



Working Table III Meeting

Sofia, 17 May 2005

STABILITY PACT ANTI-CORRUPTION INITIATIVE PROGRESS REPORT

Under the Stability Pact Anti-corruption Initiative, the countries of South-eastern Europe have committed themselves to legal and institutional reforms and the international community has pledged to support the countries of the region in this effort. The central role in SPAI is played by **the regional partners** that have committed themselves to carry out reforms within the five pillars under the SPAI Compact:

1. Adoption and implementation of European and other international instruments
2. Promotion of good governance and reliable public administrations
3. Strengthening of legislation and promotion of the rule of law
4. Promotion of transparency and integrity in business operations
5. Promotion of an active civil society.

DIRECT AND CONSTANT COMUNICATION WITH THE REGIONAL MEMBER COUNTRIES

REGIONAL TOUR of the SPAI Regional Secretariat Liaison Office (RSLO)

During February and March, SPAI RSLO team conducted a regional tour that involved all SPAI member countries. RSLO's Executive Secretary **Mr. Veselin Sukovic** and Anticorruption Expert **Mr. Cornel – Virgiliu Calinescu** participated within a series of bilateral meetings and roundtables aiming to ensure a regional dissemination of the recent developments within the SPAI framework. Furthermore, the purpose of the tour was to establish direct contacts with the main institutions and organizations involved in the fight against corruption and to identify together practical ways of cooperating in implementing the SPAI Strategy and SPAI RSLO Workplan for 2005. The expert coordinating the initiative from the Secretariat of the Working Table III assisted the regional team and participated in one of the c

During the tour the following topics have been analysed:

ALBANIA

- Within the 22nd GRECO Plenary Session (14 - 18 March 2005) was adopted the second evaluation report for Albania. This report is going to be made public.
- The Parliament adopted in April 2005 the Law "On the prevention of **Conflicts of Interest** in the exercise of public functions"
- The Parliament currently debates the draft laws on **criminal liability of legal persons** and the draft law for the **amendments of the law ratifying the Criminal Convention against Corruption**, lifting some unnecessary reserves;
- The draft **Anticorruption Strategy** developed under the PACO IMPACT program and translated into the **Action Plan for the Prevention and Fight against Corruption**

- **2005**, has been adopted by the Council of Ministers in March 2005;
- The Albanian Public television and the Anticorruption Monitoring Unit will start the necessary procedures for ensuring the broadcast of the **UN anticorruption clip promoted by RSLO**;
- World Bank in cooperation with Foreign Investment Advocacy Service (FIAS) is preparing a self-evaluation report serving to revise the Action Plan on **“reduction of Administrative Barriers towards investments”**, based on a recent survey conducted in Albania.

BOSNIA AND HERZEGOVINA

- The regional tour conducted by the SPAI RSLO team finished with a public debate organized in **Sarajevo, March 11, 2005**. The event organized in cooperation with Ministry of Security brought together representatives of **public authorities, NGOs, international organizations and mass media**.
- BiH authorities are currently assessing the possibility of establishing a **specialized anticorruption governmental body**.
- Within a **SPAI project** implemented by TI BIH the **Legal Aid Center** received up to **4000 calls** regarding suspected cases of corruption. Out of these **7 corruption cases were prosecuted** and **one person was finally convicted**

CROATIA

- **Croatian Parliament has ratified the UN Convention against Corruption.**
- **A draft law on the Office for Prevention of Corruption and Organized Crime is under parliamentary debates.** The draft law aims to strengthen the institutional capacity of the Office by strictly regulating competences on preventive and educational areas, providing access to information related to bank secrecy, creating a new department for international cooperation and joint investigation.
- **A multidisciplinary workgroup is currently drafting the national strategy against corruption.**
- The Croatian Minister of Justice has designated **Ms. Ljubinka Šebetovsky, as the new SPAI senior representative and member of the SPAI Steering Group** (Contact info: Ljubinka.Sebetovsky@pravosudje.hr).

MACEDONIA

- It is envisaged that FYR Macedonia will sign the **UN Convention against Corruption** during the first half of the year and will take all necessary measures in order to ratify it by the end of 2005;
- **The Witness protection law** is to be enacted by the Parliament during the first half of 2005;
- A multidisciplinary working group is tasked to identify and to propose legislative amendments in order to **reduce the discretionary powers of the high level public officials**;
- A multidisciplinary working group for Constitutional reform has been established as a precondition for setting up a legal framework for undergoing judiciary reform;
- According to the authorities **15 out of 17 GRECO recommendations** are fully or partially implemented;
- Within the Custom Office is operational an Info line (**tel. 197**) to declare **smuggling and corruption in customs**;
- Within the Revenue Public Office is also an operational **open line(198)** to declare tax evasion and corruption in the tax administration, and in the Ministry of Interior-an **open line (199)**.

MONTENEGRO

- The **National Program against Organized Crime and Corruption**, developed with assistance from Council of Europe's experts, is about to be adopted;
- The draft laws on **Police** and **National Security Agency** are expected to be adopted in the Montenegrin Parliament during May 2005;
- The amendments for the **Public Procurement Law** are in preparatory stages, while the changes and amendments to the **Law on Prevention of Money Laundering** were adopted in March 2005;
- The **Agenda for Economic Reforms for Republic of Montenegro 2002-2007** was adopted in April 2005, as the further elaboration of the document adopted in 2003;
- Serbia and Montenegro signed the **Council of Europe Civil law convention on corruption**.

MOLDOVA

- Moldova signed the **UN convention against Corruption** in 2004 and is undertaking all necessary steps in order to ratify it in the first half of the year;
- In February 2005, by Presidential Decree it was established the **National Working Group for Monitoring** the implementation of the National Anticorruption Strategy and Action Plan. (24 members representing public institutions and civil society);
- The **Law on Fighting Money Laundering** was recently amended by incriminating also the terrorism financing;
- Within the Center for Combating Economic Crimes and Corruption it will be established a **division specialized on preventing corruption**;
- **ABA CEELI** is currently implementing a **SPAI project** focusing on **reducing corruption in court management system**. Within this project a specialized software for case tracking and management system was developed;
- **Council of Europe** initiated a **pilot project on fighting corruption** in partnership with the Center for Combating Economic Crimes and Corruption;
- **Council of Europe** experts are reviewing the draft laws on amending the **Criminal Code and Criminal Procedure Code**;
- An **expert working group** is analyzing the possibility of amending the procedural laws in order to introduce the **plea bargaining procedure**;

ROMANIA

- The **new anticorruption strategy** was adopted in March; prior to this an **independent assessment** regarding the impact of the first National Strategy (2001-2004) had been released by **Freedom House**, an active American NGO in this field;
- According to the **National Security Strategy**, corruption has become a direct threat and, therefore, a task for the President (and its staff) as Chairman of the National Supreme Defence Council;
- The Government has recently promoted a **new law on assets declaration** and it is under Parliament debate. The new system introduces the one of the most strict control regime in Europe.
- **UK** appointed a **senior advisor** on anticorruption within the Cabinet of the Romanian President;
- According to **GRECO** recommendation, the legislation was amended in order to **eliminate the immunity** of former high governmental officials (EO 4/2005);
- **TI Romania** released, the annual report of the **Advocacy and Legal Advice Center** (SPAI project for civil society)
- Romanian authorities have designated a **new SPAI senior representative, Ms. Laura Stefan**, Director within the Ministry of Justice, Directorate for the Relation with

the Public Ministry, Crime Prevention and Anticorruption (contact info: laura.stefan@just.ro)

SERBIA

- **The National Anticorruption Strategy**, developed under PACO IMPACT Program, is expected to be adopted by Parliament by the end of the year;
- **The Strategy for administrative reform** was already adopted by the Government and **the new strategy to fight Organized Crime is drafted**;
- A Working group for drafting the **law on anti-corruption body** was recently established;
- Serbia and Montenegro signed the **Council of Europe Civil law convention on corruption**;
- The new **draft law** on fighting money laundering and financing terrorism is under Parliament debate;
- In March the Judge association organized a roundtable regarding the **corruption within judiciary**;
- Starting with February the **SEEPAG Secretariat** is operational in Belgrade and ready to work with SPAI RSLO on regional projects.

As part of the support that Stability Pact has offered for the new Romanian authorities in their efforts towards EU accession, on 14th of April 2005 the SPAI Chairman, Professor Ugo DRAETTA, met the officials involved in judicial reform and fight against corruption.

Outcomes

- Romanian authorities requested **SPAI support in achieving the goals of the new Anticorruption Strategy** with focus on the components regarding the international cooperation and specialized training for magistrates, prosecutors, law enforcement, public officials;
- Following the agreement reached with the National Institute of Magistracy, SPAI RSLO will assess the possibility of developing a **joint training project for the junior prosecutors and judges from SEE countries**;
- The General Prosecutor welcomed and supported the proposal to have an increased contribution to the regional network of the prosecutors and to host **study visits in Romania for the anticorruption prosecutors** from the SPAI member countries;
- Romanian Minister of Justice, **Ms. Monica Macovei** confirmed the participation to the ministerial meeting organized by SPAI, in May 2005, in Brussels and her full support for the SPAI projects, including the financing of internship programs within the RSLO.

SPAI PROVIDES THE POLICY MAKERS AND EXPERTS OF THE REGION WITH A HIGH LEVEL FORA FOR EXCHANGING INFORMATION AND SHARING BEST PRACTICES

The Office of the Special Coordinator of the Stability Pact and the **Stability Pact Anticorruption Initiative - Regional Secretariat**, in close cooperation with the partner organizations have organized an **Anticorruption Expert and Ministerial Conference** in Brussels, May 11 - 12.

The **main overall objective** of the high level meeting is to discuss and identify **common and practical measures** to curb corruption in the participating countries of South Eastern Europe, with focus on **improving business environment**.

The specific objectives of the meeting are to:

- Discuss the **costs of corruption** for the business and investment environment in countries of South Eastern Europe and identify **practical solutions** for further improvement;
- Endorse at ministerial level the **joint declaration on measures to curb corruption** in the countries of South Eastern Europe.

It is envisaged that during the Meeting on May 12, 2005, the ministers coordinating anticorruption activities will endorse a **declaration on joint measures to be taken on short and medium term**. The declaration will take into account requirements of international conventions, recommendations to the SEE countries and the existing regional co-operation initiatives, including the London Statement on organized crime (November 2002), Thessaloniki Declaration on Western Balkans (June 2003), SEECF Joint Statement on Fighting Organized Crime and Corruption (May 2004) and the EU Presidency Statement on Western Balkans (December 2004). In addition, the declaration will draw on the findings of the SPAI RSLO regional tour and OECD scoping paper on International Co-operation to Fight Corruption in South Eastern Europe: Achievements, Lessons Learned and Future Challenges.