



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)
REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

SPAI RSLO's

NARRATIVE PROGRESS REPORT

JULY - AUGUST 2005

Sarajevo, BiH

October, 2005



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)
REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

Structure of the report

- I. INTRODUCTION*
- II. SPAI RSLO PROGRAMMATIC ACTIVITIES*
- III. SPAI RSLO ORGANISATIONAL DEVELOPMENT*
- IV. SPAI RSLO BILATERAL MEETINGS*
- V. STAFF DEVELOPMENT*



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

SPAI RSLO's NARRATIVE PROGRESS REPORT

JULY – SEPTEMBER 2005

I. INTRODUCTION

The first two months of the analyzed interval were dedicated to preparatory works for the activities to be conducted during the second half of the year. RSLO initiated negotiations with the national counterparts in order to identify the host country of the 9th SPAI Steering Group Meeting. Also following the conclusions of the Meeting in Durres, RSLO in cooperation with UNODC initiated discussions for jointly organizing a Regional Preratifcation Conference on Merida Convention.

In parallel with the technical aspects and arrangements RSLO initiated also the process for drafting the new Plan for activities within SPAI framework 2005 – 2007.

In September 2005 RSLO organized various anticorruption events involving specialized prosecutors, policy makers, governmental agencies and business community. Furthermore RSLO representatives had a very active role within activities initiated by the partner organizations.

The current report is analyzing the main activities conducted by the SPAI RSLO, highlighting, objective by objective, the activities carried out and the results achieved both in programmatic and organizational development areas.

The financial section of the report provides an **overview** of the SPAI RSLO's resources and expenses during the last three months.

II. PROGRAMATIC ACTIVITIES

The report under current section is structured in two parts:

- SPAI RSLO Programmatic objectives, activities and results
- SPAI partner activities and SPAI RSLO involvement



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

2.1. SPAI RSLO PROGRAMATIC OBJECTIVES ENVISAGED WITHIN THE SPAI RSLO WORKPLAN, ACTIVITIES CARRIED OUT AND THE RESULTS

Objective 1 – Supporting the process of adoption and implementation of the UN Convention against corruption by the SPAI COUNTRIES

Objective 1.2 - Identifying the additional follow-up activities

Preratification Conference on UN Convention against Corruption

- UNODC advanced a proposal to RSLO to co-organize a **Preratification Conference on UN Convention against Corruption**. The event will take place in Sofia, Bulgaria, November 7 – 11, 2005. According to the proposal RSLO will have to coordinate at regional level the preparations for the event including: selection of participants, identification of regional experts to cover related issues within the agenda, distribution of the invitations, registration of participants. As a back to back event UNODC also suggested to organize a training for the specialized prosecutors. For both events RSLO will have to cover costs related to the travel and accommodation of participants.
- This proposal represents a concrete follow up of the Treaty Law event organized by SPAI RSLO in cooperation with the Council of Europe in Durres, Albania.
- RSLO representatives will develop the Conference agenda together with the UNODC and OSCE (the third co organiser). According to the initial discussions SPAI will have an intervention within the Opening Session (SPAI Chairman confirmed his participation for this session) and also two interventions within panels regarding the regional cooperation (Executive Secretary and Anticorruption Expert).

Conference on Promoting Incorporation of International Anti-Corruption Standards into Serbian Legislation

- During September 2005 SPAI RSLO in cooperation with the OSCE Mission to Serbia and Montenegro and Serbian Ministry of Justice organized a **Conference on Promoting Incorporation of International Anti-Corruption Standards into Serbian Legislation** (Belgrade 20-21, 2005).
- Implementation of the Merida Convention was among the **main topics** of the Conference.
- SPAI was represented during the event by the **SPAI Chairman** as a moderator of the first day and **RSLO Executive Secretary** with a intervention within the panel "**SPAI Regional Anti-Corruption Co-ordinatory Mechanism**"

Objective 1.3 - UN Convention against corruption awareness campaign

- RSLO continued the cooperation with UNODC in promoting the Anticorruption video clips in the region;
- Still no further progress was notified by the SPAI countries in the process of promoting the video clips.



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

Objective 1.4 - Development of the “compliance matrix”

- Following the Joint event on Application of Treaty Law, organized in cooperation with the Council of Europe, all SPAI member countries provided inputs for the Comprehensive compliance matrix. RSLO requested the countries to continue the process of filling in the detailed version of the matrix.
- The first detailed compliance matrix was filled in by Moldova and Romania;
- For the Prer ratification Conference in Bulgaria, UNODC developed a similar matrix as a tool for gathering relevant information about the current anticorruption an legislation and institutional framework.

Objective 2 - Developing and coordinating a Regional Anticorruption Program for Raising Public Awareness

Objective 2.1 - Developing the project outline and fund raising

- Based on its experience in this area SPAI RSLO will reformulate this programmatic objective within the Plan for 2006-2007. RSLO will focus more on supporting existing initiatives and involving the national counterparts in developing further activities as video clips, posters banners etc. RSLO currently assesses the possibility of organizing in 2006 a Regional workshop regarding the anticorruption awareness campaigns –design, message and impact.

Objective 2.2 - Updating and distributing the SPAI gram

- SPAI RSLO distributed region wide the new published new presentation materials: folders, leaflets, notebooks, pencils;
- SPAI RSLO also issued and distributed region wide the annual SPAIgram and additional FLASH SPAIgrams covering the Regional Seminar organized in Durres, Albania, The Ministerial Conference organized in Brussels and the Public Procurement Conference organized in Becici;
- SPAI RSLO, Stability Pact Office of the Special Coordinator, ABA CEELI and USAID ensured a region wide distribution of the FLASH SPAIgram in electronic format and hardcopy.

Objective 2.3 - Maintaining and regularly updating the official web site of the SPAI

- the SPAIgram and additional updated information about SPAI and SPAI RSLO are available on internet at: www.spai-rslo.org and www.stabilitypact.org

Objective 3 - Sharing best practices in investigating, prosecuting and adjudicating high level corruption cases in SPAI Countries

Objective 3.2 - publishing a report on best practices in investigating, prosecuting and adjudicating high level corruption cases

- As no feedback and updated information were received from the countries with regard to content of the booklet RSLO is considering the possibility to postpone the editing of this booklet until 2006.



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

- A first chapter of the booklet will incorporate the results of the joint activities conducted by the State prosecutors from Montenegro and USKOK following the visit conducted to Zagreb in September 2005.

Objective 3.3 - identifying and implementing follow up activities based on the requests made by the SPAI countries

Fighting high level corruption in public procurement

- Based on a specific request received from Montenegro, RSLO organized, in September, the *Regional Conference on efficient implementation of European standards in public procurement: legislative framework and best practice*. The event was organized in cooperation with the OSCE Mission to Serbia and Montenegro and the Commission for Public Procurement of Montenegro. 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 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 importance of prevention and repression of corruption in public procurement, the most efficient measures to be adopted, 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.

Sharing experiences and best practices in prosecuting high level corruption cases

- During Septemeber 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 team of Montenegrin prosecutors to the Croatian Prosecutor's Office Specialized on Fighting Organized Crime and Corruption**. 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 very fruitful and ensured the creation of a real working



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

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.

Objective 4 - Assessment of the regional anticorruption needs and specific requirements

Objective 4.1 - Developing the template for gathering the information

- According to the decision of the 7th SPAI Steering Group, the Anticorruption expert developed the progress report template as a standard reporting tool. The template covers the information provided by SPAI countries during the previous 6 months, the latest developments (structured under the 5 SPAI pillars), *future activities in SPAI countries and the envisaged role of the SPAI RSLO.*

Objective 4.2 - Requesting and centralizing the information

- During the 8th SPAI Steering Group Meeting all member countries delivered progress reports but only 5 countries provided the information structured according to the template.
- As a first step in drafting the new Plan for 2006 – 2007 RSLO developed and circulated a template for gathering specific proposals from all Senior Representatives regarding events or activities to be organized in the next 2 years. Each Senior Representative was asked to make proposals for at least one national event per year and one regional event in two years. The proposals will be incorporated in the Draft plan for 2006 – 2007.

Objective 4.2 - Drafting the report on the findings of the assessment

- Complementing the Scoping paper which is still due to be published by OECD, SPAI RSLO conducted a regional tour aiming to gather the requests for assistance from the member countries. Following the on site visits of the RSLO's Executive Secretary and Anticorruption Expert, a series of pragmatic requests were addressed;
- The findings were fully incorporated within the Ministerial Declaration on Joint measures to curb corruption in SEE, signed by all SPAI countries in Brussels.



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

2.2 SPAI PARTNER ACTIVITIES AND SPAI RSLO INVOLVEMENT

1. **The Working Group Meeting of the Country Economic Team Leaders from SEE, Vienna, 5-6 July, 2005**

The event was hosted by the Ministry of Economy and Labour of the Federal Republic of Austria. The main purpose of the meeting was to discuss the new Investment Compact Monitoring System of economic reform implementation in SEE, the role of the Country Economic Team leaders, the functioning of the Country Economic Teams and the contribution of the private sector to the monitoring process.

2. **ABA CEELI Annual Meeting, Istanbul, 10-12 July, 2005**

SPAI RSLO received the invitation to attend the ABA CEELI Annual Meeting. The Anticorruption Expert represented RSLO and actively participated to the discussions within the anticorruption panels. During the presentations the RSLO representative provided updated information about the activities conducted in supporting the process of signing, ratifying and implementing the UN Convention against Corruption.

3. **Meeting with SIGMA / OECD and French Public Procurement Authorities, Paris, 19-23 July, 2005**

Representatives from RSLO, OSCE Mission to Serbia and Montenegro, and Public Procurement Commission of Montenegro attended the meeting with the French public procurement authorities. The event was hosted by OECD/SIGMA and included meetings with the French Public Procurement Commission (CEMP), Inter-ministerial Mission for Control of Public Procurement (MIEM) and TAIEX.

The event was organized with the purpose of addressing the issue of harmonizing the Montenegrin Public Procurement Law with EC Directives and providing the examples of the best European practice in the field of public procurement. The meeting was also a preparatory phase for the Regional Conference organized in September by RSLO, OSCE and the Public Procurement Commission from Montenegro.

4. **Alpe – Dunav – Adria REGIONAL ECONOMY FORUM, Zagreb, September 15-16, 2005**

The Regional Economic Forum brings together over 2000 participants representing the business community, NGOs, civil society and governmental representatives.

The RSLO Executive Secretary delivered a presentation within a special panel on relation between corruption and business environment.



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

III. ORGANISATIONAL DEVELOPMENT

This section includes information about the activities carried out by SPAI RSLO staff in order to ensure the efficient functioning and of the Office sustainability. The information is structured according to the five major objectives set forth within the SPAI RSLO WORKPLAN FOR 2004 – 2005.

OBJECTIVE 1– SPAI RSLO - THE SECRETARIAT OF SPAI

Objective 1.1 - Organization of the Steering Group Meetings;

- No Steering group meeting was scheduled during this interval;
- RSLO initiated negotiations with the potential host countries of the 9th SPAI Steering Group Meeting

Objective 1.2 - Implementing the decisions made by the Steering Group;

- Currently RSLO is taking the necessary measures in order to implement the decisions adopted by the Steering Group in Bucharest:
 - o **To organize SPAI High Level Meeting** in May – **achieved**
 - o **To further implement the Project on UN Convention against Corruption.** The following activities were conducted:
 - Monitoring the Sarajevo Calendar – **achieved**. The countries of the region commit themselves to sign, ratify and start implementing the UN Convention within one year (first measure within the Ministerial Declaration);
 - Compliance matrix – **work in progress**. The first questionnaire was developed and distributed. The countries are asked to provide detailed information about the legislative and institutional measures adopted regarding the preventive measures, criminalization and law. Moldova and Romania answered so far. Also, all SPAI countries provided inputs for the Comprehensive compliance matrix developed for the thematic Seminar on Treaty law; (see objective 1.2 and 1.4)
 - To organize follow up workshop – **achieved**. The treaty law workshop organized in June 10 – 11, 2005, Albania;
 - o **To further implement the Project on Fighting High Level Corruption.** The following activities were conducted:
 - RSLO requested the senior representatives to provide additional inputs for the booklet on best practices in fighting high level corruption in SPAI countries.
 - Follow up workshop – **achieved** - High level corruption cases in connection with the public procurement – September 2005.



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

- **To build the SPAI Anticorruption Resource Center - achieved.** RSLO is currently updating the following components:
 - ANTICORRUPTION LIBRARY
 - ANTICORRUPTION NETWORK
 - ANTICORRUPTION PROJECTS
 - ANTICORRUPTION CALENDAR
- To support draft the **Terms of reference for the Annual SPAI Award - work is in progress.**

Objective 1.3 - Monitoring the implementation of the work plan and of additional specific tasks and providing on regular bases progress reports to the Steering Group

- **Work in progress.** SPAI RSLO will draft the follow up Plan for 2006 – 2007. The document will be subject of approval during the 9th SPAI Steering group Meeting.
- Additionally, RSLO is providing the Chairman, Stability Pact WT III Director and SPAI partners with periodic updates on activities undertaken by the office.

Objective 1.4 - Taking over and maintaining the administrative and historical files of the SPAI - achieved.

Objective 2 - BUILDING THE NECESSARY INFRASTRUCTURE FOR DEVELOPING THE RESEARCH AND INFORMATION CENTRE

- In achieving this objective SPAI RSLO developed specific questionnaires and template reports which were distributed to the experts participating within the events organized by the Office.
- The information gathered is centralized by the Anticorruption Expert and structured according to the SPAI RSLO Workplan in the **Regional Anticorruption Resource Center**

Objective 3 - ENHANCING THE REGIONAL CAPACITIES TO COOPERATE AND INTERACT

Objective 3.1 - Organizing the Annual SPAI Conference

- The meeting was organized In Brussels, May 11-12 2005.

Objective 3.2 - Regional or national workshops

- RSLO organized two events in September
 - Conference on Promoting Incorporation of International Anti-Corruption Standards into Serbian Legislation (Belgrade, September 20-21, 2005);
 - Regional Conference on efficient implementation of European standards in public procurement: legislative framework and best practice (Becici, September 24 – 25, 2005).



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

Objective 3.2 - Regional exchange of anticorruption experts

- RSLO took organized the visit of the Montenegrin State Prosecutor's Office to the Anticorruption body from Croatia – USKOK. The visit took place in Zagreb, September 4 - 10, 2005.

Objective 4 - FUNDRAISING AND SUSTAINABILITY OF THE RSLO

Objective 4.1 - Identify fundable programs within RSLO's strategic portfolio

- According to the decision of the SPAI Steering Group, RSLO elaborated and submitted to potential donors a document containing areas within RSLO workplan that are requiring additional financial support. This areas are:
 - o *Law enforcement anticorruption trainings*
 - o *SPAI RSLO internship program*
 - o *Moldova delegation expenses for attending the SPAI RSLO events*
- Out of the above mentioned projects, the internship program received a positive answer from the Norwegian Government. Currently RSLO is waiting for the financial transfer.

Objective 4.4 - Engage in dialogue with potential donors, write and submit proposals

- Please see objective 4.1.

Objective 5 - INSTITUTION-BUILDING TRAINING PROGRAM

- NO training session was scheduled for this three months;

IV. BILATERAL MEETINGS

During the last three months SPAI RSLO Executive Secretary and Anticorruption Expert had a series of meetings with current and potential partners.

- **Meeting with DPPI representative, Sarajevo, September 14, 2005**

RSLO hosted a bilateral meeting with the executive Secretary of the newly established Secretariat in Sarajevo of DPPI.

The meeting was focused on sharing the RSLO experience in the process of its establishment in Sarajevo as a diplomatic mission.

- **Visit of the SPAI Chairman in Serbia**

Within the framework of an international event organised by the Initiative in Septemeber 2005, in Belgrade, Professor Ugo Draetta, the SPAI Chairman and the RSLO Executive Secretary, had a very fruitful side **bilateral meeting with Mr. Zoran Stojkovic, Serbian Minister of Justice**. Also, during the Conference the SPAI Chairman had a **brief conversation with Mr. Vojislav Kostunica, the Serbian Prime Minister**.



STABILITY PACT ANTI-CORRUPTION INITIATIVE (SPAI)

REGIONAL SECRETARIAT LIAISON OFFICE (RSLO)

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

- **Meeting with USAID representatives, Belgrade, September 19, 2005**

As a side meeting to the Anticorruption Conference in Serbia, RSLO Executive Secretary met with **USAID representatives in Belgrade**. The mutual conclusion was that, so far, USAID and RSLO had very fruitfull cooperation, which tend to further develop and intensify in the future as well. Executive Secretary informed the USAID representatives about RSLO next events and plans for 2006 – 2007.

V. STAFF DEVELOPMENT

RSLO Anticorruption Expert attended and graduated the courses of the Alpbach Summer School on European Integration - Alpbach, August 18 to September 2, 2005