



EUROPEAN
ENDOWMENT OF DEMOCRACY

Eastern Neighbourhood and Corruption: Engaging Civil Society in Monitoring Conflict of Interests

In the beginning there was a Word...

Conflict of Interest (CoI) is a wide spread phenomenon in Eastern Partnership countries. In fact, an unsolved situation of CoI presents an open gate to corruption. The idea of engaging civil society organisations in monitoring CoI was born during one of the Eastern Partnership Civil Society Forums, when TI-Moldova presented its monitoring results to the members of the Anti-corruption subgroup of WG1 and all participants in the meeting expressed their interest to apply the Moldovan methodology in their own countries.

... then Action followed

In this Action, six partner NGOs from Armenia, Moldova, Poland and Ukraine (TI-Moldova, Stefan Batory Foundation, TI-Armenia, Eurasia Partnership Foundation – Armenia, TI-Ukraine and the Ukrainian Institute for Public Policies) called their governments to align to European values and standards related to CoI policies. These values and standards are expressed in two main documents - *the Council of Europe's Recommendation on Codes of Conduct for Public Officials* adopted on 11 May 2000 and *the OECD Guidelines for Managing Conflict of Interest in the Public Service* endorsed in the form of a Council Recommendation in June 2003. Using the provisions of these documents as guidelines for Eastern European countries, the partner NGOs focused on advocating for the adoption and implementation of CoI policies, and monitoring their application in a joint effort.

At the opening stage of the Action the partner NGOs increased their knowledge on the national and international legal framework regulating CoI policies. The gained know-how was applied to monitor conflicts of interest in central and local public administration.

In the first year of the implementation of the project, the monitoring process had an exhaustive character and included several stages:

- acquiring expertise on the national legal frameworks and elaborating concrete proposals for its improvement for each country;
- carrying out opinion polls among public servants from the monitored central institutions to measure their awareness about CoI, evaluate the practices applied in their institutions and identify the subdivisions with the highest risk of CoI;
- submitting official requests of information to heads of the monitored institutions to compare the results with the opinion of ordinary public servants;
- conducting focus-groups with experts in the field, PR persons, law-enforcement institutions and other relevant institutions to elaborate concrete policy proposals.

The monitoring process was accompanied by extensive public awareness and advocacy campaigns.

In the second year of the implementation the partner NGOs trained local NGOs in four countries, providing them small grants and assisting in monitoring CoI in local public institutions.

The acquired *expertise on legal framework* that regulates CoI policy proved that in none of the four countries the legal framework is perfect. Policy recommendations varied from creating specialised institutions in charge for CoI policies in Armenia and Ukraine to concrete recommendations to improve the mechanism of the policy implementation in Moldova and Poland.

In all four countries 1151 public servants from 42 central public institutions were interviewed within an *opinion poll*. The results show that CoI is a common phenomenon in all four countries. The majority of respondents indicated that CoI situations are frequent. The awareness about CoI policy among public servants is low and frequently CoI is not considered an obstacle for decision-making. A considerable part of public servants perceives personal interests as something negative, which may lead to hiding both, interests and CoI situations. Even if in the majority of countries the legislation contains post-engagement restrictions, a considerable part of public servants is not aware of their existence. Moreover, a mechanism to follow up on the implementation of such restrictions after quitting the job is weak or generally absent. In all four countries the law enforcement institutions do little to identify CoI situations and apply sanctions to the law breakers.

To compare the opinions of the public servants and the ones of the heads of the monitored institutions vis-à-vis the spread of CoI situations and the quality of applied CoI policies *official requests of information* were submitted to 51 central public institutions. The public institutions had to provide information on the existence of a CoI regulatory framework in the institution, existing procedures of reporting conflicts of interest, employees' familiarization with the CoI policy, existence of information/complaints on violation of rules of conduct, problems in applying the policy on handling CoI and applying sanctions.

The results prove that the heads of these institutions are more optimistic than their employees about the quality of CoI policies applied in their institutions. The evaluation of the quality of applied policy of CoI, a ranking of public institutions were made and proposals on improving the implementation of the policy were worked out.

To complement the quantitative results with a qualitative analysis, *focus groups* with the participation of the relevant experts from academic media and civil society, representatives of monitored public institutions and related law enforcement institutions were organised in all four countries. Focus groups allowed elaboration of concrete *policy recommendations* to improve the quality of the CoI policy in each country. The recommendations varied from one country to another, but were axed on establishing a body in charge for the implementation of CoI policies, defining a list of persons the policy is applied to, unifying the process of declaration of interests with the declarations of incomes and assets, digitalizing the declaration and control process, providing exchange of information between homologue institutions in the EU and EaP countries, increasing public awareness on CoI, establishing clear and proportional sanctions for law breakers, consolidating the capacities of public institutions to identify CoIs and apply sanctions.



In the second year of the implementation of the Action the partner NGOs trained 66 local NGOs and provided 10 small grants to monitor CoI in local public administration. As a result of their monitoring local NGOs identified more than 60 cases of conflict of interests. The cases were used to conduct awareness campaign on the threat of CoI for the spread of corruption and the losses CoI may cause. In countries where CoI is an enforced policy, the cases of CoI were passed to the related law enforcement institutions. Thus, the 5 cases of CoI at local level in Moldova were passed to the National Integrity Commission (the authority supervising CoI policy). For each of the identified CoI cases, the Commission opened investigations.

To increase public awareness on CoI policies and advocate for better CoI policies, more than 80 events were organised (press-conferences, rounds tables, seminars, anti-corruption days in summer camps) with the participation of about 3000 people. Informative leaflets were issued, interviews were given to TV and radio channels, posters were printed and a video-spot was broadcasted. In Poland the beneficiaries were provided with educational publications and with an on-line quiz illustrating how to conduct in typical CoI cases.

What is the value added?

The results of the project are multiple: an international network of NGOs able to monitor CoIs, come with solutions and join the efforts to advocate for better CoI policies in EU and EaP countries was created. Each of these NGOs became a flagship organisation among civil society at national level in the field of CoI policy; Investigative journalism and mass-media became long-standing partners capable to investigate concrete cases of CoI and involve broad public into debates around the issue of CoI. Awareness about the threat of CoI has increased among public servants and civil society and tolerance to CoI has diminished.

With the participation of the partner NGOs the legal framework regulating CoI has been adopted in Ukraine and is been discussed in Moldova. The draft package of law on the National Integrity System that includes provisions to improve CoI policy has been elaborated, but, unfortunately not approved in the last meeting of the Government. In Poland the monitoring report was met with interests by the decision makers. They shared the recommendations with their homologue institutions from Macedonia. In Armenia, NGOs developed a comprehensive analysis of legislation and presented the gaps and deficiencies to a wide group of stakeholders to advocate for a better legal framework regarding CoI. The conflict of interest situations identified by the NGOs added to the volume of information about the shortcomings of the system and practices at the local level. Some local NGOs from Moldova created volunteer Monitoring Councils that participate in the meetings of local public administration and do not allow persons having conflicts of interest participate in the decision making process, they elaborated a draft regulation on ensuring transparency in local public administration, proposed amendments to the ToRs clauses on CoI for local Councils. First cases of CoI identified by local NGOs were passed to the law enforcement institutions in Ukraine and Moldova. First investigations were opened against law breakers. First sanctions were applied.

Still a long way to go

In all four countries there is still a long way to go to ensure effective implementation of CoI policies:

Moldova has to adopt the package of laws on the National Integrity System – a series of CSOs alliances and platforms calls the Moldovan Government to approve the draft package and pass it to the Parliament for adoption, but resistance from corrupt decision makers remains strong.

Armenian NGOs currently negotiate with the government on the possibility of amending the legislation and invite the international organizations to support the public service reform. The Polish Government Programme against Corruption for the years 2014-2019 recognizes CoI as the one of the most serious corruption-generating threats. Counteracting mechanisms and educational trainings are expected to implement by central institutions such as ministries or the Head of Civil Service. These strategies and promises should be executed under attentive control of civic organizations.

In Ukraine the adoption of the Law on prevention of corruption and the Law on the National Anti-corruption Bureau will need the establishment of an effective mechanism for their implementation. In all four countries follow up actions are needed and monitoring needs to go on.



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