(Approved according to

Order No. 25 issued by the Prime Minister

on 29 January 2018)

Operational Strategy of the Corruption Prevention

and Combating Bureau 2018-2019

RIGA 2018

Table of Content

[1. GENERAL PART 4](#_Toc500150875)

[1.1. Legal grounds of the Bureau’s operations 4](#_Toc500150876)

[1.2. General description of the current situation 4](#_Toc500150877)

[1.3. Bureau’s priorities 7](#_Toc500150881)

[1.4. Bureau’s operational directions and description thereof 8](#_Toc500150882)

[1.4.1. Detection and investigation of criminal offences 8](#_Toc500150883)

[1.4.2. Control of actions of public officials 11](#_Toc500150884)

[1.4.3. Control of financing of political parties and supervision of campaigning 14](#_Toc500150885)

[1.4.4. Informing the public on anti-corruption matters 16](#_Toc500150886)

[1.4.5. Planning of anti-corruption policy and international cooperation 19](#_Toc500150887)

[1.5. Assessment of the Bureau’s operational capacity 22](#_Toc500150889)

[1.5.1. Personnel management 22](#_Toc500150890)

[1.5.2. Work environment 24](#_Toc500150891)

[1.5.3. Circulation and safety of information 24](#_Toc500150892)

[1.5.4. Bureau’s organizational structure and internal processes 24](#_Toc500150893)

[2. STATE BUDGET PROGRAMMES 2](#_Toc500150894)7

Introduction

Operational Strategy of the Corruption Prevention and Combating Bureau 2018-2019 (hereinafter – the Strategy) is a mid-term management document of the Corruption Prevention and Combating Bureau (hereinafter – the Bureau) setting plans for the Bureau’s operations by defining the Bureau’s strategic goals, tasks for reaching these goals, performance indicators and their numeric values that are to be reached.

The Bureau’s Strategy is developed in accordance with the Law on the Corruption Prevention and Combating Bureau[[1]](#footnote-1) and the Cabinet of Ministers Instructions No. 3 “Procedure for Developing and Updating an Institution’s Strategy and for the Assessment of Implementation Thereof” adopted on 28 April 2015.

The purpose of the Strategy is to secure effective planning and performance of the Bureau’s operations within the scope of functions and tasks under the competence of the Bureau throughout the period from 2018 to 2019. The implementation of the Strategy complies with the total planned expenses in the mid-term budget of the Bureau.

The Strategy was developed by seeking suggestions as to necessary priorities and reachable targets in the field of corruption prevention and combating throughout the planning period of the Strategy from the members of the Bureau’s Public Consultative Council as representatives of non-governmental organizations.

# GENERAL PART

## Legal grounds of the Bureau’s operations

The Bureau is an institution of direct administration under the Cabinet of Ministers which carries out certain functions laid down in the Law on the Corruption Prevention and Combating Bureau for corruption prevention and combating, as well as controls fulfilment of financing regulations of political organisations (parties) and associations thereof.

**The Bureau’s mission**: “We take action against corruption for the good of society and the national interest with the full force of law and public support, in order to achieve integrity in the exercise of power vested in officials of State.”

**Responsibility, professionalism, independence and trust** are the **core virtues** of the **Bureau** in its operations and relationships with the society.

* 1. **General description of the current situation**

Corruption affects economic and legal development of the State as well as social growth and implementation of rights and liberties of all members of the society, thus diminishing the public loyalty and trust in the State and destabilizing the domestic political and economic situation. Corruption has an overall negative effect on the public administration endangering decision-making in the public interests. Corruption can be divided in “lower level” or administrative corruption which takes place in the implementation stage of regulatory enactments, e.g. when issuing various permissions, licenses and other documents, and “higher level” or political corruption when high-ranking officials make decisions, develop or introduce policies in their own personal interests, where such policies involve large financial resources.

Corruption may be advanced by many causes which can be divided in four groups:

1. Deficiencies in regulatory enactments, regulations, procedures.

2. Deficiencies in administration of institutions, including lack of internal control mechanism (or deficient mechanism), lack of clear anti-corruption policy.

3. Individual interests, including greed, lack of [ethicalness](http://www.letonika.lv/groups/?q=ethicalness&g=2) and legal awareness.

4. External influences, including public attitude, culture and traditions.

Corruption often takes place when interests of public and private sector collide. Corruption in the public sector also slows down development of honest business environment and cripples competition.

According to studies conducted both in Latvia and on an international level, corruption in Latvia is still one of the issues slowing down development of the country.

E.g., in 2016, social study “Public attitude towards corruption in Latvia” was conducted[[2]](#footnote-2) where respondents were asked **whether they would agree to bribe a public official** if that would be in their own interests or in the interests of their relatives and if bribery would solve a problem. 48.5% of the respondents stated that they would not bribe a public official under no circumstances; “more no than yes” – 22.2%, “more yes than no” – 14.4%, but 8.9% of the respondents answered that they would bribe a public official.

When asked how high-level corruption problems have changed, 30.4% of the respondents stated that the situation has not changed, 8.7% stated that **high-level** **corruption** has slightly decreased, 0.7% stated that high-level corruption has significantly decreased. At the same time, 16.2% respondents believed that high-level corruption has significantly increased but 18.9% believed that high-level corruption has slightly increased.

The respondents had similar thoughts about **lower-level bribery**. One third of the respondents (33.9%) believed that nothing has changed. More positive thoughts about lower-level corruption were shared by 15.3% of the population, while 24% believed that corruption has “slightly increased” or “largely increased”.

When asked what kind of measures could decrease corruption, more than 86.6% of the respondents noted that the following is “important” and “very important” – “courts must impose more severe sentences on bribe-takers and bribers”. The second most important measure was noted the following – “more rigorous control of public procurements” (84.7%), **but the third – “increased control and restrictions of private** **donors of** **parties” (78%).**

In 2016, the Bureau commissioned a social entrepreneur survey[[3]](#footnote-3)where respondents were asked **what are the main factors causing corruption in the State and municipality institutions**; the following where the most popular answers: helping friends and family (9.2%), greed, avarice and selfishness of officials (7.2%), lack of responsibility, absence of willingness to benefit country (6.7%), bureaucracy, complexity of procedures (6.7%), lack of openness, transparency (6.2%), economic situation in the country (6%), corrupted persons are not punished, belief that there will be no punishment (5.5%), lack of control, permissiveness (5.4%), high taxes, unorganized tax system (5.4%), processes without corruption are slow or completely absent (4.9%), unprofessional or inadequate people assigned to official positions (4.7%), officials and parties are associated with entrepreneurs (4%), people themselves give bribes; where there are givers, there will always be takers (4%), traditions, accustomed procedure (Soviet-style thinking, culture) (3.1%), unorganized legislation (holes, possible interpretations) (3.1%), poverty, low quality of life (2.5%), lack of political will to fight corruption, corruption-beneficial environment (2.5%), lack of transparency and order in procurements (2.3%), high expenses when executing documents, permissions (2.2%), example shown by the highest officials (2.2%).

At the same time, when giving their thoughts **as to the entrepreneur’s willingness to give a bribe** in cases when a bribe could solve a problem/issue, more than half of the entrepreneurs responded “yes” (25%) and “more yes than no” (32.9%), confirming that they would give a bribe. 13.9% believed that “more no than yes” but 17.4% of the respondents considered that they would not give a bribe. For 17.4% respondents it was hard to know what they would do.

According to the Corruption Perceptions Index 2016 determined by international anti-corruption organization *Transparency International*,Latvia had 57 points of 100, thus was ranked 44th out of 176 countries[[4]](#footnote-4) (the highest place since 1998).

The aforementioned studies suggest several burning issues:

1. considering the rather clear willingness of population and entrepreneurs to solve important matters by using corruptive methods (bribes), it can be concluded that the population (including entrepreneurs) lack understanding as to the causes of corruption and negative consequences affecting the whole society,
2. both in public and private spheres there is lack of willingness and understanding as to the necessity of anti-corruption measures. Up until this moment the internal anti-corruption control system in public institutions has proven to be ineffective; therefore, potent external control is necessary as carried out by the Bureau within its competences.

In accordance with data of the World Bank, Latvia is ranked among the “high-income” economies. The economic situation in Latvia develops on a fast pace due to progressive economic reforms; however, Latvia still faces rather high unemployment rate[[5]](#footnote-5). The Global Competitiveness Index 2017-2018 by the World Economic Forum ranked Latvia on the 54th place (previously – 49th) out of 137 countries, stating that the main problem factors are (in the order of priority): ineffective government bureaucracy, tax rates and tax regulation, followed by corruption, inadequately educated workforce, unstable policy-making practice and approach to funding[[6]](#footnote-6). It follows from the aforementioned that corruption has rather large role in shaping competitiveness of Latvia.

Study “Doing Business 2018” by the World Bank ranked Latvia as high as 19th place out of 190 countries (“Doing Business 2017” ranked Latvia in 14th place, but “Doing Business 2016” – 22nd place).

*Table 1*

Latvian comparative figures in Doing Business 2017-2018 by the World Bank

|  |  |  |  |
| --- | --- | --- | --- |
| **Some of criteria** | **2017** | **2018** | **Changes (places)** |
| Starting a Business | 22 | 21 | +1 |
| Dealing with Construction Permits | 23 | 49 | -26 |
| Getting Electricity | 42 | 62 | -20 |
| Registering Property | 23 | 22 | +1 |
| Protecting Minority Investors | 42 | 43 | -1 |
| Enforcing Contracts | 23 | 20 | +3 |
| Resolving Insolvency | 44 | 53 | -9 |

The Latvian economic is an open economic integrated in the economic environment of the European Union. For entrepreneurs to be willing to start and extend businesses in Latvia, the main conditions are well-organized business environment with legal, business-oriented regulatory framework, reduction of corruption and shadow economy, as well as reasonable requirements and up-to-date, user-friendly public administration services. The same applies for investors to be interested in any investments in our country without any fears as to the safety and protection of their investments. Corruption has a negative influence on economic situation in the country: “shadow economy” grows larger, certain market mechanisms are damaged (“crippled” market competition), potential investors lose their trust in development of the country, thus contributing to social inequality.

As per public opinion polls, over the course of last years both the Cabinet of Ministers and the Parliament (*Saeima*) have low public trust. In accordance with October 2016 survey “Public attitude towards corruption in Latvia”[[7]](#footnote-7), only 19% of the respondents had trust in the Cabinet of Ministers, but 12% respondents trusted the Parliament. In accordance with October 2017 survey[[8]](#footnote-8), only 17.1% of the respondents had trust in the Cabinet of Ministers, but 14.1% of thr respondents trusted the Parliament.

In order to strengthen public trust in the Parliament (which is currently rather low), in the spring of 2016 the Parliament amended the Constitution of the Republic of Latvia, determining that from here on out it will be possible to hold members of the Parliament administratively liable without the approval of the Parliament, thus amending the Parliament’s Rules of Order and deleting regulations as to the Parliament’s consent for allowing to impose an administrative punishment on a member of the Parliament[[9]](#footnote-9).

Throughout the period of the previous Strategy, with an aim to improve preventive mechanisms dealing with interests of conflict in activities of public officials, as well as to improve investigation of corruption crimes and illegal financing of political organizations (parties) and violations in pre-election campaigns, many laws were amended. The most important amendments were made to the Criminal Law, the Pre-election Campaign Law and the law “On Prevention of Conflict of Interest in Activities of Public Officials”.

* 1. **Bureau’s priorities**

The Bureau must contribute to the social, economic and judicial environment where shadow economy and corruption are rare phenomenon, ensuring that individuals and society as such have trust in the legislator, judicial power, State and municipality institutions. In order to further the economic growth, it is also necessary to secure business-friendly environment. Implementation of recommendations given by international organizations must be encouraged.

With a view of consolidating the Bureau’s analytical capacities, the resources for supervision and control of the sectors assigned to the Bureau will be focused on identification and prevention of corruption risks, detection and destruction of corruptive systems in the priority fields. The most significant resources will be focused on the following priority tasks:

1. To reduce the possibility of illegal actions taken by a public official with property and financial resources of a public institution, as well as to eliminate corruption crimes in public institutions through targeted actions in the following priority fields:

1.1. judicial institutions,

1.2. public procurements:

* + 1. projects funded by the European Union,
		2. health sector,
		3. construction sector,
		4. largest municipalities in Latvia.

2. To improve the legal framework for supervision of lawfulness of financing of political parties and pre-election campaigning, as well as to combat illegal financing of political organizations on a large scale decreasing the role of money in politics.

3. To strengthen the Bureau’s analytical capacity, to raise the qualification of the Bureau’s officials and to keep on solving matters pertaining to raising salaries and improving social guarantees for the Bureau’s officials so that those working for the Bureau would have a competitive remuneration.

## Bureau’s operational directions and description thereof

The Bureau’s operations are directed towards prevention and combating of corruption as well as control of the fulfilment of the financing provisions of political parties through the following measures:

1. detection and investigation of criminal offences,
2. control of activities of public officials,
3. control of funding of political parties and supervision of campaigning,
4. informing the public on anti-corruption matters,
5. planning of anti-corruption policy and international cooperation.

For each operational direction of the Bureau there is further description given as to the goals and current situation; furthermore, the most burning issues are also described in relation to the existing situation and institutional operational capacity. Bearing in mind the current situation, the planned tasks and measures are further listed.

## 1.4.1. Detection and investigation of criminal offences

**Description of current situation:**

In accordance with Section 1 of the Law on the Corruption Prevention and Combating Bureau, corruption is bribery or any other action by a public official intended to gain an unmerited benefit for himself of herself or other persons through the use of his or her position, powers thereof or by exceeding them.

The Bureau shall have competence in investigating criminal offences associated with violations of financing provisions of political organizations (parties) and associations thereof, as well as corruption-related criminal offences in the operations of public institutions. To this end, the Bureau’s officials carry out operational activities, departmental investigations and criminal proceedings as well as assist foreign countries in their performance of procedural activities, if related to investigation of corruption.

Over the course of the Strategy’s period, the Bureau aims to carry out targeted, effective and qualitative operational activities and investigation, especially focusing on detection and investigation of criminal offences in the priority areas with high identified corruption risks. One of the tasks is to focus on financial investigation in order to detect and confiscate proceeds of crime both in Latvia and abroad. Bearing in mind that corruptive activities are of financial nature, special attention must be directed towards settlement of financial matters through criminal proceedings so that illegally acquired funds could be seized and thus there would be less motivation to be involved in corruptive activities. The Bureau has a crucial preventive role in investigation of criminal activities, recovery of proceeds of crime and securing of inevitability of punishment, thus discouraging other members of the society from illegal activities.

Since corruption is closely tied to illegal self-enrichment and financial state of public officials, special attention must be paid to more severe sanctions provided for in Section 219(2) of the Criminal Law pertaining to untruthful information in the declaration of a public official. The existing regulation prohibits from using special investigative activities as well as evidence obtained through special operative measures in proving the aforementioned criminal offence which makes it significantly harder to prove the content of the aforementioned criminal offence, especially subjective aspects thereof. Considering that deliberately false information in the declaration of a public official rather often has a causal connection with the corruptive criminal offences investigated by the Bureau, more severe punishments set forth under Section 219(2) of the Criminal Law must be suggested so that the foregoing criminal activity could be from here on out classified as a less serious crime.

Active and mutual trust-based cooperation between not only law enforcement authorities but also other public person’s institutions has increasingly high importance in practical operations.

The practice shows difficulties to determine the exact harm done by unreasonable increase in price due to unfair public procurement procedures. The Bureau has received an answer from various State and municipality institutions that no harm can be seen in unfair and previously agreed upon procurements because subject matter of the agreements has always been fulfilled. Such outlook on things failing to see unreasonable increase in price as a harm shows that there is lack of understanding and due care in effective use of the State and municipality resources; furthermore, such a standpoint also complicates fair regulation of relationships under criminal law. The Bureau believes that specific methods must be developed to detect and account losses in such cases.

Furthermore, unified and harmonized understanding with the Prosecutor’s Office should be strengthened regarding the required standard of proof in corruption cases. Cooperation with the Prosecutor’s Office must be synergistic thus contributing to results in combating of corruption.

In order to improve the business environment, it is of utmost importance to raise merchant’s understanding of consequences in cases when a criminal offence is committed in favor or interests of a legal person or as a result of insufficient supervision or control. This context requires cross-border cooperation and use of international tools designed for investigational activities.

It is necessary to take part in discussions regarding the scope of direct intent in bribery cases when the bribe is given through an intermediator. This is crucial because the briber not always is clearly informed that the intermediator will use the received benefits to bribe a public official to take certain actions or to allow inactivity in the interests of the briber. Most often the briber allows a criminal offence to take place but deliberately refuses to gain more information as to actions taken by the intermediator. The existing interpretation of direct intentions in investigation of bribery cases is narrowed down and fails to comply with the standards of subjective factors as set forth in the Organisation for Economic Co-operation and Development’s (hereinafter – OECD) Anti-Bribery Convention; therefore, compliance with the aforementioned convention should be guaranteed.

**Goal of the operational direction:**

Detection and investigation of criminal offences.

**Policy results:**

*Table 2*

|  |
| --- |
| 1. Policy results |
| 1.1. Results  | 1.2. Performance indicators | 1.3. Numeric value of performance indicators |
| Performance in 2015 | Performance in 2016 | Plan for 2017  | Plan for 2018 | Plan for 2019 |
| 1.1.1. Detection and investigation of criminal offences | 1.2.1. Criminal offences detected | 56 | 60 | 63 | 64 | 65 |
| 1.2.2. Proportion of the criminal cases opened by the Bureau and transferred for criminal prosecution and not finalized by the Prosecutor’s Office(%) | 87,5 | 92,9 | 95 | 95 | 95 |
| 1.2.3.Number of criminal proceedings initiated by the Bureau as per information by the OIN | 7 | 6 | 12 | 13 | 14 |

**Tasks for implementation of the operational direction:**

1. to strengthen the Bureau’s capacity in obtaining, processing and analyzing information and data, especially with respect to financial investigation, liability of legal persons, cross-border bribery,
2. to improve information circulation in detecting and investigating corruptive criminal offences with institutions from Latvia and foreign countries,
3. to ensure relevant and qualitative training for the Bureau’s employees in order to raise the professional qualification, especially with respect to financial investigation,
4. to develop amendments to the Criminal Law by setting stricter punishments for provision of false information in the declaration of a public official on a large scale, so that this criminal offence would qualify as a less serious crime.

**Institutions involved:**

Ministry of Justice[[10]](#footnote-10)

* + 1. **Control of actions of public officials**

**Description of current situation:**

In the field of prevention of corruption, the Bureau controls compliance with the Law “On Prevention of Conflict of Interest in Activities of Public Officials” (hereinafter – the Law on Conflict of Interest) as well as compliance with additional restrictions set forth in other regulatory enactments for public officials.

 The Law on Conflict of Interest sets for public officials restrictions on combining offices, obtaining of income, commercial activity, issuing administrative acts, performance of supervision, control, inquiry or punitive functions and entering into contracts, prohibition to influence issue of administrative acts, as well as the performance of supervision, control, inquiry and punitive functions, restrictions on accepting gifts and donations, prohibition to be a representative, prohibition to receive supplementary payments, restrictions on advertising, restriction to act with regard to the property of an institution of a public person, prohibition to utilize information.

In regard to control of actions of public officials, there is a constant trend, that is, the Bureau makes ever-increasing number of decisions concerning detected violations of the Law on Conflict of Interest imposing fines or expressing verbal reproof to public officials who have positions in municipalities and institutions established therein (e.g. council members, heads of municipality institutions) as well as capital companies of a public person.[[11]](#footnote-11)

As per the Guidelines for the Corruption Prevention and Combating 2015-2020, one of the priorities in prevention of corruption is shift of anti-corruption policy from external control carried out by a controlling institution towards a departmental and internal institutional control. With a view of strengthening the internal anti-corruption system of a public person’s institutions, Section 20(8) was added to the Law on Conflict of Interest wherein it was provided that the Cabinet of Ministers shall issue regulations concerning basic requirements of the internal control system for prevention of corruption and conflict of interest in a public person’s institutions. Cabinet of Ministers Regulations No. 630 “Regulations on the Basic Requirements for Internal Control System for the Prevention of Corruption and Conflict of Interest in the Institution of a Public Person” will encourage the head of a public person’s institutions to take targeted and effective steps to reduce the possible risk of corruption, avoiding at the same time taking only formal steps.

In accordance with Section 20(1) of the Law on Conflict of Interest, the head of an institution of a public person has a duty, in conformity with his or her competence, not to allow the public officials working in this institution to be in a conflict of interest situation and in such situation implement the powers of office of the public official. Whereas Section 20(2) of the Law on Conflict of Interest state that the Cabinet of Ministers shall issue regulations concerning basic requirements of the internal controls system for prevention of risk of corruption and conflict of interest in a public person’s institutions.

Over the course of the Strategy’s period and further on the Bureau must take steps to re-organize prevention of conflict of interest of public persons and control of restrictions and prohibitions imposed on public officials shifting away from the external control towards internal control carried out within the institution. Consequently, the Bureau must address the question pertaining to extending the authority (competence) of the head of a public person’s institution in the field of prevention of conflict of interest, fixing that the head of a public person’s institution controls whether combining respective offices lead to a conflict of interest, whether such combining harms the performance of direct job responsibilities or is in conflict with ethical rules in the field. In future, therefore, persons committing minor administrative violations would be held disciplinary liable and not administratively liable; furthermore, the head of the institution would have rights and duty to hold public officials who have committed violations disciplinary liable.

At the same time, it is necessary to address the matter concerning responsibility of the head of a public person’s institution who fails to perform his or her duties regarding prevention of conflicts of interest in the managed institution.

In 2015, the State Audit Office carried out at the State Revenue Service (hereinafter – the SRS) and the Bureau legality/feasibility audit No. 2.4.1-21/2015 “Are declarations of public officials effective instruments in order to ensure lawfulness and transparency in actions of public officials?” where it was concluded, among other things, that policy planning documents fail to analyze the existing and desirable impact of the declaration system of public officials on identification of conflict of interest and prevention of corruption; furthermore, policy planning documents also fail to define desired performance indicators which would allow to assess the system’s significance and development. The State Audit Office provides in the aforementioned audit report specific recommendations regarding development of regulatory enactments. The SRS in cooperation with the Bureau developed suggestions for the Law on Conflict of Interest as to the division of competences between both institutions in the assessment of declarations. In order to take certain steps in implementation of these suggestions, the Bureau in cooperation with the SRS is to develop over the course of the Strategy’s period suggestions regarding amendments to the regulatory enactments.

Furthermore, the Bureau developed and on 7 July 2016 at the Meeting of the State Secretaries announced significant amendments to the Law “On Prevention of Conflict of Interest in Activities of Public Officials” (VSS-653). The aforementioned draft law provides for several amendments and significantly improves the procedure for accepting donations; extends the range of persons qualified as relatives; provides for additional duty to inform the head of a public persona’s institution or the Bureau regarding situations where there is a conflict of interest or possible cases of bribery, including bribery of foreign officials; extends the range of persons to be specified in the declaration of a public person; determines the procedure how the director of the Constitution Protection Bureau is to submit the declaration of a public official; sets terminated commercial activity restrictions for a public official who has performed investigative functions; specifies duties and actions of a public official, setting additional cases and specific deadlines within which the head of a public person’s institution must be informed regarding possible conflict of interest and other amendments[[12]](#footnote-12). Currently the Bureau continues the approval procedure for the aforementioned amendments with the involved institutions. It is expected that the draft law will be lodged with the State Chancellery for further transfer to the Committee of the Cabinet of Ministers.

**Goal of the operational direction:**

To ensure that public officials work in the interests of the society, preventing any influence of personal or financial interests of public officials, their relatives or business partners on the work done by the public officials; to promote transparency of activities of public officials and responsibility thereof before the society, as well as public trust in the public officials.

**Policy results:**

*Table 3*

|  |
| --- |
| 2. Policy results |
| 2.1. Results  | 2.2. Performance indicator |  2.3. Numeric values of performance indicators  |
| Performance in 2015 | Performance in 2016 | Plan for 2017 | Plan for 2018 | Plan for 2019 |
| 2.1.1. Ensured lawfulness and validity of decisions made by the Bureau | 2.2.1. Proportion of decisions made by the Bureau in connection with administrative violations in the field of corruption prevention, where such decisions are not revoked | 100% | 99,54% | 98% | 98% | 98% |
| 2.1.2. Detected violations in the field of conflict of interest | 2.2.2. Decisions made by the Bureau concerning violation of regulations of the Law on Conflict of Interest | 285 | 263 | 260 | 255 | 255 |
| 2.1.3. Control of activities of public officials | 2.2.3. Number of examined declarations of public officials (number of public officials) | 948 | 872 | 950 | 950 | 950 |

**Tasks for implementation of the operational direction:**

1) to process and analyze, in line with the Bureau’s priorities, information related to the controls of actions of public officials by identifying and assessing violations significantly harming democratic state system and public interests,

2) to assess, in cooperation with the SRS, the operation of the declaration system of public officials, developing performance indicators in order to assess the efficiency of the system,

3) to develop and introduce the set of measures required for shifting the prevention of conflict of interest of public officials and control of restrictions and prohibitions imposed on public officials from external control to internal institutional control, addressing the issue regarding expanding the authority (competence) and responsibility of the head of a public persona’s institutions in the prevention of conflict of interest.

**Institutions involved:**

SRS

## Control of financing of political parties and supervision of campaigning

**Description of current situation:**

The Bureau controls compliance with regulations of financing of political organizations (parties) and associations thereof (hereinafter – the political parties) and assesses the compliance with restrictions imposed on pre-election campaigning, campaigning before referendums, campaigning for initiation of a law and campaigning for initiation of release of the Parliament.

The Law on Financing of Political Organisations (Parties) (hereinafter – the Law on Financing) provides for transparency, lawfulness and compliance of financial operations of political parties with parliamentary democratic system. The Law on Financing provides for sources of financing of political parties, financing restrictions and prohibitions, as well as requirements for transparency. In order to consolidate the administrative capacity of political parties, starting with 1 January 2012 the political parties are granted the State funding so that the political parties could cover their expenses and become more professional. The Bureau controls not only disbursement of the State budget funding but also compliance of use of the budget resources awarded with the requirements of the Law on Financing.

The Bureau works as an expert in the process of improving the pre-election campaigning regulation; furthermore, the Bureau has also participated in task forces and sessions of the respective parliamentary commissions. The last important amendments to the Pre-election Campaign Law were adopted on 16 June 2016 and came into effect on 15 July 2016[[13]](#footnote-13). The aforementioned amendments improved regulation as to the restrictions determining where there must be no pre-election campaigning, e.g. imposing a duty also on the providers of environmental advertisement services to publish before the pre-election campaigning period their prices and fixing that the pre-election campaigning brochures must also specify their print run etc.

On 26 October 2017 the Parliament adopted at its final reading amendments to the Law on Financing, co-developed by the Bureau. One of the purposes of the adopted amendments was to prevent possibly unauthorized involvement of individual natural persons in donation mediation.

Over the course of the Strategy’s period, in Latvia there will be Parliamentary elections (October 2018) and European Parliament elections (May 2019). Bearing in mind the intensity of political processes, there is a significant risk that financial resources during the pre-election period to cover the activities of political parties will be acquired not only through legal sources but also concealed (illegal) financial sources. The representatives of political parties with close ties to their donors who contribute to the funds available to the parties are capable of having an impact on the political agenda and decision-making; therefore, special attention must be paid throughout this period to financing of political parties.

 While examining donations (gifts) received by political parties, the Bureau has found out that almost 25% of donations are made by donating practically all income of the respective individuals gained throughout the last three years, which raises certain concerns as to lawfulness of these financial resources. The effective control of political parties goes hand-in-hand with controlling lawfulness of income gained by these natural persons. Currently enforced regulatory enactments allow such donations (gifts) and therefore law enforcement institutions have limited tools to prove that it is not actually possible to donate all lawfully gained income to a party without leaving anything for sustenance of the respective person. Therefore, there are concerns that high proportion of donors are actually only middlemen who instead of using their own lawful income donate funds of other unidentified sources. The amendments to the Law on Financing (came in effect on 1 January 2018) provide that natural persons are allowed to make donations (gifts) and pay membership and entrance fees from their own income, provided that the total amount of these donations (gifts), membership and entrance fees does not exceed 30% of the income of these persons gained throughout the previous calendar year.

 Despite various transparency-promotion mechanisms in financing of political parties, there is still a risk that certain large donations to political parties are made from unauthorized financial sources by covering these up with identities of citizens of Latvia. Furthermore, risks are increasingly high during the pre-election campaigning period. Information from inspections cause reasonable suspicion that activities of political parties and pre-election campaigns are being secured by using funds not accounted by political parties. The Pre-election Campaign Law provides for restrictions and prohibitions for the pre-election campaigners and providers of pre-election campaigning services so that political parties would use less money during their pre-election campaigns and would not use the State and municipality administrative resources. However, the pre-election campaigning regulation pertaining to online restrictions has certain shortcomings and fails to comply with the today’s online development tendencies and, therefore, it must be improved.

**Goal of the operational direction:**

To ensure transparency of financing of political parties and reduce the role of money in politics.

**Policy results:**

*Table 4*

|  |
| --- |
|  3. Policy results |
| 3.1. Results  | 3.2. Performance indicator | 3.3. Numeric value of performance indicators |
| Performance in 2015 | Performance in 2016 | Plan for 2017 | Plan for 2018 | Plan for 2019 |
| 3.1.1. Reduced role and impact of money in politics | 3.2.1. Detected violations in financing of political parties and campaigning | 36 | 26 | 25 | 25 | 25 |
| 3.1.2. Reduced number of violations in pre-election campaigns | 3.2.2. The number of unlawful pre-election campaigns stopped during the pre-election campaigning period | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% |
| 3.3.3. Upon examining the Bureau’s decisions in courts, these decisions are recognized as lawful and well-founded | 3.2.3. The proportion of the Bureau’s decisions upheld and unrevoked during the reporting year pertaining to administrative violations and repayment of illegal funds | 99.97% | 100% | 98% | 98% | 98% |

**Tasks for implementation of the operational direction:**

1. to provide recommendations for amendments to the regulatory enactments after analyzing the experience of pre-election campaigns and assessing the pre-election regulation, thus improving the legal regulation in the field of control of financing of pre-election campaigns and reducing the role of money in politics;
2. to consolidate the Bureau’s capacity in processing and analyzing information related to concealed pre-election campaigning and unlawful financing of political parties;
3. to introduce a data basis for financing of political parties with automated information entry system as this would improve the Bureau’s capacity in controls of financing of political parties and supervision of campaigning;
4. to make the procedure of inspecting donations (gifts) of political parties more effective in order to identify, as fast as possible, intermediation in making donations to political parties.

**Institutions involved:**

None

* + 1. **Informing the public on anti-corruption matters**

**Description of current situation:**

The Bureau educates society on rights and ethics, informs about corruption development trends and detected cases of corruption as well as measures taken in prevention and combating of corruption.

 It is especially important to develop, approve and introduce a new strategy for communication and education by defining clear priorities, types and forms of communication and target audiences and by improving the quality of seminars and training classes organized within the competences of the Bureau. The Bureau’s overall image and reputation must also be improved through communication and public activities.

It is noteworthy that the request from institutions for educational events is very high, but the Bureau’s capacities are limited. Over the course of the last three years seminars are organized for institutions seeking such trainings according to time-based order of their applications. Therefore, planned prevention is slightly neglected, that is, insufficient attention is paid to training events at institutions where there is a high risk of corruption. Therefore, it is necessary to set certain priorities by analyzing findings from criminal and administrative cases, seeking at the same time new approaches for training other institutions showing interest.

 Starting with 2014, at the end of seminars participants take paper-based knowledge tests the results of which are gathered manually. In order to obtain information regarding the level of knowledge of public persons from a certain institution, field or overall country on corruption matters in an up-to-date and user-friendly manner, knowledge must be tested electronically. At the end of 2015, an agreement was reached with the School of Public Administration setting that an electronic option to test knowledge of public officials will be included in the Education Management System developed by the School of Public Administration within the European structural funds project “Professional Development of Human Resources of Public Administration in Prevention of Corruption and Reduction of Shadow Economy”.

 In order to ensure sustainable approach to educational matters, the Bureau will continue to develop and improve the education module of continuing education trainers (*Train the trainers*). Within the module, representatives of the State and municipality institutions and capital companies of a public person are trained and latter enabled to train officials working for their institutions on anti-corruption matters. Continuing education trainers now educate officials of their institutions on basic matters pertaining to prevention of conflicts of interest, but in future they could, mandated by the head of the institution, take on the functions of an internal supervisor, supporting the head of the institution in introduction and maintenance of an effective internal control system for prevention of risks of corruption and conflict of interest. Within the same module, certain trainings could be organized also for those officials of public or municipality institutions who are responsible in their respective institutions for internal control, giving them education on how to develop and carry out effective internal control in order to prevent the risk of conflict of interest and corruption.

Furthermore, youth and students must be further educated so that the new generation would not stand for corruption from the very beginning and be informed as to the harmful consequences of corruption, thus raising trust in and reliance on the Bureau as a fair, independent and competent authority and promoting ever-increasing readiness of the society to report corruptive activities, avoiding apathetic attitude. It is also necessary to continue working with the National Centre for Education both by educating teachers on anti-corruption matters and complying with the national education standard and programmes of school subjects through developing and offering educational institutions various study and methodological materials. At the same time cooperation with higher educational institutions must be strengthened so that they would include in their study programmes anti-corruption topics.

 In order to promote understanding of entrepreneurs as to legal and lawful commercial activities, the Bureau has started to educate entrepreneurs regarding anti-corruption maters and to consolidate the internal anti-corruption control system. The Bureau must continue its work on educating and informing entrepreneurs. It is important to invite entrepreneurs to assess corruption risks and introduce effective risk prevention measures in order to prevent bribery as well as to pay special attention to avoiding bribery of foreign officials.

 Up until now the Bureau used in its annual social campaigns such visual materials as drawings from youth competitions but these failed to efficiently engage the target audience. Furthermore, the Bureau has not used professional services for development and implementation of a targeted and long-term social campaign or assessment and improvement of the existing informative channels. The Bureau must establish targeted cooperation with various media representatives with impact on the public opinion. It is of utmost importance to establish effective communication via social media which in today’s world is an important tool for shaping the institution’s image. In order to raise the public awareness of negative influence of corruption and encourage people to report the witnessed violations, the Bureau must carry out a professional, long-term social campaign, covering all public relationship mechanisms. For the social campaign to be effective and deliver the expected results, the planning and organization process must involve professionals from the respective field (outsourcing); furthermore, as far as possible, cooperation partners must be involved thus signaling the society that the Bureau does not stand alone when it comes to its goals and actions.

 In order to change the public opinion regarding the Bureau’s activities and inform at the same time the society and certain target audiences as to the Bureau’s competences and results as well as implemented anti-corruption measures, the Bureau will implement several measures. The aforementioned measures at the same time must raise the public trust in the Bureau as a fair, independent and competent institution and promote ever-increasing readiness of the society to report corruptive activities, avoiding apathetic attitude.

**Goal of the operational direction:**

To improve the public trust in the Bureau shaping positive image of the Bureau and promoting its authority in the society.

**Policy results:**

*Table 5*

|  |
| --- |
| 4. Policy results |
| 4.1. Results  | 4.2. Performance indicators | 4.3. Numeric value of performance indicators |
| Performance in 2015 | Performance in 2016 | Plan for 2017 | Plan for 2018 | Plan for 2019 |
| 4.1.1. Higher level of knowledge of public officials regarding corruption prevention matters | 4.2.1. Knowledge tests administrated during educational classes show a growing number of public officials who are well educated on basic matters of corruption prevention | 82% | 84% | 84% | 85% | 86% |
| 4.1.2. Reduced public tolerance to corruption and increased willingness to report corruption cases | 4.2.2. Reduced number of surveyed people who give a positive answer to the following social survey statement: “I am not willing to report any corruption cases” | 32.8% | 33.4% | 31% | 29% | 27% |
| 4.1.3.Reduced proportion of people who admit that they are willing to give a bribe | 4.2.3. Reduced proportion of people who admit that they are willing to bribe a public official in order to solve their issues at a public person’s institutions (% of respondents) | 22.2 | 23.3 | 20 | 20 | 20 |

**Tasks for implementation of the operational direction:**

1. to develop and introduce a strategy for communication and education with clearly defined tasks by setting communication approaches and types, with further education training module, entrepreneur trainings, youth trainings and other audiences taking the priority;
2. to gradually invite the institutions whose officials are involved in the Bureau’s criminal and administrative cases to attend educational classes (in the order of priority) as well as to seek new training approaches for other institutions showing interest;
3. to establish a targeted, long-term social campaign involving professionals from the field, e.g. for carrying out public campaigns and assessing and improving the effectiveness of the Bureau’s awareness-raising instruments;
4. in cooperation with the School of Public Administration, to develop and introduce online examination (testing) of gained knowledge[[14]](#footnote-14);
5. in cooperation with the National Centre of Education, to secure that anti-corruption topics are included in the study subjects as much as possible[[15]](#footnote-15).

**Institutions involved:**

1. School of Public Administration

2. National Centre of Education

3. Ministry of Education and Science

# Planning of anti-corruption policy and international cooperation

## Description of current situation:

In accordance with the Law on Corruption Prevention and Combating Bureau, the Bureau shall:

1. develop a corruption prevention and combating strategy and draw up a national programme, which is approved by the Cabinet;
2. co-ordinate co-operation among the institutions referred to in the national programme in order to ensure implementation of the programme;
3. analyze regulatory enactments and draft regulatory enactments, as well as propose to make amendments therein, submit recommendations for drafting new regulatory enactments;
4. compile and analyze the experience of other countries in corruption prevention and combating;

In accordance with the Cabinet of Ministers Order No. 393 of 16 July 2015 “Concerning Guidelines for the Corruption Prevention and Combating 2015-2020”, the Guidelines for the Corruption Prevention and Combating 2015 – 2020 (hereinafter – the Guidelines) were approved. The objective of the Guidelines is to describe the existing situation in the corruption prevention and combating in Latvia, to define burning issues and define goals, operational directions and tasks to be performed from 2015 to 2020.

The Guidelines were drawn by considering recommendations from various analytical reports as to the required improvements, including findings from the Bureau’s inspections and investigated criminal cases. In order to achieve eight sub-objectives included in the Guidelines, the plan of tasks and measures was drawn, providing for 135 measures, including amendments to regulatory enactments, improved functions of institutions, initiatives aimed towards new knowledge and awareness-raising as to the anti-corruption policy. So that employees of institutions would have less motivation for corruption, the aforementioned Guidelines especially stress human resources management policy in public administration. The Guidelines for the first time include measures to restrict prevalence of corruption in the private sector.

In order to establish a permanent internal control system of an institution capable of preventing occurrence of corruption in the public sector as far as possible, it is necessary to establish an internal control system in a public person’s institutions, including municipalities and capital companies of a public person.

Although certain institutions of a public person have had their own internal anti-corruption systems or plans, the Bureau has found[[16]](#footnote-16) that these fail to reach their objectives and there is lack of uniform approach (requirements) for introduction thereof. In order to assist institutions of a public person to introduce an internal control system by 31 December 2018, the Bureau will issue and explain guidelines containing basic requirements of an internal control system for prevention of corruption and conflict of interest in a public person’s institutions.

 Considering that on 1 March 2017 the new Public Procurement Law entered into force where the legislator has defined thresholds for contractual prices starting from which legal regulation must be applied and considering that about 34% of all procurements are currently left outside the scope of controls under the Public Procurement Law (so called “under-the-threshold” procurements) instead of 14% as before (or 998 million euro, excl. VAT), the Bureau is to perform in-depth analysis of risks of wasting money and corruption in “under-the-threshold” procurements and purchases to which external regulations do not apply and give recommendations as to how to reduce these risks.

 There still is lack of principles of communication pertaining to communication between decision-makers and private persons who try to affect the decision-making representing certain interests. It must be noted that recommendations by international organizations especially address legislative power, that is, lack of regulation of process of representation of interests pertaining to the actions of parliamentary representatives, that is, members of the Parliament, when they submit suggestions for draft laws the authors or co-authors of which are private persons (including formal and informal public groups). The introduction of the Bureau’s suggestions, which are capable of regulating the aforementioned situation, in the regulatory enactments would allow to comply with recommendations submitted by the Council of Europe Group of States Against Corruption (hereinafter – the GRECO) during the IV assessment stage which currently shows no progress in terms of implementation. Furthermore, the Bureau must continue its work with the members of the Parliament inviting them to support the Bureau’s amendments to the Parliamentary Rules of Order.

 The Bureau currently secures participation in various events organized by international organizations as well as performs obligations under the Council of Europe Agreement Establishing The Group of States Against Corruption (GRECO)[[17]](#footnote-17), obligations under the United Nations (UN) Convention against Corruption, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Anti-Bribery Convention) as well as activities related to protection measures of the European Union financial interests. It must be noted that The Bureau has joined such informal cooperation networks as the European Partners against Corruption (EPAC) and the Network of Integrity;however, due to the limited capacity, it is currently not advised to join new cooperation platforms in order to fully utilize all the options offered by the existing platforms which are sufficiently extensive to promote international cooperation.

 Over the next few years the Bureau must work on several tasks to achieve full compliance with the OECD Anti-Bribery Convention. During the plenary session of the Anti-Bribery Task Force to be held in October 2018, Latvia will have to report on the fulfilment of 44 recommendations given during the Second stage. Once all recommendations from the Second stage will be successfully implemented, stages three and four will be addressed.

 It is noteworthy that currently Latvia, being the OECD Member State, must support and share experience with countries from other regions who could find our experience interesting. This means involvement in various international cooperation platforms, e.g. the OECD Anti-Corruption Network for Eastern Europe and Central Asia (CAN). Up until now the Bureau has successfully performed its duties representing the Member State of the OECD CAN network and therefore the Bureau’s experts have regularly participated in various activities by the OECD CAN Istanbul Anti-corruption Action Plan[[18]](#footnote-18), including assessments of the Easter Europe and Central Asia countries. It is now necessary to assess possibilities to provide additional support to the CAN activities.

 Towards the end of 2017, Stage V of the assessment of Latvia was commenced within GRECO during which corruption prevention and promotion of integrity was assessed pertaining to higher-ranking officials of the executive power and law enforcement authorities. Therefore, throughout the next years implementation of the recommendations given under this stage will be one of the main priorities in the context of international cooperation. Furthermore, the Bureau still needs to work on implementing recommendations given during the Stage IV regarding prevention of corruption in the Parliament and judicial power.

 In 2018, within the implementation and assessment mechanisms of the United Nations (UN) Convention against Corruption, situation in Latvia will be assessed as a part of the Second stage where Member States are assessed in terms of compliance with Chapter II “Preventive Measures” and Chapter V “Asset Recovery”. It must also be noted that Latvia is appointed as an observer of Azerbaijan the observation process of which will take place in 2018.

 The Bureau takes active part in shaping bilateral international relationships. Foreign partners are interested in the Bureau’s experience in corruption prevention and combating, as well as controls of financing of political parties. In the future, the Bureau intends to be engaged both in transfer and exchange of experience with partner services from other countries. Special attention will be paid to regional partners from Lithuania, Estonia and Poland.

**Goal of the operational direction:**

To develop and coordinate anti-corruption policy capable of preventing unlawful actions of people working for the State administration by, inter alia, performing international obligations.

**Policy results:**

 *Table 6*

|  |
| --- |
| 5. Policy results |
| 5.1. Results  | 5.2. Performance indicators | 5.3. Numeric value of performance indicators |
| Performance in 2015 | Performance in 2016 | Plan for 2017 | Plan for 2018 | Plan for 2019 |
| 5.1.1.Improved Corruption Perception Index | 5.2.1. To improve the Corruption Perception Index (evaluation on 100-point scale where “100” means “there is no corruption”) | 55 | 57 | 60 | 62 | 63 |

**Tasks for implementation of the operational direction:**

1. to analyze corruption risks in areas determined by the Bureau as priority for the next strategic period and to develop measures in order to reduce the identified corruption risks;
2. to perform an in-depth analysis of risks of money wasting and corruption in “under-the-threshold” procurements or purchases which does not require application of external regulation, and to provide recommendations as to how to reduce these risks[[19]](#footnote-19);
3. to perform international obligations in accordance with recommendations given within the international assessment mechanisms;
4. to consolidate the Bureau’s international cooperation with regional partners, especially from Lithuania, Estonia and Poland, as well as to share experience with foreign partners within the Bureau’s competence.

**Institutions involved:**

No involved institutions.

## Assessment of the Bureau’s operational capacity

## 1.5.1. Personnel management

The Bureau’s officials and employees work in a unified hierarchic system where one employee is subordinated to another. The Bureau’s officials and employees work within their competences and perform and carry out their duties independently.

 The Bureau’s deputy directors evaluate the heads of the subordinated divisions and provide suggestions as to determination of their remuneration, bonuses and awards. The heads of the Bureau’s divisions submit to their direct managers suggestions as to the division’s structure and work organization, hiring and releasing employees, workload of an employee, performance indicators, financial and moral incentives, holding somebody disciplinary liable, as well as raising the qualification of an employee. The Legal Division carries out at the Bureau its personnel management functions and development of the personnel within the institution.

 Significant amendments were applied to the Law on Corruption Prevention and Combating Bureau (enforced on 5th April 2016) as a result of which the Bureau’s officials underwent changes in their statuses, that is, they shifted from employment legal relationships to public service legal relationships.

 In order to perform the Bureau’s functions in more efficient way, on 1 November 2017, upon assessing the necessity to improve analytical capacities, certain significant structural changes were made, establishing the Strategic Analysis and Policy Planning Division and the Chancellery. The Strategic Analysis and Policy Planning Division is directly subordinated to the director of the Bureau. The Division improves the planning system of the normative base in the field of corruption prevention, development of corruption prevention and combating methodology in public institutions, coordination of the Bureau’s public relationships and development of the strategy for public education, as well as collects experience of Latvia and other countries in the field of corruption prevention and combating and strategic analysis thereof.

 To secure effective and qualitative analysis of information, it is crucial to attract qualified employees and improve knowledge of the existing employees regarding technologies, financial and strategic analysis. In order to detect sectors under the risk of corruption and to identify persons (through risk analysis) whose actions show signs of criminal offences, the Bureau currently fails to employ the most effective information analysis methods. The Bureau’s resources will be improved through the introduction of experience of other countries dealing with strategic analysis.

 To achieve that the Bureau has qualified personnel, the Bureau’s internal regulatory acts were improved and now provide for personnel selection criteria, that is, on 1 September 2016 procedure No. 1-4/4 “Selection Procedure for Candidates to the Vacant Positions” was approved.

 The Law on Corruption Prevention and Combating Bureau provides for mandatory requirements for candidates to be eligible to serve at the Bureau. Through the course of the personnel selection procedure, it must be assessed whether a candidate complies with the mandatory requirements set forth in the Law on Corruption Prevention and Combating Bureau and requirements laid down in the Law on the Official Secrets so that the official could be granted special access to the official secrets. Therefore, the selection of candidates is a time-consuming and extensive process composed of two stages: assessment of the candidate’s professional compliance (education, job experience, candidate’s ability to analyze large amount of information, ability to make decisions, other skills, abilities) and assessment whether the person can be granted access to the official secrets. The relatively time-consuming selection procedure of employees at the Bureau can be considered to be a significant burden preventing the attraction of new employees.

 The Bureau must take steps to secure for those working here a competitive remuneration as well as to keep on improving the technical equipment. The Bureau’s employees have health insurance as well as accident insurance for officials who are engaged in investigative and operational activities as well as benefits (e.g. retirement benefit depending on the length of service), compensations and other coverage of expenses as provided for in the regulatory enactments. Depending on the reached performance indicators and priority of tasks to be performed, on regular bases it is assessed whether bonuses and additional payments (e.g. in case of a personal contribution to the work performed and quality of work associated with a special risk, additional work) and monetary awards as provided for in the regulatory enactments may be granted.

 In the view of strengthening skills and competences of the Bureau’s personnel, it is necessary to develop a training programme suitable for the Bureau’s specifics and setting therein a direction for improving general skills and another direction for improving special skills.

 It is necessary to organize joint trainings with the Bureau’s cooperation institutions both from Latvia and foreign countries, especially on money laundering aspects and risks, off-shore company specifics and possible international cooperation, cross-border international transactions and schemes thereof as well as international cooperation with law enforcement authorities within operative procedures and criminal procedures etc.

## Work environment

In 2018, the Bureau is to move its operations to a building at 1 Citadeles Street, Riga. The building is to be completely adjusted for the Bureau’s needs and specifics so that the official secrets could be treated in accordance with the regulations and the document storage would be improved. The building will have a conference hall, thus allowing to organize training on anti-corruption measures for broader audiences.

## Circulation and safety of information

The Bureau has introduced electronic circulation of documents both for correspondence with private persons and public institutions and for internal circulation of documents; however, the system still needs to be developed by improving and simplifying the document circulation mechanisms. To keep up with the software and regulatory document regulations, the electronic document circulation software must be flexible, without degrading the level of security.

Due to the increased amount and diversity of information as well as large amount of unstructured data, it is necessary to develop suitable information protection and supervision. For the purposes of information protection, external data carriers must be used less, ensuring safe exchange of data among the users and via information systems.

Owing to ever-increasing diversity of software and hardware as well as services, it is necessary to draw an assessment of usability and functions, which could be used as a factor when making decisions on continued use of a product or replacement of the product with other products. In order to manage that the purchased product is properly used, the responsible personnel must be trained.

The Bureau has a successful cooperation with several institutions; however, not always the necessary information can be obtained in sufficient amounts and deadlines. Since the most efficient way of information exchange takes place in an electronic environment, secure exchange of information with other information sources must be promoted forming a unified platform for information acquisition and analysis. Considering the aforementioned, the Bureau has started to implement a new record-keeping system.

## Bureau’s organizational structure and internal processes

The Bureau’s activities are managed by the director of the Bureau appointed to the position for a term of five years and released therefrom by the Parliament acting on the instructions of the Cabinet of Ministers.

The director of the Bureau shall be responsible for the performance of the Bureau’s functions, decide on jurisdiction of examining cases and making decisions, define duties, rights and tasks of officials and employees, as well as approve the internal regulatory enactments regulating activities of the Bureau and submit to the Cabinet of Ministers the draft request for the State budget resources.

The director of the Bureau shall have two deputies – a deputy on corruption prevention matters and a deputy on corruption combating matters.

 There are 150 positions at the Bureau and 125 of them are not vacant as of 15 December 2017. The Bureau’s Regulations shall set the Bureau’s structure and work organization.



*Image 1. Bureau’s structure*

# STATE BUDGET PROGRAMMES

*Table 7*

|  |  |  |
| --- | --- | --- |
| **State budget programmes** | **2018****(EUR)** | **2019****(EUR)** |
| Programme 1 | Corruption Prevention and Combating Bureau | 5,786,326 | 5,807,967 |
| Programme 2 | Securing of operative activity measures | 53,140 | 53,140 |
| **Total budget** | **5,839,466** | **5,861,107** |
| **Number of planned positions** | **150** | **150** |

Director of the

Corruption Prevention and Combating Bureau Jēkabs Straume

1. In accordance with Section 7(1) of the Law on the Corruption Prevention and Combating Bureau, the Bureau shall develop the strategy and national programme for corruption prevention and combating which is to be approved by the Cabinet of Ministers. [↑](#footnote-ref-1)
2. 2016 survey “Attitude towards corruption in Latvia” (commissioned by the Bureau, survey conducted by SKDS) [↑](#footnote-ref-2)
3. 2016 survey “Opinion of Latvian entrepreneurs regarding corruption in the environment of commercial activities and dealings with the State and/or municipality institutions” (commissioned by the Bureau, survey conducted by SKDS) [↑](#footnote-ref-3)
4. Corruption Perceptions Index 2016: <http://www.transparency.org/news/feature/corruption_perceptions_index_2016> [↑](#footnote-ref-4)
5. Economic Survey of Latvia 2017: <http://www.oecd.org/eco/surveys/economic-survey-latvia.htm> [↑](#footnote-ref-5)
6. Global Competitiveness Report 2017-2018: <http://reports.weforum.org/global-competitiveness-index-2017-2018/> [↑](#footnote-ref-6)
7. Survey conducted in October 2016 (commissioned by the Bureau, survey conducted by SKDS). [↑](#footnote-ref-7)
8. Survey conducted in October 2017 by research center SKDS. [↑](#footnote-ref-8)
9. <http://www.saeima.lv/lv/aktualitates/saeimas-zinas/24797-saeima-atsakas-no-deputatu-imunitates-administrativajas-lietas> [↑](#footnote-ref-9)
10. Order No. 1-1/25 of 16 January 2015 concerning establishment of a task force for development of amendments to the Criminal Procedure Law and order No. 1-1/388 of 16 November 2011 concerning permanent task force for development of amendments to the Criminal Law. The task force assesses recommendations by various institutions as to amendments to the Criminal Procedure Law and Criminal Law, as well as develops, where necessary, amendments to these Laws and regulatory enactments related thereto. [↑](#footnote-ref-10)
11. Informative Report “Concerning Assessment of the Internal Anti-Corruption Control System in a Public Person’s Institutions” (2016-TA-102) [↑](#footnote-ref-11)
12. Draft Law (VSS-653). Available: <http://tap.mk.gov.lv/lv/mk/tap/?pid=40393726> [↑](#footnote-ref-12)
13. Law of 16 June 2016 “Amendments to the Pre-election Campaign Law”. Published by official gazette “Latvian Herald”, 29.06.2016, No.123 (5695), available: <https://www.vestnesis.lv/op/2016/123.11> [↑](#footnote-ref-13)
14. Guidelines for the Corruption Prevention and Combating 2015-2020 (approved according to the Cabinet of Ministers Order No. 393 of 16 July 2015), Task 2.8. [↑](#footnote-ref-14)
15. Guidelines for the Corruption Prevention and Combating 2015-2020 (approved according to the Cabinet of Ministers Order No. 393 of 16 July 2015), Tasks 7.4., 7.5. [↑](#footnote-ref-15)
16. Cabinet of Ministers Informative Report of 29 January 2016 “Concerning Assessment of the Internal Anti-Corruption Control System in a Public Person’s Institutions” (2016-TA-102) [↑](#footnote-ref-16)
17. Latvia has acceded to all international agreements the performance of which is supervised by GRECO: Council of Europe Criminal Law Convention on Corruption and Additional Protocols, Council of Europe Civil Law Convention on Corruption. [↑](#footnote-ref-17)
18. OECD CAN Istanbul Anti-corruption Action Plan: <http://www.oecd.org/corruption/acn/istanbulactionplan/> [↑](#footnote-ref-18)
19. Guidelines for the Corruption Prevention and Combating 2015-2020 (approved according to the Cabinet of Ministers Order No. 393 of 16 July 2015), Task 4.2. [↑](#footnote-ref-19)