

Anti-corruption policy

Track record

The track record of **investigations, prosecutions and convictions in corruption cases** continued to develop. In 2014, a further 60 criminal investigations and prosecutions were added. While investigation, prosecution and first instance verdicts are usually swift, significant **delays can occur at the appeal stages** due to repeated referrals and re-examinations at first instance, notably in older cases started before improvements were made to the criminal procedure legislation. For cases which have reached the court stage the conviction versus acquittal rate is good and substantial prison sentences are regularly imposed. However, attention needs to be paid to the number of cases which are **dropped by the prosecution service** before reaching the court stage. In particular, it should be clarified whether this is due to problems in coordinating with the referring law enforcement agencies or in gathering sufficient evidence at the investigative stage. Most cases are referred to the prosecution service by the police and the State Commission for the Prevention of Corruption (SCPC). This shows the need for a more proactive approach also from other law enforcement and supervisory bodies, such as the Customs Administration, Financial Police, Financial Intelligence Unit, Public Revenue Office, State Audit Office and relevant public procurement bodies.

Of the 30 or so **high-level corruption cases** launched since 2003, half have been closed while the rest are still ongoing. Repeated appeals and lengthy proceedings are a problem. Moreover, the credibility of the track record in fighting high-level corruption is weakened by the failure to investigate serious allegations made against senior public officials. This includes allegations made in the recent interceptions scandal, which implicated several politicians.

Investigations of abuse of **public procurement** procedures remained limited in 2014.

In 2014, the Minister of Justice started suspending annual **political party financing** from the state budget for parties which had breached financial reporting rules in the last 3 years. Around 75 suspensions were imposed, but subsequently reversed for 18 political parties after they belatedly submitted the outstanding financial reports. No substantial fines have been imposed yet. A more credible supervision system and consistent track record of effective and dissuasive penalties, including fines against major political parties, still needs to be developed.

In 2014, the SCPC completed systematic checks on the **asset declarations** of 49 public officials and 73 incoming and outgoing mayors, as well as on the **statements of interest** of 152 judges and 91 prosecutors. It initiated 51 misdemeanour proceedings for failing to declare assets against mayors, judges, members of parliament and directors of state bodies and 22 for failing to submit statements of interest against judges and members of parliament. It also asked the Public Revenue Office to conduct asset examination procedures in 58 suspicious cases (an increase from 35 in 2013) and started 171 procedures to try to resolve conflicts of interest. The system for investigating and penalising undeclared assets is rather lengthy and the 75 % tax penalty has been imposed in only handful of cases so far. The SCPC's ability to fully implement the system of penalties for reporting failures is being undermined by courts failing to impose the levels of fines set out by law, releasing officials from liability on technical grounds or allowing protracted appeals in what should be simple administrative matters.

Institutional framework

Prevention measures

The **SCPC** received a 44 % budget increase to EUR 509 000 in 2015 but its capacity still needs to be strengthened. Above all, the SCPC needs to demonstrate its independence by fulfilling its mandate to fight corruption in a pro-active and non-selective manner. The number of complaints to the SCPC continued to drop in 2014, to only 141 (201 in 2013). This raises concern over the level of public trust and confidence in the SCPC.

The IT infrastructure of the **State Audit Office** was improved, however it still lacks the special IT tools needed to properly supervise the financing of political parties and election campaigns in line with its strengthened role in this area. Moreover, the unit responsible for carrying out this supervision remains under-staffed.

There is still no institution empowered to ensure effective and timely control and supervision of **public procurement**, concessions, public-private partnerships and execution of public contracts. No administrative penalty regime is yet envisaged for milder violations of the law and reports of corruption in public procurement are not tackled adequately. The transparency and accountability of public institutions and state enterprises, and of public expenditure, are still insufficient. The National Commission for the Protection of the Right to Free **Access to Public Information** remains passive, weak in status and focused on training rather than on systemic shortcomings in the area.

The Academy for Judges and Prosecutors, the SCPC and the Training Centre of the Ministry of Interior continued to provide various **anti-corruption training** programmes. More efforts should be made to raise public awareness of anti-corruption measures and the private sector should be systematically included in corruption-prevention activities.

Law enforcement

The budget of the **PPO** increased slightly to EUR 7 million in 2015. However, the resources earmarked for implementing the new Law on Criminal Procedure were reduced by 20 % to EUR 1.4 million. The roll-out of the PPO's electronic case management system, which would improve both its efficiency and integrity, has been delayed. The Ministry of Interior's Sector for the fight against corruption remains inadequately equipped and under-staffed, with 7 of the 19 posts yet to be filled.

The powers and resources of the police, the PPO, the courts and in particular the **Agency for Management of Confiscated Property** should be strengthened so that assets can be seized and confiscated more frequently and in a more coordinated manner in corruption cases, to ensure a deterrent effect. In particular, asset seizures and other provisional measures should be undertaken more systematically in the early stages of criminal investigations to ensure assets are successfully confiscated at the end of the procedure.

In 2014, the Ministry of Interior's **Sector for Internal Control and Professional Standards** (SICPS) started disciplinary procedures against 188 police officers (down from 277 in 2013), of which 11 cases related to corruption (12 in 2013). The procedures resulted in 9 officers being fined. The SICPS also started criminal proceedings in 11 corruption-related cases (6 in 2013). To ensure proper oversight of police work the SICPS should become independent from the Ministry of Interior.

The **Customs Administration** continued its anti-corruption work by adopting a corruption risk assessment manual, conducting internal and external surveys and organising anti-corruption training. It imposed disciplinary measures on 199 customs officials in 2014 (77 in 2013), of whom 4 were dismissed for corruption-related violations (none in 2013). Corruption-related criminal charges were brought against 5 customs officers in 2014 (none

in 2013). The customs administration should continue its anti-corruption efforts and should acquire technical equipment allowing it to independently carry out special investigative measures.

Legal framework

Amendments were made to the Law on Prevention of Corruption which introduced the necessary legal basis for the establishment of a register for elected and appointed persons. Bylaws on the register were adopted by the SCPC. An amendment to the Criminal Code refined the criminal offence of abuse in concluding an agreement between interested parties. However, a number of OSCE/ODIHR and GRECO recommendations on political party and campaign financing still need to be addressed. Loopholes on donations, campaign bank accounts and campaign debts still need to be closed. The powers of the SCPC to put an end to or penalise conflicts of interest in cases where the official concerned refuses to cooperate are currently inadequate.

Strategic framework

Important measures envisaged in the 2011–2015 state programmes for preventing corruption and conflicts of interest and their action plans are behind schedule, in particular those related to the political sector, the judiciary and public procurement. While many measures have been implemented, the overall impact of the state programmes has been limited in terms of controlling and reducing corruption. The state programmes for the next period need to have a higher status and legal force. They should also focus more on key priorities and weaknesses, rather than on excessive numbers of broad, technical measures with limited anti-corruption impact. The financial costs of individual measures and the bearers of those costs must be spelled out to ensure sufficient resources are allocated to the fight against corruption.