

THE REPUBLIC OF MOLDOVA

PROGRESS REPORT 2011

This document was drawn up by the Centre for
Combating Economic Crimes and Corruption
of the Republic of Moldova

Chisinau
November, 2011

In the context of increasing anti-corruption efforts, 2011 was marked by an essential moment: approval by Parliament Decision no. 154 of 21.07.2011 of the National Anti-corruption Strategy for 2011-2015. In this document, actions for the implementation of the Strategy are systematized into four components: research, legislative, institutional, education and public communication components.

This report is an analysis document of relevant information for the anti-corruption process, held this year. Conclusions are systematized according to Strategy components. The report includes information submitted by institutions subject to monitoring, information selected from their official websites and information from the monitoring reports of public institutions, prepared by civil society representatives.

Research component

A series of researches were carried out by Transparency International - Moldova, including surveys of beneficiaries: State Tax Inspectorate (STI), Ministry of Information Technology and Communications (MITC) and Ministry of Labor, Social Protection and Family (MLSPF). Surveys were conducted with the support of Soros Moldova Foundation and the Partnership for Transparency Foundation. The purpose of surveys was to assess respondents' opinion on quality of services, professionalism and integrity of the employees from monitored institutions and the existence of corruption cases. As a result of data processing there were ascertained some positive moments and developments in the activity of monitored institutions. At the same time there were discovered some issues in their work.

STI. Compared to 2008, the survey was conducted in a shorter period of time. Respondents were more open and willing to express their objections and suggestions regarding the activity of STI. Most respondents were fully and partially satisfied with the information from STI. Their number increased compared to 2008. There were more respondents who highly appreciated the professionalism of STI employees and those who qualify as high the quality of STI services. Nearly half of legal entities, that were questioned, noted that STI activity improved last year.

There were mentioned the following objections: high cost of services for delivery of electronic reports; low efficiency and errors admitted by STI employees when introducing the reports in the database; punishing legal entities for bank errors when transferring money; rude attitude of some STI employees; long lines at the inspectorates during the submission of reports; unsatisfactory conditions for STI visitors.

There were given following recommendations: simplify the reporting system for the legal entities; extend the list of reports that can be submitted in electronic form; increasing the number of STI Internet services; reducing the cost of services for electronic submission of reports; warning the banks about the need to exclude errors when transferring taxes and to increase their accountability.

MITC. The survey was conducted at Vehicle Documentation Directorate and Driver Documentation Directorate, that are subordinated to MITC. Interview

results showed that 90% of respondents fully and partially solved their problems; almost 80% of respondents were satisfied with the information provided by the institution. More than half of those interviewed appreciated as high the level of politeness, and 60% - high level of professionalism of the employees.

There were mentioned the following objections: high price of services provided by "Registry" State Enterprise; errors committed by employees in preparing the documents; insufficient information on the panels inside the Driver documentation Directorate; discriminatory attitude of some employees towards those who take the driving exam; long lines at banks inside the Vehicle documentation Directorates; long period of time for removing the vehicle from pledge, seizure, etc..

There were given the following recommendations: extend the information area of citizens, including the Internet; increase the efficiency of services, in particular, by extending the on-line services; prevent errors when preparing the certificates; open regional offices for driver and vehicle documentation; monitor the Driver documentation Directorate employees during the driving exam in order to prevent abuse and discriminatory attitude; improve the conditions for visitors waiting inside the directorates.

MLSPF. The survey was conducted at the Republican Council for Vitality Medical Expertise (MLSPF division) and three primary councils for Vitality Medical Expertise (CVME) from Chisinau. Survey results showed that most respondents have fully solved the problems related to the award of disability degree, receiving or extending the illness document. Almost half of respondents appreciated as high the level of professionalism and politeness of the employees. About two thirds of respondents said that the quality of services is medium and below.

Although there were observed some positive moments in the activity of the institution, respondents have addressed many objections: inhuman waiting conditions inside the primary councils; bureaucracy; insufficient public information; low working efficiency; rude attitude of the staff. When asked if in the last year there were cases when employees proposed to solve the problem unofficially in exchange for some services, gifts or money, every sixth respondent specified situations of this kind. Respondents notified specific cases of unofficial payments in health care institutions, a domain related to vitality expertise of the citizens.

There were given the following recommendations: provide in the primary councils some decent conditions for persons with disabilities (access slopes, benches, drinking water, air conditioners, convenient toilets); create CVME within hospitals, in particular, the oncology hospital; provide primary CVME with equipment for persons with disabilities; promote the Code of Ethics in CVME and control its observance; improve CVME logistics; creating an efficient mechanism for employment of persons with disabilities.

In order to find out the perception of corruption, Ministry of Internal Affairs (MIA), has developed and placed on the official website a series of surveys. One of the surveys targets corruption in internal affairs bodies. The results will be published monthly. The information regarding the results on criminal investigation activity of law enforcement bodies, including corruption cases, is placed monthly

on the official website of MIA in the "information and analysis"/"statistical tables" section. On 29.09.2011 was issued MIA order no.267 "On introducing functionality of placement and monitoring of comments to news posted on the official website of MIA", that will be implemented from 01.11.2011.

In order to conduct a study on causes and extent of corruption within Ministry of Justice and for effective cooperation with civil society, there was developed a questionnaire. It is posted on the official website of the ministry, in the "Anti-corruption" directory and on the information boards of the institution. During the reporting period, only one questionnaire was filled in and sent.

I. Legislative component

Legislative Process

In 2010-2011, Centre for Combating Economic Crimes and Corruption (CCECC) drafted some laws, in order to improve the level of compliance of the national anti-corruption legislation with the provisions of UN Convention against corruption, Criminal Law Convention on Corruption and Additional Protocol to the Criminal Law Convention on Corruption. Thus, as of 02.12.2011: 4 draft laws were adopted, 3 draft laws are examined by parliamentary committees and 1 draft law is examined by relevant institutions, including:

- Draft law on amendment of some legislative acts (punishment for tax evasion of legal entities and giving some competences to MIA: Criminal Code of the Republic of Moldova no.985-XV of 18 April 2002; Criminal Procedure Code of the Republic of Moldova no. 122-XV of 14 March 2003) - approved in second reading on 25.11.2011;

- Draft law on amendment of some legislative acts (punishment for tax evasion of individuals: Criminal Code of the Republic of Moldova no.985-XV of 18 April 2002; Code of Offences of the Republic of Moldova no. 218-XVI of 24.10.2008) - Law no.206 of 21.10.2011;

- Draft law on amendment of some legislative acts (incrimination of "falsifying accounting documents" , some procedure aspects of public procurement, etc. The changes concern: Criminal Code of the Republic of Moldova no.985-XV of 18 April 2002; Criminal Procedure Code of the Republic of Moldova no. 122-XV of 14 March 2003; Law no. 204-XVI of 6 July 2006 on the enforcement system; Law no. 96-XVI of 13 April 2007 on public procurement; Law no. 25-XVI of 22 February 2008 on Code of Conduct for Civil Servants) - approved by Government Decision no.843 of 14.11.2011 and sent to the Parliament for examination and approval;

- Law no. 126 of 07.07.2011 amending the Code of Offences of the Republic of Moldova (punishment for protectionism, not declaring the conflict of interests, concealment of a corruption or related crime or not taking the necessary measures);

- Draft law on amendment of some legislative acts (notions of "public person, high rank public person and foreign public official" and "corruption", incriminating the corruption of voters, ensuring confiscation of proceeds of crime: Criminal Code of the Republic of Moldova no.985-XV of 18 April 2002; Criminal Procedure Code of the Republic of Moldova no. 122-XV of 14 March 2003; Law no. 90 -XVI of

25.04.08 on preventing and combating corruption) - approved in second reading on 02.12.2011;

- Draft law on amendment of some legislative acts (reporting by civil servants about infringements (“whistleblowers”) and, on the other hand, protection of such persons from potential reprisals and abuse at the workplace: Law no. 90 -XVI of 25.04.08 on preventing and combating corruption; Law no. 25-XVI of 22 February 2008 on Code of Conduct for Civil Servants; Code of Offences of the Republic of Moldova no. 218-XVI of 24.10.2008) - approved in first reading on 08.12.2011;

- Draft law on amendment of some legislative acts (sanctioning legal entities for not registering contracts on investments in construction: Code of Offences of the Republic of Moldova no. 218-XVI of 24.10.2008; Law no. 1543-XIII of 25.02.2011 on real estate register) - submitted for examination to the competent authorities;

- Draft law on amendment of Law no. 1104 of 06.06.2002 on Centre for Combating Economic Crimes and Corruption (changes concern Article 7 “Rights of the Centre” taking in consideration the Decision of the Constitutional Court of the Republic of Moldova no. 27 of 25.11.2010 on the constitutionality control of some provisions of Law no.1104 of 06.06.2002) - approved by the Government on 25.11.2011 and sent to the Parliament for approval;

Ministry of Justice drafted some laws aimed at strengthening the capacity of state bodies to fight corruption, including:

- Draft law on the National Integrity Commission, its structure and functioning - Law no. 180 of 28.07.2011;

- Draft law on amendment of some legislative acts , targeting some changes in the Law on declaration and control of income and property of state officials, judges, prosecutors, civil servants and persons in leadership positions, Criminal Code, Law on Government, etc., - Law no. 181 of 28.07.2011;

- Draft law on amendment of art. 19 "Inviolability of the judge” from the Law on the status of judges and art. 23 "Ensuring the inviolability of judges" from the Law on the Superior Council of Magistracy, submitted to the Parliament for examination and approval;

- Draft law on amendment of some legislative acts, drafted in order to create legislative premises for increasing professionalism, transparency, accountability and integrity of the judiciary - it provides a number of changes to the following laws: Law on judicial organization, Law on status of judges, Law on the Supreme Court of Justice, the Law on the Superior Council of Magistracy, Law on disciplinary board and disciplinary responsibility of judges, Law on National Institute of Justice and Law on the status of persons with a public function - submitted for examination to the competent authorities;

- Draft Law on the selection, career and performance evaluation of judges, submitted for examination to the competent authorities;

- Draft law on special investigation activity, submitted to the Parliament for approval. It was drafted in order to ensure the compliance of the national legislation with international standards, such as Council of Europe Recommendation (2005) 10 on special investigative techniques, UN Convention

against Corruption, Council of Europe Criminal Law Convention on Corruption, Council of Europe Convention on laundering, investigation, seizure and confiscation of proceeds from criminal activities and the financing of terrorism, Council of Europe Convention on Cybercrime;

- Draft law on amendment of some legislative acts, which amends the Code of Conduct for Civil Servants and Law on conflict of interests. This draft law aims to ensure the compliance of the national legislation with the UN Convention against corruption and Recommendation of the Committee of Ministers on codes of conduct for public officials - approved by Parliament in the first reading.

Ministry of Finance – prepared the draft law on public finances and budgetary-fiscal responsibility, approved by the Government on 17.10.2011 and submitted to the Parliament for examination. The draft law was prepared in the context of the reform activities of public financial management system and has as main objectives: (i) strengthening the general budgetary-fiscal discipline by establishing budgetary-fiscal principles and rules; (ii) improving the management of budgetary resources with a emphasis on the principle of universality of the budget and the principle of performance; (iii) support reforms in public financial management through the implementation of strategic planning and program budgeting; (iv) comprehensive regulation and development of procedures for preparation, approval and administration of budgets from all levels; (v) increase transparency in the budgeting process by setting the budget calendar and clear delimitation of roles and skills of participants at the budgeting process.

In order to implement "Guillotine 2+" reform, the Ministry of Economy has prepared a set of three draft laws, adopted by Parliament in July this year, including: Law no. 160 of 22.07.2011 on regulation by licensing of entrepreneurial activity; Law no. 161 of 22.07.2011 on the implementation of single window in entrepreneurial activity; Law no. 162 of 22.07.2011 on amending some legislative acts (Law on pharmaceutical activity, Forest Code, Tax Code, Law on advertising, etc.), which by their implementation (nomination of all permissive acts in a Nomenclature and creating a single window system), will contribute to diminishing the corruption cases.

Ministry of Economy prepared a draft law amending some legislative acts (approved in first reading on 24.06.2011), in order to de-monopolize the business of selling scrap and waste of ferrous and non-ferrous metals, used batteries and accumulators, including those that were processed, to legal entities located in the Republic of Moldova and not tax related to its budget system, and their export. It amends Law no. 451-XV of 30.07.2001 on licensing of entrepreneurial activity and Law no. 1347 of 09.10.1997 on production waste.

Ministry of Economy, with the support of International Finance Corporation Project "Investment Climate Reform Moldova", prepared a draft law on state control over entrepreneurial activity.

Anti-corruption expertise of draft normative acts

During the nine months of 2011, CCECC examined 536 draft normative acts, of which 348 were submitted for examination. 188 draft normative acts were

submitted for anti-corruption expertise, of which 80 draft laws and 108 draft Government decisions.

Problems that were identified:

- examining draft laws and normative acts discussed/adopted by the Government and Parliament, it was ascertained that there were adopted draft Government decisions and draft laws without their submission for anti-corruption expertise, a legally binding condition. Although the number of normative acts that were not subject to anti-corruption expertise, but adopted by the Government, is decreasing, the situation is unchanged as concerns the expertise of draft laws promoted by a legislative initiative, other than the Government. In fact, this situation repeats every year. For example, in the mentioned period, from the total number of 80 draft legislative acts, Government was the author of 71 (approximately 88.75%), which indicates that the authors of draft laws, other than the Government, are not submitting these draft laws for anti-corruption expertise.
- In the process of drafting the normative acts, only 71.28% of authors have complied with the Law on transparency in decision making process;
- Approximately 39.66% of draft legislative and normative acts were not subject to financial and economic evaluation, although their application required financial expenditure. As a result, there are promoted draft normative acts without a financial coverage, which will create difficulties at the moment of their implementation;
- Only 4.26% of the draft normative acts subject to regulatory impact analysis (15.96% of all draft normative acts subject to anti-corruption expertise) have met the conditions of Law no. 235-XVI of 20.07.2006 on basic principles of governing the entrepreneurship. Such a figure causes a high risk of creating a legal framework unfavorable for entrepreneurship.
- A major problem, certified by CCECC experts, is the short term given for anti-corruption expertise. In some cases anti-corruption expertise is required to be performed in a day, although the legal framework establishes in this respect a period of 10 working days, and a month for complex projects.

Besides CCECC, anti-corruption expertise of draft laws and other normative acts is performed by a non-governmental organization: Center for Analysis and Prevention of Corruption (CAPC). Their work was conducted within the "Corruptibility Expertise - stage 5" project, funded by the Swedish Civil Rights Defenders and the Swedish International Development Cooperation Agency. Thus, during 2011, CAPC performed the expertise of 66 draft laws from the Parliament's website, of which 12 laws have already been adopted.

According to the legislative creation trends analysis, conducted by CAPC, the most common corruptibility elements are: ambiguous wording that allow abusive interpretation; reference norms; lack or ambiguity of administrative procedures; attributions that allow abusive interpretations and derogations; legal gaps and conflict of norms. Efficiency measurement of corruptibility expertise showed that the current Parliament was less receptive to the proposals and objections coming from civil society vis-à-vis the examined draft laws.

Monitoring the implementation of legislation

External monitoring. Group of States against Corruption (GRECO)

The implementation by the Republic of Moldova of the Civil Law Convention on Corruption, Criminal Law Convention on Corruption and its Additional Protocol is monitored by GRECO. In April GRECO published its evaluation report of the Republic of Moldova (third evaluation round). The report focused on measures adopted by the Moldovan authorities in order to comply with the provisions of the Criminal Law Convention on Corruption and its Additional Protocol and Recommendation Rec(2003)4 on Common Rules against Corruption in the Funding of Political Parties and Electoral Campaigns. The Republic of Moldova was addressed 17 recommendations, including on "Incriminations" - 8 recommendations and "Transparency of Party funding" - 9. Moldovan authorities are invited to present a report on the implementation of the recommendations by 31 October 2012.

With reference to "Incriminations", CCECC drafted a law that amends the Criminal Code in order to implement the recommendations that were addressed at this theme. The draft law was submitted to the Government for examination.

In order to implement GRECO recommendations, focused on financing of political parties, within the Eastern Partnership project to facilitate good governance and fight against corruption was initiated the pilot action "Improving the legal framework and awareness on the financing of political parties". The first stage of this activity is the round table: "Financing of political parties in the Republic of Moldova". The event is organized with the support of the above mentioned Project and was held on 01 November at CCECC, with the participation of authorities, NGOs, local and European experts. The agenda included the examination of national and international acts and operations necessary to adjust the national legislation to international standards. The conclusions of this event set priorities for the second stage, including forming of the working group and drafting the law in the context of GRECO recommendations.

Internal monitoring of the legislation implementation process

Government Decision no.1181 of 22.12.2010 established a mechanism for monitoring the implementation of legislative acts and normative acts of the Government. In this regard there was approved a Methodology. Ministry of Justice was appointed the coordinator of this process and in January 2012 will draft and publish the monitoring report of the legislation implementation process.

By Government decisions no. 295 of 26.04.2011 and no. 704 of 20.09.2011 there were approved the lists of legislative acts subject to monitoring in semester I and II. The lists include: Law on Public Procurement, Law on Audit, the Law on Preventing and Combating Corruption and Government Decision on anti-corruption expertise of draft legislative and normative acts.

The monitoring report of the Law on public procurement, drafted by the Public Procurement Agency, notes that in recent years there were revealed some weaknesses in this sector. Mostly it's about the secondary legislation, without which it's not possible the full application of art.33 "public procurement

procedures" and can not be assured the full functionality of the Law on public procurement. Other activities related to improving the legal framework in the public procurement domain refer to its harmonization with the Community acquis. These actions will be taken for the liberalization and expansion of international trade and to ensure the participation of all economic operators, including those who are not residents of the Republic of Moldova, for the maximum efficacy of the use of public finances. The resistance by some contracting authorities is another obstacle that delays the proper implementation of the Law of Public Procurement no. 96-XVI of 13 April 2007. The cause of this resistance is the relatively low age of public procurement system in the Republic of Moldova, that dates from 1997 and the lack of a public procurement culture and specialists in this field.

In order to monitor compliance with the Law no. 16-XVI of 15.02.2008 on conflict of interest, the Independent Press Association (IPA) and Anti-Corruption Alliance (ACA) launched the "Interests in sight" campaign. This initiative urges state officials to complete and make public declarations of personal interests, according to the Law on conflict of interest. Until November, 71 officials have responded to the call of the campaign organizers. The findings stated that the special law which establishes the structure and functioning of the National Integrity Commission, authority that will verify the income and property declarations and declarations of personal interests of public officials, was approved on 28 July 2011. Although it passed more than three months after its approval, this law has not yet been published in "Official Monitor of the Republic of Moldova". Accordingly, the mechanism for implementing the Law on conflict of interest has not been applied.

II. Institutional component

Assessing the corruption risks

By Government Decision no. 97 of 16.02.2010, the period for self-assessment of corruption risks was prolonged till the end of 2011. Thus, by the end of this year, public authorities are to complete the procedure by drafting the integrity plans.

In order to comply with the third point of the Government Decision no. 906 of 28.07.2008, CCECC experts undertook the following actions:

1. On 01-02 February, CCECC trainers organized two training on "Assessing the corruption risks ", attended by 44 civil servants from 22 central public institutions. The representatives of the Ministry of Environment and Ministry of Information Technologies and Communications were not present at this training. During these trainings, there were discussed the following topics: the procedure of interviewing the employees; interpreting the interviews; identification and description of work processes; analysis of vulnerable activities.

2. Given the complexity of the corruption risks assessment, and the difficulties encountered by all working groups in the achievement of corruption risk self-assessment, CCECC trainers, together with the harmonization of legislation Directorate of the Ministry of Finance held on 31 March - April 1 2 trainings on

"Description of work processes." The training was attended by 64 persons from 17 central public institutions.

3. Upon request, CCECC trainers carried out 13 visits in order to provide advisory support to the: Ministry of Education, Ministry of Youth and Sports, Ministry of Foreign Affairs and European Integration, Ministry of Finance, Material Reserves Agency, Ministry of Justice, Ministry of Economy, Bureau of Interethnic Relations. Also, trainers attended 9 meeting of the corruption risk self-assessment working groups in the Ministry of Education, Ministry of Youth and Sports, Ministry of Foreign Affairs and European Integration, Ministry of Finance, Material Reserves Agency, Ministry of Justice, Bureau of Interethnic Relations. One training was organized for 35 employees of the State Enterprise "Registru" on "General aspects of corruption risk assessment."

4. On 26-27 May 2011, CCECC organized an international workshop entitled "Methods and procedures for corruption risk assessment." The workshop was conducted with the financial assistance of European Commission Instrument TAIEX (Technical Assistance Information Exchange Office), with the participation of international experts from the Ministry of Administration and Interior and National Integrity Agency of Romania. International workshop targeted members of corruption risks self-assessment working groups of the central public administration bodies. There were discussed topics regarding: drafting, implementing and evaluating public policies, anticorruption strategies and integrity plans; methods to identify corruption risks and vulnerable areas; the integrity of civil servants - recruitment/selection for integrity, transparency of the property and interests declaration systems; administrative procedures to combat corruption, etc. The workshop was attended by 25 people from 18 public authorities.

During the nine months of 2011, the Prosecutor's Office, in exercising its function of representing the general interests of society, defending the rule of law, rights and freedoms of citizens, initiated and conducted a series of institutional investigation measures. There were conducted **110** controls, in order to identify in certain sectors the disorders that constitute a corruption risk. As a result, prosecutors filed **42** intimations and two appeals against unlawful acts, initiated **two** contraventional proceedings, and started the criminal investigation in **18** cases.

Avoiding corruption acts was the main objective in anti-corruption activities carried out by **diplomatic missions** and **consular offices** of the Republic of Moldova. Assessing groups, created in all the embassies, performed a reassessment of corruption risks. The embassy employees were informed about the legal provisions regarding the conflict of interest and corruption. In this context, in the reporting period there were analyzed the ways and possible mechanisms to ensure transparency within the missions, to increase public credibility in the diplomatic. The information concerning public service, services rendered by the diplomatic mission, consular taxes and services provided by other institutions from the Republic of Moldova, were made available to those that were interested. (*Ex. Moldovan embassies in Athens, Warsaw, Riga, Prague*).

In order to facilitate the access to information and public awareness in terms of expressing the opinion regarding the work of embassies, diplomatic missions have introduced several structural modifications on their websites. In particular the call center banner, operating within the Consular Department of the Ministry of Foreign Affairs and European Integration, was placed in the immediately-visible place on the web page of several missions. Also, there were perfected the mechanisms of informing about the corruption cases, including by accessing the e-mail, web pages, reliable telephone numbers, non-stop operation of video cameras as well as through the mailbox for complaints (*Ex. Moldovan embassies in Berlin, Madrid, Consulate General in Bologna*).

Transparency in decision making

Public authorities have reported about the compliance with internal rules of informing, consulting and participating at the process of drafting and approving of decisions. State Chancellery controls the implementation of the Law on transparency in decision making. The results are included in the six month report of monitoring the implementation of the reform in the CPA, that is placed on the website www.cancelaria.gov.md .

In this context, the monitoring report for the first semester of 2011 shows that Government decision-making process is improving due to changes in the legislation and implementation of the secondary normative acts of the Law on transparency in decision making. The data show that during the reporting period central specialized bodies have applied **the consultation process to 89% of draft** legislative and normative acts, compared to 83% in 2010 and 38% in 2009. Ministries and central administrative authorities have received more than **1,400 recommendations** to the draft public policy decisions, 61% of which were included in the draft decisions. Only about 5% of draft decisions, which fall under this law, were not consulted with the civil society that shows a positive impact on ensuring the decisional transparency within the central executive and a substantial increase of civil society involvement in decision making.

Although there were achieved some significant results in ensuring transparency of decision making and implementation of the regulation of consulting the policy documents with civil society, the monitoring shows that public administration authorities just partly comply with the legal stipulations - only 6 (of 16) ministries fully comply, five ministries just partly comply and other five ministries do not comply with the stipulations in force.

Representatives from the public authorities have participated in the workshop "Promoting civil society participation and facilitating political dialogue in Moldova", organized by the State Chancellery together with international experts within the "Moldova Dialogue" project. The workshop discussed the conditions of

participation of the civil society in the process of drafting and approving the decisions within the central public administration authorities.

Measures to prevent corruption in the process of recruitment, selection, hiring and promoting in public office

With regard to recruitment, selection, hiring and promoting in public office, the authorities reported about organizing competitions and placement of announcements on their official websites. This process is monitored by the State Chancellery. Thus, every six months there is drafted a Report on the implementation of *the Law on civil service and civil servant status*, which is placed on the www.cancelaria.gov.md website. The report includes "Occupying vacant public positions (including by competition)" and "Professional training (including conducted trainings)" chapters.

According to the report for the first half of this year, CPAA **156 people** were employed in vacant management and execution public position. In **6 cases or 3.8%** the employment in a vacant public position was made **with deviations** from the law. Monitoring showed that 16 central specialized bodies have proposed **109 vacant public positions** available for contest for **481 people or 4.4 persons** for a position. As a result of the contest **62 people** were employed in 15 (of 24) central specialized bodies. Thus, there were occupied 57% of public positions proposed for the contest. Central specialized bodies have applied the contest procedure for filling vacant civil service positions in average for **39.1% of the total number of persons employed** in senior, management and execution public positions, for which, according to the law, this employment procedure must be applied. As a result it was concluded that **96.2%** of employment in public office was in accordance to the *law on civil service and civil servant status*.

As concerns LPAA, in the first half of this year 420 people were employed, of which for 71.1% was applied the contest procedure. LPAA proposed **273** vacant public positions for the contest, for which **443 persons** have filed their documents, or, on average, only **1.6 persons** for a vacant public position. As a result, 191 people were employed in a vacant public position which constitutes 70% of public positions proposed by LPAA.

Capacity strengthening of law enforcement and justice, and ensure their integrity is a stringent prerequisite for achieving the expected results of anti-corruption policies. This year is a decisive period in this regard because there started the reform of law enforcement and justice. Thus, there were drafted the following strategies: "Justice sector reform" (approved by the Parliament), "CCECC reform" (proposed for public debates), "Concept of reform of the MIA and its subordinated and decentralized structures " (approved by Government Decision no. 1109 of 06.12.2010 and implemented by the Action Plan, approved by Government Decision no. 439 of 16.06.2011).

Professional training of the employees has an important role in strengthening institutional capacity.

In December 2010, by Government Decision no. 1114 was approved the state order for professional training of government staff for 2011. In accordance with this Decision, Academy of Public Administration under the President of the Republic of Moldova, together with the State Chancellery, has organized a series of trainings for representatives of public authorities with management and executive positions. Among the topics included in lists there were: Ethics in public service: principles and rules of conduct for civil servants; Identify sources of risk, fraud and corruption in the public procurement process; Mechanisms of formation and promote the image of the public authority, communication skills etc. Besides the state order, civil servants participate at professional training courses, carried out with the support of the Multi donor fiduciary fund. During the reporting period, 610 civil servants (including 504 people from central public administration authorities) were trained with the support of the Fiduciary fund. At the same time, 598 civil servants were trained (including 333 of the central public authorities) with the financial support from the state budget.

Within the Moldovan-Ukrainian "State Border Crossing Points - model" project and with the support of EUBAM mission there were held four meetings with anticorruption theme at the Border Guard Service. Anti-corruption courses are held regularly for the Border Guard Service officers at the National Border Guard College and "Alexandru cel Bun" Military Academy.

The training of police officers in the detection, investigation and prosecution of corruption offenses, was held at the "Stefan cel Mare" Academy of the MIA. The lessons were held with the following groups: - initial preparation of the medium command body; training (criminal investigation officers, sector operative officers, criminal police inspectors, forensic experts); reserve for promotion in medium and superior command functions. A total of 388 employees were trained.

In June this year, with the support of the National Police Internal Affairs Bureau of Poland, was organized the "Strengthening anti-corruption activities within the police and border guard officers" seminar, held at the "Stefan cel Mare" Academy of the MIA.

Combating corruption

During the 9 months of 2011 prosecutor's office and criminal investigation bodies of the MIA and CCECC started **242** (309 in 9 months of 2010) of criminal cases on corruption crimes (including 122 on passive corruption, 26 on active corruption, 89 on trading in influence and 5 on taking bribes), **162** (130 in 2010) cases on the abuse of power or abuse of official position crime and **167** (137 in 2010) cases of the excess of power or excess of official authority crime.

Of the total number of criminal cases started by prosecutor's office and criminal investigation bodies of the CCECC and MIA during the nine months of 2011, have been brought to justice:

- **31** cases in respect of 41 persons (42 cases / 46 persons in 2010) on passive corruption crime,
- **12** cases in respect of 12 persons (9 cases / 10 people in 2010) on active corruption crime,
- **71** in respect of 78 persons (70 cases / 76 persons in 2010) on trading in influence crime,
- **One** case in respect of one person (2 cases / 2 persons in 2010) on taking bribes crime,
- **40** cases in respect of 41 persons (38 cases / 42 persons in 2010) on abuse of power or abuse of official position crime,
- **33** cases in respect of 37 persons (46 cases / 58 persons in 2010) on excess of power or excess of official authority crime.

Accordingly, from the total number of **188** criminal cases, **68 (or 36.17%)** were investigated by the prosecutors, **104 (or 55.32%)** by CCECC and **16 (or 8.51%)** by the MIA.

In order to improve corruption prevention and combating activity in the criminal investigation stage, there were taken a series of actions designed to detect and eradicate the risk factors and corrupt behavior. Among these actions there can be mentioned: instructions formulated by the prosecutor during the criminal investigation, submitting reaction documents, performing checks on the legality of registration and examination of complaints about crimes, conducting the criminal investigation within a reasonable time, the legality of applying preventive coercion measures, as well as applying disciplinary liability of persons who have committed violations of work discipline.

Representing the state prosecution. Statistics on sentences in criminal cases and categories of punishment constitute the most important criterion for determining the effectiveness of measures taken by law enforcement to combat criminality.

Although many corruption crimes are detected and documented, there is no negative reaction in the society towards these crimes. Corruption is still considered a primary problem. A cause of the situation mentioned above is inadequate punishment of persons accused of corruption, a fact that often circulate in the society.

It should be noted that, although official statistics can not provide a complete answer to the level of corruption in the country, given that corruption crimes are almost invisible to the law enforcement, given the specificity of these crimes, statistics on sentences given in corruption cases and the categories of punishment,

constitute the most important criterion for determining the effectiveness of measures taken by law enforcement to combat corruption.

Taking into consideration that the fight against corruption is one of the current social premises, its completion is achieved through the delivery of fair court decisions, according to the severity and degree of social danger it poses. The fight against corruption is successful when there are applied preventive and criminal repressive measures, because repression has no purpose without prevention and repression is ineffective without prevention.

The purpose of repressive anti-corruption policy is to identify effective coercion measures, so that the person they are applied to feels them as well as the civil society, in order to take an attitude of intolerance towards corruption.

During the nine months of 2011, the first instance courts have finished examining **80** criminal cases on corruption crimes in respect of **84** persons and **45** criminal cases in respect of **53** persons accused of corruption related crimes.

Following the representation of state prosecution, the courts, in 9 months of 2011, pronounced sentences in criminal cases regarding the corruption crimes, according to the following table:

Article from the Criminal Code	256	324	325	326	330	333	334
Crimes that were committed	-	12	4	56	6	-	-

Following the representation of state prosecution, the courts, in the same period of time, pronounced sentences in criminal cases regarding the corruption related crimes, according to the following table:

Article from the Criminal Code	327	328	335	336	182	191	196	303	330 ¹
Crimes that were committed	14	11	3	0	0	17	0	0	0

Among the criminal cases on corruption crimes examined in the first instance, like the 2009 and 2010 years, dominate the trading in influence (56 cases or 72%) and passive corruption (12 cases or 15%).

Performing an analysis of the status of persons convicted for corruption crimes, it is certain that police officers are the first. There are 9 sentences pronounced in respect of police officers, 2 in respect of the Customs Service employees, one sentence in respect of a lawyer and 72 sentences in respect of other categories of persons.

Among the criminal cases regarding the corruption related crimes, examined at first instance, those regarding the misappropriation of another person's property are prevailing (17 cases or 37.7%), abuse of power or abuse of official position (14 cases or 31.1%), excess of power or excess of official authority (11 cases or 24.4%). According to the subject of corruption related crimes, this year were pronounced sentences in respect of 5 police officers, 16 public officials, 3 mayors, 3 accountants, 3 lawyers, 3 doctors and 29 persons from other categories.

Analysis of punishments on corruption and related cases reveals the fact that the most frequently applied is the punishment in the form of a fine - **61** persons, followed by imprisonment with the application of art. 90 from the Criminal Code - **19** persons, the fine and imprisonment with the application of art. 90 from the Criminal Code - **12** persons, actual execution of imprisonment sentence - **8** persons. Additional penalty of deprivation of the right to hold certain positions or to exercise certain activities was applied to **31** persons.

During the 9 months of 2011 acquittal sentences were pronounced in respect of 10 persons.

Based on art. 55 of the Criminal Code, criminal proceedings were discontinued in 27 criminal cases (or 32.5% of the total of 83 cases) in respect of 27 persons, which were exempted from criminal liability and subject to administrative liability. These negative practices are a way to avoid complementary punishment and respectively, dismissal of the persons convicted, in particular, for corruption.

Such state of affairs does not conform to guidelines set out in the GRECO recommendations. Thus, there should be some effective penalties for corruption, in the form of fines and imprisonment, mandatory with the complementary punishment. According to GRECO recommendations, complementary punishments are very important, and their application must be solicited by the state prosecution, even when it is not covered by the sanction of the articles, because art. 65 par. (3) of the Criminal Code provides that the deprivation of the right to hold certain positions or to practice certain activities may be applied as a complementary punishment also in cases when it is not provided as a punishment for the crimes set forth in the Special Part of the Criminal Code if, considering the nature of the crime committed by the guilty person while exercising his/her official duties or practicing certain activities, the court shall find it impossible for the person to preserve his/her right to hold certain positions or to practice those activities. Most frequently, complementary penalties are not applied to doctors,

teachers who are guilty of corruption crimes. Such an attitude encourages persons from these areas to commit these crimes repeatedly.

IV. Educational and public communication component

Teaching intolerance towards corruption

To sensitize the population, CCECC organized and conducted 50 anti-corruption meetings attended by about 2010 persons. Trainings were organized for civil servants from the central public authorities (4 training); Customs Service employees (10 trainings); students from high-level educational institutions and colleges (19 training); medical personnel of the MIA clinic; directors and secretaries of the high school examination centers from the central zone districts, Chisinau and from colleges and universities (3 training); SE "Registru", Transport Registration and drivers' qualification Department of the SE "Registru".

CCECC, in collaboration with the Border Guard Service of Ukraine and with financial assistance of EUBAM, organized in the period 20-27.02.2011, 09-15.05.2011 and 31.07-07.08.2011 winter, spring and summer anti-corruption schools "Youth against Corruption", which took place respectively in Odessa, Yalta, Ukraine, Vadul Voda resort, Moldova. These three schools were attended by 26 students from Ukraine and Moldova. The objectives of the schools were to familiarize young students with anti-corruption concepts, standards and measures applied at national, European and international levels; increase the level of legal culture among youth from the Republic of Moldova and Ukraine; promote an active spirit and stimulate youth initiatives in the fight against corruption. School work was highly appreciated by participants, as confirmed by the results of the assessment performed by the students.

In order to stimulate a correct public opinion formation towards CCECC activity, the institution widely publicized the measures it took, including: 196 press releases were placed on the website; 133 articles were published in the newspapers; news agencies broadcasted 1124 materials; there were made 313 press statements and 286 TV reports; 44 participations in TV/Radio shows; 10 press conferences were organized and 18 interviews were offered.

Anti-corruption efforts undertaken by the MIA were reflected in a press conference, 16 press releases were broadcast and 21 articles were published in the "Guardian" newspaper.

CAPC NGO in partnership with Publika TV and CCECC held the: "Do not give - do not take!" social campaign, financially supported by the "Balkan Trust for Democracy". The project aims at teaching the public intolerance towards corruption by involving the media, civil society and public officials. The topics discussed at the Publika TV referred to corruption in law enforcement and justice, persons that "provoke" corruption acts, corruption in education and medicine.

At this chapter, a series of activities were carried out by **TI - Moldova**, including:

- Presentation of public anti-corruption lessons to the civil society representatives, civil servants and media (about 20 events, about 50 appearances in radio and television programs);
- With the support of the German Federal Office for Foreign Relations, there was organized an anti-corruption contest at Basarabia radio. The purpose of the contest was to familiarize the population with the national and international framework for preventing and combating corruption. During one month there were held about 30 rounds. Winners were awarded with albums and t-shirts with anti-corruption prints and caricatures;
- Publication and dissemination of the newsletter, which includes information on the legal framework for the prevention and combating of corruption, comments on draft laws, reports of public institutions and newspaper articles related to corruption phenomenon in the Republic of Moldova (monthly circulation - 1500 copies) ;
- Drafting the “Communication with the police” guideline for citizens. Its aim is to increase citizens' anti-corruption culture and to promote legal knowledge. The guide was disseminated through police stations;
- State Chancellery, CCECC and the Center for Journalistic Investigations have organized an anti-corruption marathon. Public Company "Teleradio-Moldova" was the media partner of the marathon. The event was financially supported by the German Federal Office for Foreign Relations. The main objectives of the marathon were to reduce the population tolerance towards corruption, inform the public about the ways to denounce possible corruption acts, government performance in preventing and combating corruption and future priorities. Civil society representatives and public officials discussed issues related to fighting corruption in a number of areas that are vital to society: education, medicine, police, customs, and judiciary. They came up with proposals that could reduce this phenomenon. During the marathon people were able to call and inform about corruption cases, to demand responses from officials that were invited;
- There was organized an anti-corruption day for youth at the "Andries" summer camp from Ivancea. During the day young people had the opportunity to hear the experts” lessons, to participate at debates and interactive games, to watch anti-corruption commercials. All these activities were aimed at teaching and promoting ethical values and norms in schools;
- Traditional inauguration of the anti-corruption caricatures exhibition on humor day (1April). A collection of anti-corruption caricatures was donated to the Government that will be displayed in public authorities from the Republic of Moldova.

Encouraging denouncing of corruption

Public authorities have reported about the implementation of corruption reporting mechanism (reliable phone / hotlines and boxes for petitions).

During the nine months CCECC received **852** information by phone, of which **252 (or 29.57%)** were reported to the institution management, **351** (or 58.5%) calls were not in the Center's competence. Persons were communicated reliable phone numbers of the competent institutions. Other **351 (or 58.5%)** calls were with advisory opinion (*legal address of the Centre, whom to address complaints, where to address in order to solve some problems, etc.*).

During the reporting period, MIA received **113** calls of which **71** - with an advisory opinion and from **42** examined calls only in **6** cases the facts were true.

Licensing Chamber received at its hotline **545** calls. There were requested various information. There weren't any corruption cases reported.

Ministry of Labor, Social Protection and Family received at its hotline 1600 calls. There were requested various information and explanations.

Ministry of Justice received 3 petitions of alleged corruption cases. Two petitions were sent for examination to the competent law enforcement bodies. As concerns the other petition, the petitioner was given explanations he requested. There weren't any corruption cases found in the ministry.

The **Department of Penitentiary Institutions** established 16 cases of illegal entry of the employees into relationships with prisoners and their relatives. All cases were investigated, with subsequent punishing of the guilty employees.

There were registered some reports regarding alleged corruption acts at the **Ministry of Health**, including: 7 petitions (of 1617) and 5 phone calls (from 8123). Following the analysis conducted by the ministry, these reports proved to be untrue.

In the first semester, the **Border Guard Service** received and examined 189 petitions. There were 9 complaints received at the hotline.

State Enterprise "**Cadastre**" received at its hotline 127 calls, including three complaints that referred to the extortion of illegal rewards by some employees. Following the investigations conducted within the enterprise, three persons received a disciplinary punishment and 1 person resigned (March 2011); one person was released from criminal liability for administrative liability under Art. 55 of the Criminal Code (May 2011); in 2 cases there is an ongoing investigation.

During the 2011 was maintained the functionality of **TI - Moldova** anti-corruption hotline. There were offered about **650** free legal advice on legislation in force, procedures for exercising the rights judicially and extra-judicially, how to denounce corruption cases. In order to promote the interests of the petitioners there were sent over **40** appeals to local and central public authorities. TI-Moldova monitored the results of the examination of petitions.

Cooperation of public authorities with civil society and mass-media

On 31.01.2011 CCECC, together with the Anti-corruption Alliance, organized a roundtable entitled "*Interception of communications through the person's right to respect the private life, procedural aspects and ECHR practice*".

The purpose of the event was to identify the problems that were encountered, violations committed in the interception and recording of the communications and identifying appropriate solutions to avoid further convictions at the European Court for Human Rights (ECHR). The event was attended by representatives of the criminal investigation bodies, central public authorities, lawyers, independent experts and civil society representatives.

On 04.02.2011 CCECC, together with the Anti-corruption Alliance, organized a roundtable entitled "*Introducing regulations on governmental anti-corruption hotlines*". The conclusions summarized to the need to draft a Regulation on functioning of the hotlines from public administration authorities, which will be approved by a Government decision.

CCECC, together with the Ministry of Education, Ministry of Culture, Ministry of Youth and Sport, MIA, Theatre Union of Moldova and Transparency International-Moldova, organized a series of activities to promote the "Mitica is our man" play. There were invited representatives of public authorities, civil society, journalists and former participants of the anti-corruption schools "Youth against corruption".

According to the training plan of employees of the Ministry of Justice for 2011, approved by Order no. 227 of 09.06.2011, there was organized an anti-corruption training seminar, which was attended by 30 officials from the central office and subordinated institutions. The training was organized with the support of CAPC and CCECC experts.

With the support of Soros Foundation-Moldova and Partnership for Transparency Foundation, TI-Moldova organized the annual contest "Coverage of corruption in newspapers". Through this contest, TI-Moldova wants to encourage journalists to reflect corruption phenomenon in an argumentative and balanced manner and to form an intolerant attitude towards this phenomenon in the society. The competition brought together **20 journalists with 82 articles published in the press**. The articles presented in the competition were evaluated by experts from academic milieu and media based on a series of criteria, such as investigative

nature of the work, ethical approach, quality of argumentation, risk of the investigation etc. Materials that were presented have been included in the "*Journalists against corruption 8*" corpus.

Monitoring public authorities by the civil society through the implementation of anticorruption policies

TI-Moldova, with the support of Soros-Moldova Foundation and Partnership for Transparency Foundation, in partnership with the Group Monitoring the implementation of the National Strategy to prevent and combat corruption, monitored in four public institutions (State Tax Inspectorate, Ministry of Information Technology and Communications, Ministry of Education, Ministry of Labor, Social Protection and Family) the implementation of the following policies:

- Functioning of internal mechanism of preventing corruption;
- Quality of confidence lines;
- Efficiency of the petitioning system;
- The way the provisions on declaration of income and property are applied;
- The way the provisions on declaration of personal interests and conflicts of interests are applied;
- The way the process of self-assessment of institutional corruption risks is conducted;
- Transparency of staff recruitment procedures;
- Quality of information on websites;
- Transparency in public procurement process.

The intention of the authors was to perform a multidimensional professional analysis of anti-corruption segment in order to provide both decision-making factors and the general public an overview of the successes, shortcomings and recommendations to improve public policies to prevent corruption in the Republic of Moldova.

The main conclusions and proposals made as a result of monitoring are:

Internal mechanism to prevent corruption and protectionism. Monitoring results showed that the person responsible for preventing corruption in the central public authorities (CPA) is not designated or is designated to a level below that of deputy minister (deputy director) as provided by Government Decision no.615/2005. However, some authorities seem to confuse the mechanisms established by Government Decision no.615/2005 for preventing corruption and protectionism with those established by Government Decision no.906/2008 on self-assessment of institutional corruption risks. Measures taken within the monitored institutions by those responsible for preventing corruption are mainly oriented on receiving information from the public (by anonymous petitions, hotlines, etc.), training of employees and population.

Recommendations on the implementation of corruption and protectionism prevention mechanism according to the Government Decision no. 615/2005:

- Designation by central public administration authorities (CPAA) of persons responsible for preventing corruption and protectionism, according to Government Decision no.615/2005, and training of these persons;
- Review Government Decision no.615/2005: widening the circle of subjects covered by its provisions, including entities subordinated to CPA; determining the reporting procedure (establishing the duty to report about the measures taken by entities subordinated to the CPAA or directly to CCECC, drafting the reporting form, setting deadlines for reporting); placing information about the measures taken on CPA websites;
- Empower the person responsible for preventing corruption and protectionism from CPA (GD no.615/2005) to oversee the implementation of integrity plan based on risk self-assessment (GD no.906/2007).

Quality of hotlines activity. The way CPA understood the execution of GD no.615/2005 establishing hotlines is very different: from functional lines operated "live", robotic phone lines, to "dead" phone lines (to which nobody answers). In all cases it is certain only that phone lines were created by CPA and the phone numbers were placed on their web pages.

Application of the "mystery client" technique showed that the line of one of the monitored authorities, who claims to receive 10 to 15 calls daily and describes a wide range of issues beyond corruption that citizens address by phone, is in fact a "dead" line (MLSPF). One of the monitored authorities, who claim that it doesn't receive calls at the hotline, has established a line answered by a robot, allowing the recording of one message (MITC). Two of the four monitored authorities have functional phone lines, set up in appropriate subdivisions (internal security directorate - MSTI and legal department - ME) with a relatively high efficiency. The monitored authorities haven't communicated about the transmission of information received at anti-corruption hotlines to the authorities that have attributions to combat corruption, as CCECC.

Recommendations for the functioning of the hotlines:

- Approval and implementation of the Regulation on the activity of hotlines, providing: duties and responsibilities of hotline operators, separation of their functions from those of the persons that are responsible for the examination of petitions, rules of conduct in relations with the public, rules on registration of the incoming calls, transmission of information to other bodies according to the jurisdiction, establishing penalties for the failure to transmit complaints to the competent persons/bodies;
- Continuous training of persons that work with the hotlines;

- Expanding the ways to inform the public about the opportunities to access the hotlines;
- Creating a unique database for the periodic generalization of information about the hotline activity (E-Government);
- Extension of the internal control over hotline activity (possibly through telephone surveys of the hotline beneficiaries about their quality), taking measures to streamline their functioning.

Efficiency of the petition examination system. All the monitored institutions, received, recorded, examined the petitions and subsequently informed the petitioners about the results of the examination. Petitions received in 2009 were held in the chancelleries of public institutions in stitched files/folders for documents or cardboard boxes. MSTI and MITC had better conditions to preserve the petitions. A worse situation, motivated by the lack of folders, was attested at the MLSPF. An alarming situation was created in the ME, where at the time of the study, in the chancellery were kept only those petitions received from the President's office, Parliament's office and the State Chancellery. Other petitions were delivered to the ministry officials without making any copies. Some officials had just the answers to petitions. This is contrary to the normative acts in force that prohibit the keeping of examined petitions and materials collected on the case.

Among the general problems in the functioning of the petitioning system of monitored public authorities may be noted: lack of information on submitting petitions; failure to designate a person responsible for petitioning activity; lack of a program for the audience with the citizens; failure to ensure transparency in the functioning of the petition system (lack of information about the petitions that were recorded, examined and the way of their examination, non-publication of the informative notes on the functioning of the petition system); failure to ensure the recovery of damages that were caused; insufficient knowledge of the law by officials and petitioners etc.

Also there were found some other shortcomings regarding the petition examination like: registering some denunciations about crimes as petitions; sending the petition to be examined by the official the petitioner complained about; failure to send the petitions of alleged violations of an administrative or criminal character to the competent authorities for consideration; failure to inform the petitioner about the fact that the petition was sent to another competent institution; examining at the central level of some minor problems that could be solved at a local level.

At the same time there were revealed *shortcomings and imperfections in the legislation on petitions*, particularly in the context of transparency in the functioning of petition system, preventing abusive use of the petitioning system, supervision of the legislation implementation, protection of petitioners/whistleblowers.

Recommendations for increasing the efficiency of petition examination system:

- Amending the legislation on petitioning, in particular the introduction of clauses on writing of petitions and how to address them, appointing persons responsible for the implementation of the legislation, ensuring transparency in the functioning of the petitioning system, the extension of internal control over this system, prevention of the abusive use of petitioning system, supervision of the legislation implementation etc.;
- Ensuring the recovery of the damages that were caused;
- Supervision and accountability of public authorities in the context of sending the petitions of alleged administrative or criminal violations to the competent authorities;
- Training of officials and legal education of the population;
- Approving the Law on the protection of whistleblowers.

Abiding the provisions on income and property declaration.

Monitoring has shown that income and property declaration is not a subject about which the authorities wanted to provide a complete information (Only MSTI presented the requested information, MITC and MLSPF gave just a partial information, ME did not provide any data). Most of the monitored institutions presented confusing and contradictory statistics related to income declaration by the officials. MLSPF and MITC allow considerable divergences between the number of declarations which they had to receive and those that were actually filed. However, although Article 10 par. (4) of the Law no.1264/2002 provides that if there were discovered component signs of some violations, departmental committees are required to submit such materials to CCECC for examination and Article 14 provides that avoiding the submission of the declaration constitutes a violation, paradoxically the authorities mention that there were no violations and do not inform the CCECC. Instead, MITC and MLSPF report that persons who haven't submitted the declarations when dismissed, have been warned in writing, when the law provides for submission of materials to CCECC, and the person will be subsequently informed about the decision that was taken.

The practice of verifying the income and property declarations shows the importance of direct access to databases by the body responsible for the first control of the declarations (preliminary control), because only in this case the control can be effective. It is created *an unworkable mechanism introduced by the law*: the authority that has access to specialized databases (CCECC) can intervene only at the request of the body that has no such access and thus no real opportunity to control these declarations (departmental commission). The result is that there aren't discovered any violations or irregularities.

Recommendations regarding the implementation of income and property declaration

- Review of Law no.1264-XV of 19.07.2002: to exclude clause on the confidentiality of declarations on the grounds that it favors the concealing of information about the wealth of persons covered by this law and creates obstacles in attracting public to report unlawful obtaining of property by officials; to establish mandatory placement of declarations of all categories of officials/civil servants on the websites of public authorities or the body specialized in surveillance and control of the declarations; to include the rule of partial reversal of the burden of proof on the illicit origin of goods in cases of illicit enrichment;
 - Supplement the Criminal Code with an article that would regulate the criminal liability for illicit enrichment;
 - Empower CCECC with random control function of all income and property declarations of CPAA and LPA representatives, CCECC participation at the preliminary stage of verification of income and property declarations within the public institutions;
 - Creating and maintaining a database of all income and property declarations in order to facilitate the monitoring of the compliance with the income and property declaration legislation (E-Government);
 - Responsibility of the person authorized to prevent corruption /control unit for not making accountable those officials who have evaded the filing/distorted data from the income and property declarations.

Abiding the provisions on declaration of personal interests and conflict of interest.

ME avoided to answer the questions about the implementation of the policy of treatment and solving of conflicts of interest. MLSPF mentioned about non-execution of the legal framework, without providing any explanations. MSTI and MITC mentioned as reasons for non- execution of the Law no.16/2008 the absence of Main Ethics Commission and the model of interest declaration that it must adopt. Attitude of the monitored authorities shows, on the one hand, indifference to their legal obligations, and on the other hand – lack of knowledge as concerns the legal provisions. Ignorance of the legal provisions of Law no.16/2008 comes also from overlooking the other questions on implementation of the law. Thus, there have been neglected questions about informing hierarchical superior about any cases of conflict of interest and how to solve them. There is an insufficient understanding by the authorities of the process of identifying and addressing conflict of interest.

Recommendations on treating and solving the conflict of interest:

- Conducting a governmental control on the implementation of Law no. 16-XVI of 15.02.2008 on conflict of interest and informing the Legal Commission of the Parliament on the results of this control;
- Expedite the implementation of Law no. 16-XVI of 15.02.2008: starting the activity of the National Integrity Agency; drafting and approving the model of declarations of personal interests and conflict of interest; initiate the submission of declarations of personal interests and conflict of interest and verify these declarations;
- Extension of internal control of the public authorities over the compliance with Law no. 25-XVI of 22.02.2008 on the code of conduct for civil servants and Law no. 16-XVI of 15.02.2008 on conflict of interest;
- Familiarize the employees with the provisions of the Code of conduct and Law on conflict of interest, drafting instructions/guidelines on handling the conflict of interest;
- Documenting the declarations on conflict of interest and record the actions taken in connection therewith;
- Creating and maintaining a database of all declarations of interests and conflict of interest to facilitate the monitoring of compliance with Law no.16-XVI of 15.02.2008 (E-Government);
- Responsibility of internal control unit for not making accountable those officials who have evaded the filing/distorted data from the interests and conflict of interest declarations;
- Promoting the Code of conduct and conflict of interest policy in public authorities, making the process for implementing these policies transparent.

The process of self-assessment of institutional corruption risks. Of the four monitored authorities, only two provided information on the implementation of corruption risks self-assessment and the provisions of GD no.906/2008 (MITC and MLSPF). ME did not provide any answer. MSTI isn't a specialized central public authority and therefore is not bound by the provisions of GD no.906/2008. As for the implementation of GD no.906/2008, it was ascertained that the two authorities that have provided data on self-assessment of risks, started the process only after more than two and a half years after the entry into force of the Government Decision no. 906/2008. Thus, MITC created the self-assessment group by the minister's Order no.59c of 23.04.2010, and MLSPF - by Order no. 129-p of 08.04.2010. At the same time, the implementation of Government Decision no. 906/2008 is planned for 2008-2011 and its execution time almost expired.

MITC and MLSPF provided details on the process of self-assessment, but none of these authorities has completed the process. There wasn't provided the information on self-assessment report and institutional integrity plan. Given the delay in the implementation process of GD no.906/2008, the impact on preventing corruption in public authorities can not be estimated during the period of time when the corruption risk self-assessment methodology is in forces.

Recommendations regarding the implementation of corruption risk self-assessment methodology

- Extending the deadline for implementing corruption risk self-assessment methodology approved by GD no.906/2008, so that the impact of methodology can be estimated before starting its review;
- Extension the application area of GD no.906/2008 on the institutions subordinated to central public authorities in order to cover areas with increased vulnerability to corruption, such as tax inspectorate, customs, etc.;
- Exercise a strict control by the Government on the implementation of GD no.906/2008;
- Publication of integrity plans on the website of the institution in order to institute a wide public control on the implementation of corruption risk self-assessment, complementary to governmental control.

Transparency of staff recruitment procedures. The subject of transparency of recruitment procedures of civil servants is not one the monitored authorities wanted to fully disclose. Thus, ME avoided to give any answers to questions which concern this policy framework. MITC and MLSPF offered only partial answers. MSTI answered to all questions regarding this policy framework. According to the TI-Moldova survey, in 2009 a considerable proportion of staff from the monitored institutions considered hiring based on kinship and friendship as a reality (60% of respondents from MSTI, 52% from MITC and MLSPF and 40% from ME). The same is in case of perceptions about promotions and awards that are not based on merit (52% in MSTI, 40% - MITC and ME, 41% - MLSPF).

As for the functioning of legal framework on incompatibilities and restrictions, none of the monitored authorities mentioned about dismissals based on these grounds, even though perceptions of employment due to family relationships are widespread in the monitored authorities. As concerns the insurance of transparency of procedures for conducting contests for public office, of the extension of deadlines for the contest and the announcement of its results, only MSTI mentioned about placing announcements about the contest on its official website in a special section ("vacancies"), posting notices on the informative panel and publishing the announcements in the Official Monitor. Other monitored authorities (MITC, ME and MLSPF) avoided to answer this section.

Recommendations relating to transparency of recruitment procedures for civil servants

- Mandatory placement of announcements about vacancies (including extension of deadlines for the contest), composition of the contest commission and contest results on the official website, in newspapers and the display panel;

- Establishing a control on the compliance with the incompatibilities regime, employment and post-employment restrictions (through the National Integrity Agency).

The quality of official websites of public authorities

Monitoring has shown that public authorities have websites which, largely, conform to the legal provisions. However, from the point of view of the content of web pages, its insufficient and there is even a lack of information as well as failure to update the data on the activity of public authorities (PA), in particular:

- almost in all PA data about the *objectives and functions of subdivisions* is not complete or missing: for ME in 9 of 14 subdivisions of the ministry objectives and functions are not inserted; MLSPF – in 12 of 20; MITC - includes objectives and functions of subdivisions from the old structure of the ministry, and they are not updated in the MITC Regulation approved by Government Decision no.389 of 17.05.2010; MSTI - are mentioned objectives and functions of tax authorities and not those of the subdivisions;
- none PA included on their website data on *planning and execution* of 2009 - 2011 budgets;
- at two of the monitored PA (ME and MLSPF) is missing the information about *how to submit petitions*;
- information about *public procurement* are presented to a minimum, in particular: there were no annual procurement plans; in the ME and MITC public procurement announcements do not bear a permanent character, there is no archive on the websites of these ministries; data on awarding public procurement contracts are missing, except for - MSTI website;
- PA haven't placed on their web pages *the results of checks/audits carried out by PA or within the AP* (some summary information on internal audit results were published by the MSTI in the activity report for 2010);
- PA haven't placed on web pages the information *about anti-corruption activity*: lack of data on persons responsible for preventing corruption, anti-corruption measures plans and reports on their implementation;
- two PA (ME, MITC) have not posted on the web page data on programs/projects, including those of technical assistance, whose beneficiary/executor they are.

Recommendations:

- Warning public authorities about the obligation to:
 - placing on web pages of informations as required by legal provisions (Government Decision no. 668 of 19.06.2006, Government Decision no. 615 of 28.06.2005, Law no. 96 of 13.04.2007, Law no. 239 of 13.11.2008. etc.);
 - continuous updating of information on web pages, mentioning the insertion date and the responsible person/subdivision;

- ensure access to archives on web pages;
- Extension of the information required for placement on the website listed in GD no. 668 of 19.06.2006 with the following data:
 - anti-corruption activity (planned actions, measures taken by public authority, person responsible for the prevention of corruption);
 - public procurement data (annual public procurement plan, public procurement announcements in the goods/services/works profile, information on awarding the public procurement contracts);
 - results of internal and external audits conducted in the public authority (Court of Accounts decisions on the results of conducted audits, internal audit Department reports on the results of internal audit) and information on measures taken to eliminate violations detected during the external and internal audit;
 - specifying the mode of submission of petitions: the normative act that regulates this process in the institution, responsible person/subdivision and their telephone number, offering the possibility for electronic submission of petitions, sending the responses through Internet;
- Facilitate the search and use of data on the websites of public authorities, including:
 - uniform the structure of the PA web pages;
 - creating on web pages of different categories regarding the contracts with public authorities and subordinated institutions; the hotline; how to submit the petition; receiving in audience; institution's budget; services that were offered (mentioning the price list, body that approved it and the date of approval); model of applications and other documents to be presented in order to receive services and instructions on how to fill them;
- Examine the opportunity to transfer the management responsibilities of public authorities web sites to a certain institution (eg. E-Government).

Transparency of public procurement process. Information on public procurement is presented to a minimum on the web pages. In particular, all the monitored authorities don't have annual public procurement plans, procurement announcements do not have a permanent character, the archive of announcements is missing in some authorities, and data on awarding public procurement contracts are missing.

Proposals for transparency of the public procurement process: Extending the list of information that must be placed on the website, listed in GD no.668 of 19.06.2006 with data about public procurements (annual public procurement plan, announcements about public procurement in the goods/services/works profile, information on awarding the public procurement contracts).

Civil Council on monitoring CCECC

In the first quarter of 2011 there expired the mandates of 3 members of the Civil Council. Accordingly the Minister of Justice has initiated the re-election procedure. These positions were filled in September and a new President of the Council was elected. Council met in three working sessions, one of which was attended by CCECC Director.

In order to exercise its mandate, the Council was presented the information on CCECC cooperation with the media; report on CCECC activity in 2010; information on the mechanism for examining complaints received by CCECC etc.

Enhancing cooperation with international institutions in preventing and combating corruption

By Government Decision no. 122 of 04.03.2011 was approved the National Program for implementing the Republic of Moldova - European Union Action Plan on visa liberalization. Prevention and combating of corruption is provided in the first three blocks of the Action Plan: document security, integrated border management and migration management and public safety and order. In order to give the public the opportunity to come up with recommendations for effective implementation of these objectives, Ministry of Foreign Affairs and European Integration on 27.06.2011, in cooperation with the visas, borders Working group and the Transnistrian region of the National Convention for European integration, organized a roundtable in Balti, which was attended by 30 representatives of central public administration, civil society and mass-media.

CCECC started the procedure of initiation and signing of a number of bilateral agreements in the fight against corruption, including:

- Agreement between the CCECC and Central Anti-Corruption Office of the Republic of Poland on cooperation in preventing and detecting of corruption acts and other related offenses.
- Cooperation Agreement between the CCECC and Ministry of Interior of the Republic of Hungary in the prevention and detection of corruption acts and other related offenses.
- Cooperation Agreement between CCECC and Special Investigation Service of the Republic of Lithuania on cooperation in preventing and detecting of corruption acts and other related offenses

CCECC representatives participated in a series of events held abroad, the most relevant being:

- 2 international workshops, held on January 20-21 and April 19-20 2011, entitled "Experiences in the identification, management and resolving the conflicts of interest", held in Tirana, Albania. The purpose of the meeting was to enhance

cooperation between institutions that are member to the Integrity Expert Network by exchange of experience in the "conflict of interest", practices of their detection and resolution;

- Expert Seminar: Anti-Corruption Policy and Integrity Training, held on March 23-25 in Vilnius, Republic of Lithuania. The seminar was organized by the OECD anti-corruption Network in Western Europe and Central Asia and OSCE Coordination Office in the economy and the environment domain, in cooperation with the Special investigation service and Ethics in Public Service Commission of Lithuania. The aim was to support the formation of contacts and exchange of experience between experts from the public sector, responsible for drafting and monitoring national policy documents in the anti-corruption domain, drafting and implementing training programs in the field of ethics and integrity of civil servants and effective measures to raise public awareness;

- International conference "Best anti-corruption practices - increased efficiency through inter-institutional and inter-sector approach" held in Zagreb on March 7-10 by the European Center for Security Studies "George C. Marshall" and the State Department of the United States. During the meeting there were promoted the most effective practices by synchronized approach to fight corruption and tangential criminality phenomena, approaching the role of public opinion and mass-media;

- International Conference "Strengthening efforts in returning the assets and combating international corruption" held on March 9-11 in Alma Ata, Republic of Kazakhstan. The event was organized by the Agency of the Republic of Kazakhstan on Fighting Economic Crime and Corruption. The conference referred to the implementation of the UN Convention against corruption, that regulates the international cooperation for the identification, seizure, confiscation and return of assets derived from corruption acts;

- Third Meeting of the Working Group on Fighting corruption, under the Eastern Partnership multilateral platform no. I "Democracy, Good Governance and Stability", held on May 20 in Tbilisi, Georgia. The event aimed mainly the starting of CoE project - *anti-corruption facilities* and draft *Workplan of Activities* for its implementation;

Following this event, CCECC, in collaboration with the Council of Europe, organized a roundtable to launch the Eastern Partnership – CoE Facility Project on “Good Governance and Fight against Corruption”. The meeting was held on June 24 with the participation of representatives of state authorities and civil society as well as project advisor of the Corruption and Money Laundering Unit, Economic Crime Division, Council of Europe. There were discussed Pilot Actions proposed by the Republic of Moldova, including:

1. Assessing the corruption risks and development of Anti-Corruption Strategies for local public authorities;

2. Improve the legal framework and awareness regarding the political party financing.

Achieving these activities will facilitate the implementation NAS and GRECO recommendations, addressed to the RM in the third round of evaluation.

- Expert Seminar "Investigation and Prosecution of Corruption: Financial investigations and links with money laundering cases", organized by the Anti-Corruption Network for Eastern Europe and Central Asia of OECD on June 28-30 in Kiev, Ukraine.

- International seminar "International anti-corruption cooperation ", organized by the International Association of Anti-Corruption Authorities (IAACA), held in Shanghai, Republic of China on July 3-7, 2011. The event was attended by over 400 representatives of anti-corruption authorities, prosecutors, judges from around 80 IAACA member countries.

- International Workshop on "Integrity Promotion: International and National Legal Instruments and Mechanisms" organized by the Macedonian State Commission for Prevention of Corruption (SCPC), with support and assistance of the Regional Anticorruption Initiative (RAI) Secretariat for South-Eastern Europe and Regional Cooperation Council (RCC) on July 04-05, 2011, in Ohrid, Macedonia. CCECC representative made a presentation regarding the national legislation on integrity, best practices and challenges. There were discussed methodologies of assessing the institutional corruption risks, issues regarding conflict of interest policy, whistleblower protection, etc.

- Workshop regarding the validation of Methodology for Assessing the Capacities of Anti-Corruption Agencies. The event was held on July 7-8, organized by the United Nations Development Programme (UNDP) New York Office, together with the Bratislava Regional Center. The project was developed based on Methodology for assessing the capacities of anti-corruption agencies to perform preventive functions. According to this Methodology, in 2010, was evaluated the CCECC corruption prevention capacity.

The **MIA** staff attended the international seminar on the ethics of police officers in the context of the 10th anniversary of the European Code of Ethics for police officers, held in Strasbourg (France) and the international seminar entitled "Corruption - economic realities and means to combat it" organized by National School of Administration, in Paris (France). It was discussed the international practice in preventing and combating corruption, judicial procedures and control by the judiciary, the role of judicial policy in fighting related crimes.

Center for Combating Economic Crimes and Corruption

