The summary record was prepared by the ACN Secretariat. It summarises the discussion and decisions taken at the 23rd ACN Steering Group meeting on 5 July 2018. The document was adopted by the Steering Group on 22 March 2019.

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1. Opening

The 23rd ACN Steering Group Meeting took place on 5 July 2018, at the OECD Headquarters in Paris, back-to-back to the 19th Monitoring Meeting of the Istanbul Anti-Corruption Action Plan (see the meeting page here). Ms Gabriela Ramos, OECD Chief of Staff and Sherpa opened the meeting co-chaired by Mr Patrick Moulette, Head, OECD Anti-Corruption Division and Mrs Sintija Helviga – Eihvalde, Head of Strategic Communication and Education Group, Corruption Prevention and Combating Bureau, Latvia. The Steering Group adopted the summary record of the 22nd Steering Group meeting and the Agenda for the 23rd meeting.

2. ACN Activity Report 2017 with new indicators

Mrs. Olga Savran, the Manager of the ACN, presented the ACN 2017 Activity Report with the data collected according to the revised performance indicators. The new indicators are the result of the work of the working group formed during the last, 22nd Steering Group meeting. Mrs. Savran pointed out that the information from the countries was received with delay. In addition, she highlighted the challenges revealed as a result of data analysis showing that the result indicators on criminalisation of corruption are less problematic, policy and business integrity indicators need improvement and indicators on prevention of corruption need more work. In addition, decision needs to be made which impact indicators should be selected for the future reports, considering the available local surveys and data in the ACN countries.

The discussion addressed the discrepancies and possible flaws in the provided data (Azerbaijan), areas, where data should be made more consistent and comparable considering the peculiarities of different systems, for example asset declarations (Serbia), issues related to budget: a number of countries are unable to provide figures as the budget for anti-corruption reforms forms a part of the overall budgets of responsible state agencies (Latvia, Armenia). It was also pointed out that further guidance may be required, perhaps definitions, for consistent interpretation of indicators (for example on awareness raising campaigns).

A few comments have been expressed in relation to specific indicators, for example, it was pointed out that it is advisable to use number of persons as counting units rather than the number of cases in criminal statistics (Azerbaijan, Romania). UNDP suggested to add a new

1 The following representatives have taken part in the working group: Albania, Croatia, Latvia, and TI Georgia.
indicator on whether asset declarations are published in open data/machine readable format or not.

With regard to the impact indicators, the Secretariat proposed to focus on three indicators and enquired whether the local survey data would be available on these questions on a regular basis. Specifically: a) how serious is the problem of corruption; b) trust towards the institutions/most corrupt and least corrupt institutions; c) experience and perception of corruption and tolerance to corruption. The summary of the answers to these questions in a Tour de Table by the ACN country representatives is provided below.

<table>
<thead>
<tr>
<th>Country</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>No regular surveys, plans to develop a methodology and these questions will be included.</td>
</tr>
<tr>
<td>Armenia</td>
<td>No regular surveys by the Government, CRRC carries out surveys once every 2 years, not clear if these questions are covered.</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>No, surveys are commissioned to NGOs, but these questions are not covered.</td>
</tr>
<tr>
<td>Belarus</td>
<td>Yes, annual countrywide surveys are held including the questions on perception of corruption.</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Yes, there are regular survey by research centres and NGOs. The first and the third questions are included.</td>
</tr>
<tr>
<td>Croatia</td>
<td>No surveys by the Government. NGO surveys include all the questions.</td>
</tr>
<tr>
<td>Estonia</td>
<td>Yes, countrywide surveys conducted every 4-5 years, these questions are included.</td>
</tr>
<tr>
<td>Georgia</td>
<td>No regularly surveys, but these questions can be included in case surveys are conducted.</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>Yes, surveys are commissioned by the Government regularly. These questions are included.</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>Yes, annual surveys include these questions.</td>
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<tr>
<td>Kosovo</td>
<td>No, but there are plans to conduct regular surveys that will include the posed questions, the methodology will be developed with the help of the UNDP.</td>
</tr>
<tr>
<td>Lithuania</td>
<td>Yes, surveys are conducted regularly (annually or less frequently) and include all the questions.</td>
</tr>
<tr>
<td>FYRoM</td>
<td>Yes, annual surveys include these questions.</td>
</tr>
<tr>
<td>Moldova</td>
<td>Yes, regular surveys include these questions.</td>
</tr>
<tr>
<td>Romania</td>
<td>No regular surveys by the Government. Nationwide surveys are only conducted when new strategies are developed. Some government bodies have their own surveys on the level of trust.</td>
</tr>
</tbody>
</table>
Serbia  No, the Government does not have a nationwide regular survey covering these issues. Surveys are conducted on specific topics separately. TI has the survey that most probably includes these questions.

Tajikistan  Yes, the Centre for Strategic Studies conducts annual surveys, only first question is included.

Ukraine  Yes, annual surveys are carried out based on a standard methodology including all these questions.

Uzbekistan  Yes, annual surveys financed by the Government including questions.

**Steering Group decided** on the next steps as follows: the countries that have not submitted data yet will send their reports; the countries that already reported will check and validate data and add any missing data to the extent possible. The activity report will be finalized as a result. Considering the feedback, the indicators will be reviewed for year 2018 activity report.

### 3. Fundraising Strategy

The **ACN Secretariat** presented an update on the implementation of the Fundraising Strategy and the progress on membership fees. 1 country (**Lithuania**) has already paid the membership fees. 5 countries have made the positive decision and are in the process of finalizing the necessary steps to make payment (**Azerbaijan, Croatia, Macedonia, Romania and Uzbekistan**) three of these countries are discussing the need to sign an MOU (**Azerbaijan, Croatia and Romania**). Romania is on the advanced stage of concluding the MOU, the text has been already negotiated. The MOU will need to be ratified as a treaty. 4 countries have decided not to provide membership fees (**Belarus, Estonia, Latvia and Slovenia**) two of which (Estonia and Latvia) will be providing in-kind contributions, covering costs of their representatives. 3 countries have not responded to the request nor taken part in the latest Steering Group meetings (**Bulgaria, Russia and Turkmenistan**). 10 countries are in the process of deciding (**Albania, Armenia, Bosnia and Herzegovina, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Serbia, Tajikistan, Ukraine**). 2 countries Mongolia and Montenegro did not provide any information.

During the discussion, the countries commented on what steps are required to speed up the process. **Albania** requested to send another letter to the Ministry of Justice and so did **Ukraine** (letter to the Prime Minister). An MOU may be needed for Ukraine.

**Switzerland** pointed out that as a long-standing donor of the initiative, it is pleased to see the positive developments in co-funding of the ACN’s work. It commended the countries that had positive decisions on the membership fees and in-kind contributions and noted that a sustainable
and long-term funding strategy as well as ownership from the participating countries is key for successful implementation of the ACN Work Programme.

**Liechtenstein** informed that anti-corruption is a key priority in their development cooperation and they are planning to provide the contribution to the ACN in the similar amount as the last year.

**The Steering Group decided** in relation to the membership fees that the **Secretariat** will summarize the results of the Steering Group discussions and will provide official letters again to the national coordinators in the countries where the decision is still pending. In cases where the letters need to be addressed to the Prime Minister, the Secretariat will need to explore the ways to have the letters signed by an OECD official of a corresponding level. As the signature of the MOU may result in burdensome procedures on both sides, it is desirable to follow Lithuania’s example and proceed without an MOU. However, for the countries that absolutely need the MOU, the Secretariat will explore the ways to do so with the OECD Directorate for Legal Affairs.

### 4. Amendments to the methodology for the 4th round of monitoring, discussions about the 5th round of monitoring

The **Secretariat** disseminated the amendments to the methodology of the 4th monitoring round for the adoption by way of the written procedure according to the decision of the last Steering Group meeting. Comments and questions have been received from Georgia and Romania that have also been disseminated to the meeting participants.

**Romania** posed a question about the proposed amendment concerning the reading of the draft reports at the plenary and whether the chapters presented on the first day of the plenary meeting would be considered adopted. Also, it was proposed to change the words “first” and “second” reading, since there is no second reading for the chapters of the report presented on the second day of the plenary meeting. The **Chair of the IAP, Mrs. Enery Quinones** explained that the chapters presented on the first day would be closed unless there were outstanding issues to be worked out at the second bilateral meeting for the second day of the plenary meeting. In the latter case the relevant points would be decided on the second day. The report would be adopted at the end as a whole.

**Georgia** had a proposal on decreasing the cut-off period for submission of information for monitoring reports to 2 weeks in exceptional circumstances (supported by **Azerbaijan**). Several countries (**Latvia, Lithuania**) however responded that in order the process to be sound and meaningful allowing the Secretariat and the monitoring experts to analyse the received
information and come to conclusions, the existing procedure and timeline should be followed. The responsibility to show certain level of discipline to follow the timeline should be shared by all the parties involved. In addition, it was not clear what was implied under the exceptional circumstances. Georgia withdrew its proposal.

With regard to the upcoming 5\textsuperscript{th} round of monitoring under the IAP, the Secretariat invited the countries for an open brainstorming and exchange of ideas about its scope and procedures.

It was suggested to at least maintain and not to increase the number of issues covered in the future monitoring exercises. In addition, it was proposed to make recommendations in the light of specific international standards applicable to a monitored country (Azerbaijan). It was also suggested to close the recommendations that have been complied with and not re-examine them in each case. During the progress updates, the indication should be given on where the country stands in terms of compliance and what needs to be done to achieve full compliance during the monitoring procedure (Armenia), the rating for progress updates should also be updated to include additional levels of progress (Ukraine). A requirement to discuss the results of the monitoring and progress update within the monitored countries should be introduced, to keep the pressure on the implementing agencies in-between the monitoring exercises. Additional focus should be made on the recommendations that are not implemented for a continuous and long period of time. Evaluating the efficiency of the expenditures for anti-corruption measures could also be useful since a lot of money could be spent on these measures with no impact on the corruption situation (NGO Sange Research Centre, Kazakhstan).

In relation to progress updates, the need to carefully assess the progress has been pointed out. Specifically, when very minor steps are assessed as progress, a false sense of complacency may arise in the country that things are going in right direction. This calls on differentiation in the assessment of progress to clearly indicate that only minor progress has been made (TI Georgia). Along the same lines, with regard to the assessment of the elements of recommendation it was suggested that these elements should be assessed separately since the assessment with the current methodology may not always reflect the reality (NGO Results, Kyrgyzstan). When considering the draft legislation as progress, the substance should be looked at or the opinions of the NGOs should be relied upon since in some cases the drafts may not be in line with the recommendation in question but on the contrary. Red flags should be put on these recommendations where the government says they will not implement. Finally, it would be useful to have government reports sent to the NGOs in time to allow for comments (NGO IDFI, Georgia). Greater participation should be ensured during the plenary meeting as the delegates often do not read the reports, this may mean additional tasks for the Secretariat. The last discussions on the 4\textsuperscript{th} monitoring round of Armenia should be followed as good practice (Latvia).
The Steering Group decided to finalize the methodology as adopted through the written procedure and create a working group to develop the elements for the 5th monitoring round methodology.

### 5. Presentation of the INTES Methodology and the thematic studies

**Mr. Mihaylo Milovanovitch**, the representative of the Center for Applied Policy and Integrity presented the Integrity of Education Systems (INTES) Assessment Methodology for anti-corruption evaluations of education sector. **Mr. Valts Kalnins**, the OECD/ACN consultant, presented a draft thematic study on Prevention of Corruption at Local Level and the Secretariat presented the draft studies on Confiscation as well as a study on Independence of Prosecutors. A brief Q&A followed. The draft study on confiscation is on the final stage of elaboration and will be made public soon. The finalisation of the draft studies on Prevention of Corruption at Local Level and Independence of Prosecutors is expected in the course of 2018. The INTES Methodology will be placed on the ACN website.

### 6. Tour de Table anti-corruption reforms in security sector

Ahead of the plenary meeting, the **Secretariat** invited the countries to present success and challenges of anti-corruption reforms in their respective countries in police and security sectors to identify existing practices and needs and contribute to the discussions on the scope of the forthcoming 5th round of monitoring under the Istanbul Anti-Corruption Action Plan. 5 countries presented at the **Tour de Table**.

**Albania** presented the initiatives aimed at prevention of corruption, promoting transparency, accountability and integrity in the sector, including integrity and/or corruption risk assessments, sectoral anti-corruption plans, sector related surveys, enforcement of anti-corruption regulations and law enforcement activity in the sector. **Moldova** spoke about the risk assessment in the police sector, the results of the implementation of the integrity plan in defence sector and the newly adopted action plans on customs and security sectors as well as findings of the analytical products of the National Anticorruption Centre resulting in investigations opened within the police sector. **Mongolia** highlighted the importance and practice of using surveys in the security sector and **Serbia** presented on its anti-corruption reforms in the police sector.

**Romania** was requested to provide updates on the recent alarming development in relation to the DNA on which the international community has been already alerted. The Chair of the IAP posed a question whether the ACN would be in a position to issue a statement. GRECO has
expressed its concerns over the existing situation adopting an ad hoc report on Romania. The Chair of the Steering Group meeting moted that the situation is worrying and they will reflect on this internally and bilaterally in the relevant parts of the OECD.

### 7. Tour de Table of international organisations

Mr. Mathieu Bousquet, the Head of Unit of Georgia, Moldova and Neighbourhood Cross-Border Cooperation, DG NEAR, EC provided an update on the EU engagement with the Eastern Partnership countries, ‘20 Deliverables for 2020’ document and the targets related to anti-corruption. Mr. Bousquet informed the Steering Group about the related programs, including budget support and complementary technical assistance. He emphasized the importance of monitoring of achieving the targets and potential future cooperation with the OECD/ACN in this regard.

Council of Europe (COE) also provided its update about the activities in the region, the information is available on their website here. World Customs Organization (WCO) attended the Steering Group for the first time. The representative expressed the appreciation for the cooperation in the framework of the monitoring of Kyrgyzstan: in-depth evaluation of the customs sector. United Nations Development Programme (UNDP) made a brief presentation of its work in the region with the focus on the joint activities with the ACN. Similarly, Regional Anti-corruption Initiative (RAI) informed about the joint activities and the latest publications available on its website here, as well as an update on the initiative for exchanging data between integrity bodies in the members states soon to be formalized with a treaty. RAI will continue supporting the ACN work, as in the past. The Organization for Security and Co-operation in Europe (OSCE) informed about the appointment as OSCE’s First Special Representative on Combating Corruption of the former Minister of Justice of Italy and the priorities of the OSCE in fight against corruption in the region. OSCE and ACN will conduct a joint seminar on prevention of corruption at local level in autumn in Vienna. International Investment Bank (IIB) attended the meeting for the first time as well, the representative expressed readiness to cooperate by providing experts, engaging in the thematic studies and providing additional support to the events in their member state in the future. European Bank for Reconstruction and Development (EBRD) emphasised their long-standing cooperation with the ACN and thanked the OECD for professional and constructive collaboration. The MOU among the OECD the EBRD includes a few anti-corruption initiatives, among others business integrity. EBRD expressed the readiness to continue fruitful cooperation with the ACN.

### 7. Topical updates from the OECD Directorates, Committees and Initiatives
Updates have been presented from the following parts of the OECD. **Ms. Mary Crane-Charef, Office of the Secretary General** provided information on five pillars of the **OECD Strategic Approach to Combating Corruption and Promoting Integrity**. **Ms. Sarah Dix, Public Sector Integrity, Public Governance Directorate** presented the work of the directorate on public integrity and anti-corruption, including the OECD Recommendation of the Council on Public Integrity and the tools on the education for public integrity and the new publications **Education for Integrity** and **Behavioural Insights for Public Integrity**. **Mr. Andrew Auerbach, Centre for Tax Policy and Administration** informed about the activities of the Global Forum on Transparency and Exchange of Information for Tax Purposes in Eastern Europe and Central Asia and a new edition of the publication **Effective Inter-Agency Cooperation in Fighting Tax Crimes and other Financial Crimes** as well as a forthcoming OECD/CPT and World Bank joint report on cooperation between tax and anti-corruption authorities covering 67 jurisdictions. **Mr. Wojciech Zieliński, Senior Policy Adviser at the Civil Service and Public Administration Organisation and Functioning (SIGMA)** provided an update on the activities of SIGMA in Armenia, Azerbaijan, Georgia and Ukraine, on civil service legislation (Ukraine and Georgia), capacities of internal control units (Azerbaijan), and on procurement. Baseline Measurement Report on Ukraine against the Principles of Public Administration has been published and the baseline report for Armenia is still under discussion. **Mr. Arnault Pretet, Global Relations Secretariat (GRS)** presented a brief overview of the activities of the GRS and DAF in the region and the forthcoming **OECD Eurasia week 2018** and expressed the appreciation for the work of the ACN, analytical content, as well as the opportunity for participating in bilateral meetings. Finally, the co-chair **Mr. Patrick Moulette** updated the Steering Group about the developments in the work of the **Working Group on Bribery (WGB)**, forthcoming phase four monitoring reports on Germany and Norway as well as thematic work: a comprehensive and long process of the review of the 2009 anti-bribery recommendation and an important horizontal study on settlement of foreign bribery cases (forthcoming). WGB has also agreed on the follow up work in relation to blockchain and crypto assets.

### 8. ACN Work Programme Implementation

**Mrs Olga Savran**, the ACN manager provided an update on the implementation of the ACN Work Programme and presented the plans for the second half of 2018 including the following activities:

- **Istanbul Anti-Corruption Action Plan**: publication of reports, press releases; return missions to Armenia and Kyrgyzstan; publication of progress updates; selection of sectors for the next countries to be monitored Mongolia and Uzbekistan and launching of the monitoring, selection of sectors, questionnaires, monitoring teams, on-site visits.
• **Prevention of corruption**: next steps for finalizing the study on Prevention of Corruption at Local Level, and possibly a seminar in cooperation with the OSCE. Declaration of assets and interests. Possible preparatory work on prevention of corruption in security sectors.

• **Business integrity**: Joint project with EBRD: 25-26 September 2018, seminar on integrity of SOEs in Central Asia and development of the phase 2 of the project Country-level technical trainings for SMEs, SOEs and governments and monitoring; regional awareness raising on sectoral BI initiatives, reporting mechanisms such as BO, and collective actions as UNICCC

• **Criminalisation and Law-Enforcement**: study on confiscation to be published and on independence of prosecutors to be finalized soon; Next meeting of LEN in November 2018, Prague back-to-back with the regional meeting of the IBA.

• **Country projects**: Completion of project on Ukraine; launch of the project for Uzbekistan. New project for Central Asia – law enforcement; Latvia – training of financial investigation; Smaller country requests to review legislation, information and contacts, etc.

• **Next plenary**: as a part of the OECD Global Anti-Corruption and Integrity Forum, March 2019

The Secretariat also sketched the proposed activities for 2019 at the end of the current Work Programme, including the potential High-Level meeting, summary report, external evaluation of the ACN’s work and the proposal for the new Work Programme. **Georgia** pointed out that it would be important and useful to conduct and the HLM.

### 9. Closing

The co-chair thanked the participants for a fruitful meeting. The 23rd meeting of the ACN Steering Group was closed.