent and fight corruption in line with the Council of Europe Conventions and other international treaties</b>	<ul style="list-style-type: none"> <li>- The standards and practices of Eastern Partnership countries are in line with international standards, including in particular the Council of Europe Conventions against Corruption and other treaties and instruments</li> </ul>	<ul style="list-style-type: none"> <li>- Assessment reports prepared for each country:</li> <li>- Final result reports</li> </ul>	
<b>Expected Result 1</b>	<b>Eastern Partnership countries have defined and are committed to apply policy and prevention measures concerning enhancement of good governance and the fight against corruption</b>	<ul style="list-style-type: none"> <li>- 3 regional workshops and 2 Regional Conferences on specific tools on good governance and Fight against corruption are carried out</li> <li>- Methodologies in identifying the underlining causes of corruption presented and finalised through a regional conference and published for wider dissemination</li> <li>- Document (declaration or similar) on regional and</li> </ul>	<ul style="list-style-type: none"> <li>- Project reports</li> <li>- External evaluation report</li> </ul>	Agreed priorities and recommendations of assessment reports are implemented by governments

	<b>Intervention logic</b>	<b>Objectively verifiable indicators of achievement</b>	<b>Sources and means of verification</b>	<b>Assumptions</b>
		<p>domestic priorities regarding good governance and the fight against corruption adopted by Eastern Partnership countries</p> <ul style="list-style-type: none"> <li>- Assessment reports on actions adopted for each Eastern Partnership country</li> </ul>		
<b>Activities</b>		<i>Means:</i>		
1.1	Regional Workshop I: Analysis and Typologies of structures and procedures concerning good governance policy design	<ul style="list-style-type: none"> <li>- Cost of 2.5 day regional workshop (30 participants)</li> <li>- Cost of 6 peer-to-peer in-country visits</li> </ul>		
1.2	Regional (Start-Up) Conference I: Strategic policies and measures concerning good governance policy design	<ul style="list-style-type: none"> <li>- Cost of 2.5 day regional conference (60 participants)</li> </ul>		
1.3	Regional Workshop II: Analysis and Typologies of mechanisms to implement and monitor corruption, including Education and Public Awareness	<ul style="list-style-type: none"> <li>- Cost of 2 day regional workshop (30 participants)</li> </ul>		
1.4	Regional Workshop III: Analysis and Typologies on the causes of corruption	<ul style="list-style-type: none"> <li>- Cost of 2 day regional workshop (30 participants)</li> <li>- Cost of Typology studies and technical advice</li> <li>- Cost of small working groups</li> </ul>		
1.5	Regional Conference II: Introduction of Risk Assessment Methodologies in identifying the underlining causes of corruption	<ul style="list-style-type: none"> <li>- Cost of 2 day regional conference (50 participants)</li> </ul>		
<b>Expected</b>	<b>Eastern Partnership countries are provided</b>	- 2 regional workshops and 1	-	The tools and knowledge provided are

	<b>Intervention logic</b>	<b>Objectively verifiable indicators of achievement</b>	<b>Sources and means of verification</b>	<b>Assumptions</b>
<b>Result 2</b>	<b>with the tools for effective law enforcement and implementation of legal frameworks when fighting economic crime</b>	<ul style="list-style-type: none"> <li>regional Conference on Analysis and Typologies on laundering the proceeds of corruption carried out</li> <li>- Recommendations on Typologies on laundering the proceeds of corruption adopted</li> <li>- Country-specific advice provided and progress assessed</li> <li>- 3 Specialized Trainings provided and training manuals made available for each country to be used and specially tailored</li> </ul>		translated into action by governments
<b>Activities</b>		<b>Means:</b>		
2.1	Regional Workshop IV: Analysis and Typologies on laundering the proceeds of corruption in transition economies	<ul style="list-style-type: none"> <li>- Cost of 2 x 2.5 day regional workshop (25 participants)</li> <li>- Cost of Typology studies and technical advice</li> <li>- Cost of small working groups</li> <li>- Cost of 6 peer-to-peer in-country visits</li> </ul>		
2.2	Regional Conference III: Laundering the proceeds of corruption in transition economies	<ul style="list-style-type: none"> <li>- Cost of 2.5 day regional Conference (60 participants)</li> </ul>		
2.3	Regional Specialised Training I: Implementing standards concerning Detection, Investigation and Criminalisation of Economic and Financial Crimes	<ul style="list-style-type: none"> <li>- Cost of 5 day regional training (30 participants)</li> </ul>		
2.4	Regional Specialised Training II: Implementing	<ul style="list-style-type: none"> <li>- Cost of 2.5 day regional training</li> </ul>		

	<b>Intervention logic</b>	<b>Objectively verifiable indicators of achievement</b>	<b>Sources and means of verification</b>	<b>Assumptions</b>
2.5	standards concerning criminal and civil liability for Legal Persons  Regional Specialised Training III: Political Party and Electoral Campaign Financing	(30 participants)  - Cost of 2.5 day regional training (30 participants)		
<b>Expected Result 3</b>	<b>Pilot: Eastern Partnership countries efficiently apply and implement European and international standards on good governance and the fight against corruption when addressing their specific needs.</b>	- Level of specific reforms in each Eastern Partnership countries improved due to specially tailored advice (through each Pilot Country activity)	-	Countries feed knowledge/technical advice received into their specific reform
Activities		<i>Means:</i>		
3.1-3.6	Support through specific country activities (pilot activities) specific reforms/needs concerning legal drafting, policy design and specialised training for each country in accordance to their specific needs and reform priorities (those activities which will derive from 3.1 – 3.6 are subject to confirmation through inception phase).	- Cost of 6 pilot in-country visits - Cost of up to 1 or 2 national workshop for each country - Cost of technical advice		
3.7	Regional (Closing) Conference IV: Share of Pilot Countries Specific on-going Reforms and Good Practices during the implementation of the Project.	- Cost of 2 day regional conference (60 participants)		



## 2 **BUDGET FOR THE ACTION**

## II. THE APPLICANT

<b>EuropeAid ID number<sup>13</sup></b>	Council of Europe/FR-2008-CFX-0906302852
<b>Name of the organisation</b>	Council of Europe

Information requested under this point need only be given in cases where there have been modifications or additions as compared to the information given in the Concept note form.

### IDENTITY

<b>Legal Entity File number<sup>14</sup></b>	778 860 080 00010
<b>Abbreviation</b>	CoE
<b>Registration Number (or equivalent)</b>	778 860 080 0010 APE 990Z
<b>Date of Registration</b>	France - 05/05/49
<b>Place of Registration</b>	Strasbourg, France
<b>Official address of Registration</b>	1, Avenue de l'Europe – 67075 Strasbourg Cedex
<b>Country of Registration<sup>15</sup>/ Nationality<sup>16</sup></b>	France
<b>E-mail address of the Organisation</b>	Ardita.abdiu@coe.int
<b>Telephone number:</b> Country code + city code + number	+ 33 3 88 41 20 00 + 33 3 88 41 26 29
<b>Fax number:</b> Country code + city code + number	+ 33 3 88 41 56 50
<b>Website of the Organisation</b>	www.coe.int

<sup>13</sup> This number is available to an organisation which registers its data in PADOR. For more information and to register, please visit [http://ec.europa.eu/europeaid/work/onlineservices/pador/index\\_en.htm](http://ec.europa.eu/europeaid/work/onlineservices/pador/index_en.htm)

<sup>14</sup> If the applicant has already signed a contract with the European Commission

<sup>15</sup> For organisations. If not in one of the countries listed in section 2.1.1 of the Guidelines, please justify its location

<sup>16</sup> For individuals. If not in one of the countries listed in section 2.1.1 of the Guidelines, please justify its location