



## **PROGRESS REPORT**

WORKING TABLE III MEETING  
Prague, November 15, 2005

### **1. OUTCOMES OF THE EXPERT AND MINISTERIAL CONFERENCE ON MEASURES TO CURB CORRUPTION IN SOUTH EASTERN EUROPE**

The *Ministerial Conference on Joint Measures to Curb Corruption in South-eastern Europe* (SEE) took place in Brussels at the European Parliament on May 11-12 2005. The meeting was attended by Ministers of Justice and senior representatives from the regional partners as well as high level officials from international community. Among them the Special Coordinator of the Stability Pact, European Commissioner on Justice and Home Affairs, US Ambassador to EU, SPAI Chairman, GRECO Chairman, SPOC Chairman, Chairman of the Board of Transparency International, directors from US State Department, Austrian Ministry of Interior, World Bank, OECD, Council of Europe, USAID, ABA/CEELI, OSCE.

Furthermore, business community was represented by well known entities such General Electric, International Chamber of Commerce, Centre for International Private Enterprises, ABB Europe, together with the International Organizations of Employers and European Trade Union Confederation.

This event was organized by the Office of the Special Coordinator of the Stability Pact, the Regional Secretariat of the Stability Pact Anti-Corruption Initiative (SPAI RSLO) in close cooperation with USAID and ABA/CEELI and other international partners.

The main overall objective of the high level meeting was 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.

Furthermore, the specific objectives of the meeting were achieved as the meeting provided the framework for dialogue between the business community and the governmental representatives. Participants approached the issue of the costs of corruption for the business and investment environment in countries of South Eastern Europe and jointly identified practical solutions for further improvement; these recommendations for practical solutions were included within the final document of the Conference approved and signed within the second day meeting. All 8 participating ministers endorsed the declaration on 10 joint measures to curb corruption in the countries of South Eastern Europe (<http://www.stabilitypact.org/anticorruption/WTIIIdeclaration%20SPAISP%20version.pdf>). The measures are focussing on impact oriented actions dealing with improvement of the business environment, integrity standards in public administration and judiciary, as well as promoting transparency and a more pre-eminent role of the civil society in the fight against corruption.

### **2. SPAI CHAIRMAN'S HIGH LEVEL MEETINGS**

On 20<sup>th</sup> of September, within the framework of an international event<sup>1</sup> organised within the SPAI framework, Professor Ugo Draetta, the SPAI Chairman, had a bilateral meeting with Mr. Zoran Stojkovic, Minister of Justice. Also, during the Conference the SPAI Chairman had a tête-à-tête conversation with Mr. Vojislav Kostunica, the Serbian Prime Minister. This type of meetings is

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<sup>1</sup> The International Conference on "Promoting Incorporation of International Anti-Corruption Standards into Serbian Legislation" (organized by SPAI RSLO in cooperation with OSCE and Serbian Ministry of Justice)



continuing the series of meetings with high-level authorities from the SPAI regional member countries, initiated in April 2005 when the SPAI Chairman visited Romania.

Within the bilateral discussions the SPAI Chairman stressed the need of continuing the reforms within the Justice and Home Affairs areas, especially efforts regarding fighting organized crime and corruption. Professor Draetta reiterated the support of the Initiative for the implementation of anticorruption measures in Serbia and highlighted the importance of putting into practice the commitments endorsed recently within the Ministerial Conference organized in May, in Brussels.

On November 7<sup>th</sup> the SPAI Chairman also met in Sofia with the Bulgarian Deputy Minister of Justice, the General Prosecutor and the Secretary of the National Anticorruption Commission. The discussions, organised within the context of the joint activities UNODC - SPAI – OSCE (see point 5), approached the practical steps for further involving Bulgaria within the activities carried out by the Stability Pact's Anticorruption Initiative.

### **3. STRATEGIC PLANNING SESSION WITH THE SPAI SENIOR REPRESENTATIVES**

SPAI RSLO organized on October 3-4, 2005, in Sarajevo an informal working gathering with the SPAI senior representatives. The meeting focused on strengthening the cooperation and communication between the Regional Secretariat and the senior representatives and, also, on drafting the Plan for activities within the SPAI framework 2006 - 2007.

The Regional Secretariat together with the senior representatives presented the new Plan for 2006 – 2007 within the 9<sup>th</sup> SPAI Steering Group meeting.

### **4. SPAI STEERING GROUP MEETING**

The 9<sup>th</sup> SPAI Steering Group Meeting took place on November 4-5, 2005 in Ohrid with the participation of the SPAI senior representatives, partner organizations and donor countries.

In the first working day the participants shared experiences and information on the progress made in achieving the objectives of the Initiative with focus on the implementation of the 10 Joint measures to curb corruption in SEE.

During the second day, the Steering Group discussed and approved the Plan for activities within the SPAI framework for 2006 – 2007. The plan covers all three levels of the initiative by addressing punctually the objectives and activities for the next 2 years:

- *SPAI level activities* (SPAI SG MTG, SPAI Chairman, SPAI annual award, SPAI Resource Center, Cooperation with SPAI partners)
- *National Level activities* (priorities in implementing the Brussels Declaration and national/regional events planned together with RSLO)
- *RSLO's activities* (national and regional events, twinning type activities, regional tour, internship program, summer school)

The SPAI Steering group also approved the rules and principles for establishing the SPAI Annual award.

### **5. THEMATIC ACTIVITIES ORGANISED WITHIN THE SPAI FRAMEWORK**

- *Regional Thematic Seminar on Application of Treaty Law, COE and UN Conventions against Corruption, 10-11. June, Durres, Albania.*

SPAI RSLO organized in cooperation with the Council of Europe a Regional Thematic Seminar on Application of Treaty Law, COE and UN Conventions against Corruption, 10-11. June, Durres, Albania. The event, component of the PACO Impact Program implemented by



the Council of Europe was dedicated to the experts in treaty law and addressed the mandatory steps that are to be taken by the countries of the region in implementing the UN Convention against Corruption and Council of Europe Civil and Criminal Law Convention.

- *Conference “Promoting Incorporation of International Anti-Corruption Standards into Serbian Legislation”, Belgrade, Serbia - 20-21 September, 2005*

The conference, held on 20-21 September in Belgrade and attended by 140 participants, was opened by Prime Minister Vojislav Kostunica, Minister of Justice Zoran Stojkovic, Ambassador Maurizio Massari, Head of OSCE Mission to Serbia and Montenegro, H.E. Hugues Pernet, Ambassador of the Republic of France to Serbia and Montenegro and Prof. Ugo Draetta, SPAI Chairman. It was organized by the OSCE Mission to Serbia and Montenegro and the Ministry of Justice of the Republic of Serbia, in co-operation with the Stability Pact Anti-Corruption Initiative/Regional Secretariat Liaison Office (SPAI/RSLO).

During the Conference it was underlined that all international anti-corruption instruments adopted in the past ten years are now framing a comprehensive set of standards that help legislators and policy-makers to design their legislation and improve their practices in accordance with good governance principles. The necessity of co-ordination among the international organizations active in the anti-corruption field was highlighted as well.

Second, the progress of the Republic of Serbia in adopting some crucial anti-corruption legislation was stressed: during the past few years, fields of public procurement, financing of political parties, prevention of conflict of interest and free access to public information have been regulated by new legislation. Currently, the National Anti-Corruption Strategy and the Criminal Code are pending for adoption. The Law on Establishing a Specialized Anti-Corruption Body and the Law on a Supreme Audit Institution are being finalized. Remaining loopholes in the Serbian legislation and some difficulties in implementation were highlighted by experts and practitioners, in particular in the field of criminalization and effective investigating, prosecuting and sanctioning of corruption-related offences.

As main conclusion, the conference participants urged the Parliament of the State Union of SaM to ratify as soon as possible the UN Convention against Corruption, Council of Europe Civil Law Convention and Additional Protocol to the Council of Europe Criminal Law Convention on Corruption. In parallel they urged the Republic of Serbia to further harmonize legislation and practices with international anti-corruption standards.

- *Regional Conference on Efficient Implementation of European Standards in Public Procurement: Legislative Framework and Best Practices, Becici, Republic of Montenegro – Septemeber 23 – 24, 2005*

During September 24 and 25<sup>th</sup>, SPAI RSLO, in cooperation with OSCE Mission in Serbia and Montenegro, Office in Podgorica and the Public Procurement Commission from Montenegro, organized in Montenegro a Regional Conference on Efficient Implementation of European Standards in Public Procurement: Legislative Framework and Best Practices.

The meeting was formally opened by Mr. Miroslav Ivanisevic, Deputy Prime Minister, Republic of Montenegro. Also, keynote speeches were addressed by Ambassador Paraschiva Badescu, Head of the OSCE Office in Podgorica, Dr. Ray Kirkland, Regional Director, USAID, Veselin Sukovic, Executive Secretary, SPAI RSLO and Marko Lazarevic, President of Public Procurement Commission of the Republic of Montenegro.

This regional event brought together more than 60 experts in public procurement, policy makers and representatives of the judiciary from the region and provided the opportunity to share best practices and experiences, successes and failures. Participants represented acceding and candidate countries (Croatia and Romania) and potential candidate countries



(Albania, Bosnia and Herzegovina, Macedonia, Serbia and Montenegro). Furthermore, experts from Slovenia, OECD, UNDP, USAID and American Bar Association CEELI program attended the Conference.

The topics discussed were:

- the implementation of European Standards in Public Procurement (Directive 2004/17 EC and Directive 2004/18 EC),
- the current case law in EU countries,
- best practices in the SPAI countries,
- implementation of e-procurement and e-governance projects.

The Conference constituted a final step in drafting the new Montenegrin law on public procurement. With this occasion all participants provided valuable inputs that will be incorporated by the Drafting Committee within the final version of the law.

The Conference also brought into attention the possible links between the public procurement systems and their vulnerability to corruption. A special panel designed and moderated by RSLO representatives discussed about the most efficient measures to be adopted, the importance of prevention and repression of corruption public procurement, victims of corruption and available channels for complaints and reparation of damages, sanctions and possible liability of the legal persons. The active participation of the experts and the interest showed for this topic entitles RSLO to analyze the possibility of organizing a Regional Conference dedicated to the vulnerable points and risk factors for corruption within public procurement.

- *Back to back events in Sofia, Bulgaria – November 7 – 11, 2005*

Between November 7 and 11 UNODC in cooperation with SPAI RSLO and OSCE organized back to back meetings attended by over 100 participants from 27 countries:

- Pre-ratification conference on UN Convention against Corruption and
- Special prosecutorial training session on anti-corruption prosecutions, specifically on asset forfeiture, asset recovery and international cooperation.

The events provided forum for discussion and an opportunity to review progress made towards ratification and implementation of the Convention against Corruption in Eastern European and Central Asian States. The Seminar facilitated dialogue, mutually reinforcing the domestic efforts of States and giving the opportunity to learn from other States.

During the UN Pre-ratification event a general framework was developed for legislative reform and measures that could be taken towards the speedy ratification of or accession to the United Nations Convention against Corruption, as appropriate. The report of the Seminar will contain guidelines and other necessary measures for the achievement of this objective.

The second event was a two-day training of specialized prosecutors on **anti-corruption case work**. The training aimed at building capacity of specialized prosecutors handling corruption cases on a regular basis.

<b>6. JOINT TRAINING WEEK FOR ANTICORRUPTION PROSECUTORS - STUDY VISIT OF MONTENEGRIN PROSECUTORS TO USKOK, ZAGREB, CROATIA – SEPTEMBER 4 – 10, 2005</b>
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During September 2005, SPAI RSLO initiated the pilot project designed to ensure networking and exchange of experiences among anticorruption prosecutors in the region.



The first stage of this project included a study visit of a team of Montenegrin prosecutors to the Croatian Prosecutor's Office Specialized on Countering Organized Crime and Corruption (USKOK). The event took place in Zagreb, Croatia, during 4th and 10th of September 2005, within the USKOK premises.

The meeting benefited of the high level participation of the State General Prosecutors from the two countries, Mrs. Vesna Medenica – Republic of Montenegro and Mladen Bajic – Croatia as well as the of the chiefs special prosecutors fighting organized crime and corruption – Mrs. Stojanka Radovic - Republic of Montenegro and Mr. Zeljko Zganjer - Croatia.

During the entire week the two teams of prosecutors exchanged information regarding the establishment of the special anticorruption unit, relevant legislation in place, special investigation means available, as well as their practical experiences in investigating and prosecuting complex corruption cases. The pragmatic approach adopted by the prosecutors proved to be fruitful and ensured the creation of a real working environment.

Within the conclusion of the meeting the participants expressed their openness to further develop the communication between the two Offices and invited RSLO to consider the continuation of the current project by involving similar specialized bodies from the region. Also, as a way of ensuring the exchange of information among anticorruption prosecutors, the participants manifested their support to the idea of creating a joint booklet on „Sharing best practices in fighting high level corruption within SPAI countries”. A template of this booklet was developed by RSLO and distributed during the meeting.

## **7. NEXT EVENTS**

In December it is expected that all SPAI member countries will organise national events to mark the International Anticorruption Day (December 9th). RSLO will assist in the organization of two of these meetings in Sarajevo, Bosnia and Herzegovina and Chisinau, Moldova.

Furthermore, the Regional Secretariat will undertake all necessary measures in order to start implementing the Plan for activities within the SPAI Framework for 2006 -2007.