



Progress. Work in progress.

*Financial disclosures and the way they shape
the legal and institutional
landscape*

Laura Stefan, Vienna, November 2017

Goals of the study

- Functionality of IADPOs
- Role and place in the anti-corruption strategy
- Impact on integrity in the public sector
- How to optimize the impact while making the process less bureaucratic
- Data exchange at international level

Objectives of IADPOs

- Prevention, identification, management and sanctioning of **conflict of interests** of public officials
- Monitoring of **wealth variations** of public officials and to facilitate the detection, investigation and prosecution of illicit enrichment or other sanctions against public officials;
- Transparency – as a complement to the two main objectives

Jurisdictions

- Armenia,
- Bosnia and Herzegovina
- Bulgaria,
- Chili,
- Croatia,
- France,
- FYROM,
- Georgia,
- Israel,
- Kyrgyzstan,
- Latvia,
- Lithuania,
- Mongolia
- Moldova,
- Montenegro,
- Romania,
- Serbia,
- Slovakia,
- Slovenia,
- Spain,
- Ukraine,
- USA

Developments

- legislative amendments based on practical challenges
- increase of the number of declarants – some countries require beneficial ownership too
- Coverage of family/close relatives – how far should this go, impact of various matrimonial regimes, de facto partners

Developments

- increase of items (assets and interests) to be declared – assets held abroad too
- Voluntary disclosure in addition to legal requirements
- Electronic submission vs paper based submission (electronic signature)
- Periodicity – the “significant difference” threshold
- Ad-hoc disclosure – conflicts of interests

Developments - publication

- all disclosures/certain categories of officials
- what is personal information?
- Information related to family members/spouse/de facto spouse
- When – before or after checks?
Liability for irregularities

Developments - verification

- Formal check – submission + all fields filled in
- Verification by reference to previous disclosures
- Verification by reference to other data bases
- In-depth verification of disclosure

Verification - challenges

- Availability of data – interconnection with other databases
- Accuracy of data held by other institutions
- Levels of access to data
- Access to data on assets held abroad – need for an international instrument to improve data-sharing

Verification - challenges

- One structure or several
- Inter-institutional cooperation
 - Tax authorities
 - Disciplinary mechanisms
 - Courts
 - Prosecutors
- Duration of verification vs duration of the mandate

Verification - sanctions

- Fines
- Disciplinary sanctions – including dismissal
- Confiscation of unjustified enrichment
- Annulment of acts signed in conflict of interests
- Criminal sanctions – conflict of interests and illicit enrichment

Efficiency

- Specialized agencies – financial and human resources vs tasks to be handled
- Compliance rate
- Sanctions applied
- Feedback in design of anticorruption strategies and policies
- Impact on integrity in the public sector