

Strategic Planning against Corruption"

Alvis Vilks
Deputy Director
Corruption Prevention and Combating Bureau
Latvia

Colleagues,
Ladies and gentlemen,

It is a real pleasure for me to address this prominent audience. I extend my thanks to the National Committee for Integrity and Transparency of Qatar for organizing this important conference.

Let me introduce myself. My name is Alvis Vilks. I am Deputy Director of the Corruption Prevention and Combating Bureau of Latvia. As today I am invited to speak on "Strategic planning against corruption", I will try to describe the experience of European countries, particularly - Latvia's.

Ladies and Gentlemen,

Let me start with a few words about my native country – Latvia. 17 years ago Latvia regained its independence and we started to build our country practically from a scratch. That means that the economy had to be transformed from the economy of a socialistic country into a free market economy. That includes also reorganization of the state institutions and changes in personnel of these institutions. That also means that privatization of almost all material values once belonging to the state had to be carried out.

The reason why I am stressing these particular issues is that it created a perfect ground for corruption. The free market economy gave new opportunities. The privatization was the biggest target also for those people who wanted to get some extra benefit and sometimes new public officials who just recently started to work were too weak to resist the power of money.

As a result, corruption became a significant problem for Latvia. In 2000 the World Bank in its report on Latvia announced that there is a problem of high level corruption in Latvia, so called "state capture".

The anti-corruption policy in Latvia begins in the middle of nineties. A lot of laws of that time contained provisions for conflict of interest situations and in 1995 a law on prevention of corruption was adopted. As a fact, this law contained certain prohibitions for public officials and it became the first law on prevention of conflict of interest.

In order to ensure political leadership for elaboration and implementation of national anti-corruption policy the Corruption Prevention Council was established. The first anti-corruption plan was elaborated in 1998. It was a Corruption Prevention Programme focusing only on preventive tasks. Programme was based on recommendations made by various Latvian institutions: Ministries of Interior, Justice, Finances, State Revenue Service, State Audit, Prosecutor's General Office and others, as well as on recommendations made by the World Bank. The basis for this strategic plan were also several international documents – 20 Guiding Principles for the Fight against Corruption of the Council of Europe, requirements of the European Union's acquis, recommendations to the Government of Latvia made by the joint project of the Council of Europe and European Union "Octopus" and "Octopus II".

The Program was not intended to be a static one but it had to be updated every year. The Corruption Prevention Programme was based on three pillars – Prevention of Corruption, Education of Society and Combating of Corruption. Each of the pillars encompassed specific measures and timetables of implementation.

However, it should be noted that this programme faced a lot of problems, which were in a way predetermined by the existing institutional puzzle in this field. At that time on institutional level many agencies dealt with the enforcement-combating of corruption issue. The task to combat corruption was given to the Bureau on Combating Organised Crime and Corruption, Economic Police Bureau, Security Police, Financial Police. The task to prevent corruption was given to the Executive Secretariat of the Crime and Corruption Prevention Council and The State Revenue Service Corruption Prevention Control Division – that dealt with checking of the disclosures. In practice there was no single agency with the unique task to combat and prevent corruption. Consequently there was a lack of co-ordination of activities, ineffective use of resources and overlapping of functions among the agencies responsible for the fight and prevention of corruption. And most importantly – there was reluctance from involved institutions to implement entrusted tasks.

On 8 of August 2000 the Cabinet of Ministers adopted the Concept Paper on Corruption Prevention in the Republic of Latvia drafted by the Executive Secretariat to the Corruption Prevention Council. Among many other issues the Concept Paper suggested to establish a new specialised institution in Latvia to prevent and combat corruption – Corruption Prevention and Combating Bureau (hereinafter – KNAB).

Subsequently the Prime Minister established the inter-ministerial working group to create the legal bases for the Corruption Prevention and Combating Bureau.

There were many debates on the need to establish KNAB, many agencies were against the establishment of such an agency, there was the proposal received to create the agency that will cover only prevention issues and will not have the capacity to investigate the crimes related to corruption.

The debates on the establishment of the KNAB ended on 18 of April 2002 when the Parliament finally adopted the Law on Corruption Prevention and Combating Bureau.

Thus, in 2002 the Parliament of Latvia made a very important step and established an anti-corruption institution – Corruption Prevention and Combating Bureau, which it is my honor to represent here today.

KNAB has been created as a single independent institution entrusted with several important tasks: to combat and prevent corruption, to provide education on corruption issues and to control financing of political parties and pre-election campaigns. The establishment of KNAB and its efficient work has proven to be a way to ensure that the anti-corruption policy and legislation are successfully implemented, as well as to raise awareness about importance to fight corruption. Soon after its establishment the KNAB started to work on the next strategic plan for four years: 2004 to 2008. Development of a strategy and its implementation plan – our national programme – was a very solid assignment for a newly established institution.

In drafting these documents there was first of all a necessity to make an in-depth analysis of what has been achieved so far. We looked if measures in different previous plans have actually been implemented, what remains to be done and whether it is still a topical problem. Second, we studied what are our current needs. The development of the strategy also involves a dialogue with other responsible institutions and different experts and agreeing on what could realistically be done and what resources are needed. Also recommendations of the World Bank and other international institutions were taken into account.

The Corruption Prevention and Combating Strategy 2004 – 2008 serves as a high-level road map for four years with main strategic goals and objectives, also helping to determine the mission of the KNAB. The National Programme for Corruption Prevention and Combating 2004-2008 translated these goals and objectives into more specific measurable activities. The programme also sets the timetable and designates responsible institutions. It allows tracking the progress more easily and to ensure that deadlines are met. Each year we prepare an implementation report to measure whether we have met our goals and objectives. At the same time, we recognize that improvements can still be made. In view of developing our new programme for 2009 – 2013, we anticipate that it will correspond to the new realities of corruption in Latvia and reflect how international standards in this field are met. We hope that this conference will

also be beneficial for us and provide new, interesting ideas how to better plan our complex but very important work to fight against corruption.

By this I conclude on Latvia's experience in regard to strategic planning against corruption. Speaking more generally, we can see some common directions of anti-corruption strategies. In Europe during the nineties everyone was optimistic about anti-corruption strategies and programs. A lot of good documents were written. Nowadays we start to hear more skeptical voices.

To find the right answers we have to define several important questions.

First of all, there is a need for a political will to fight against corruption. It is important because a lot of aspects depend on political decisions which have to be taken by the highest legislative and executive powers. We call it a national anti corruption strategy, so it should be a policy planning process which is managed by the highest officials or at least they have to support it or show their interest. This is necessary because an anti-corruption planning process and a strategy implementation process should be well coordinated, supported by appropriate financing and, in a lot of cases, there is a need of new legal acts or amendments in these documents. And it isn't possible to do it without a strong political will.

Another very important issue is a coordination of anti-corruption work. An anti-corruption policy could be supported by the society but if there is no proper coordination in place for fulfillment of respective tasks, results could be poor. If problems with corruption are significant, the tasks should cover a lot of issues involving number of institutions responsible for implementation of anti-corruption strategy by performing respective activities. If there will be no coordination between institutions these activities could overlap. As a result the money can be spent but the results will not be so good.

The coordination can be done in different ways. In some countries there are specialized anti-corruption institutions like the Bureau I am representing and in those cases anti-corruption institutions can coordinate the implementation of a strategy or a program. In other cases there are special councils, working groups or committees which are responsible for the coordination work. Actually, the type of coordinating body isn't very important. The most important is to have a power. A power to ask for information other institutions and adequate resources to do administrative and methodology work. Because the coordination isn't just asking for information and writing reports. Consultations among involved institutions and development of necessary methodology are most important aspects in this process.

There is also a question regarding a form of a strategy. In the European post soviet countries a written form of strategies is very popular. For example, in

Latvia, as I already told you, there are at least two policy documents – the National Strategy for Corruption Prevention and Combating for 2004 – 2008 and the National Program for Corruption Prevention and Combating for 2004 – 2008. The strategy describes the current situation and defines main guidelines for corruption prevention and combating. The following program, in its turn, contains precise tasks for respective state and municipal institutions aimed at implementation of guidelines contained in the National Strategy.

I believe it is not the only way how to proceed with the policy planning documents. It is not always necessary to adopt a special anti-corruption strategy or a program. There are a lot of examples in Europe where countries have not adopted special anti-corruption planning documents. These countries have other mechanisms how to reduce a risk of corruption.

I think that if a country has problems with corruption just in some particular sectors or fields, it is not necessary to draft special anti-corruption programs. In these cases it is possible to elaborate an action plan for particular sector or field or even for solving one particular problem related to corruption.

Additionally to the abovementioned question there are some more important issues which have to be mentioned.

Very important is a question regarding involvement of the society and transparency in anti-corruption activities. Actually, it is even more important than a political will. In case if there will be a political will but there will be no understanding from the society, it will be very difficult to achieve good results. If people don't understand why there is a need for several actions, there can be even a resistance against them. So, the drafting of policy planning documents should be as transparent as it can be from the very beginning. It can be done through publishing information in the mass media, websites, as well as through public discussions of representatives of society, non-governmental organizations (NGOs), and state institutions. Cooperation with NGOs is especially important because nowadays NGOs are one of the most effective powers against corruption. The cooperation with NGOs can be done not only through public discussions but also by organizing consultative bodies at the state and municipal institutions, and other kind of activities. Of course, sometimes people want to see a real action, not just policy planning documents. They are not as interesting as information on criminal cases, their investigation, arrests, etc., but anyway information about anti-corruption policy should be published.

The same I can say about transparency issues within the state administration. It should be clear for public officials why it is so important to perform anti-corruption tasks and how to implement them. I already told about the coordination and methodology. It is important because if public officials don't

know how to perform anti-corruption activities, they will not be able to realize them and a strategy, even very good one, will not reach its goals.

I think that the best example is an internal control organization. For those heads of institutions who understand the importance of internal control system in the fight against corruption there is no need for special programs or plans. Maybe they need just information about the best examples or the best practice. The cooperation with a head of institution, who is not interested in anti-corruption activities, in its turn, is very difficult, sometimes even impossible. Such a behavior is a sign of a corruption risk. So, at first, anti-corruption agencies or coordinating institutions should explain why there is a need for anti-corruption activities and after that they have to provide institutions with necessary information and methodology.

It is disappointing that not always it is enough to have a good will and knowledge to fight against corruption. Some of activities need an extra financing. For example, if there is a need for changes in institutional system or for implementation of new legal acts. This means that an anti-corruption policy should be linked to the planning of state and municipal budgets. So, if there is a anti-corruption policy planning document with particular tasks for state or municipal institutions, there should be money in a budget which a country will give for this purpose. Otherwise there will be no possibility to fulfill planned tasks. I think that this is a factor that shows that adopted anti-corruption strategies, programs or other policy documents can provide at least a better organization of work.

And the last but not least – there should be an assessment of results of anti-corruption policy. It should be done on a regular basis. That means that a coordinating institution should receive information from involved institutions about implementation of tasks. But it does not end here. They have to collect the received information, analyse it and report on results to the society and to the highest responsible institution. In cases if a task is not fulfilled or there are some significant problems, they should analyse causes and to try to help involved institutions, at the same time they have to draw the attention of society and political institutions.

Perhaps I am using word “information” all the time but it is really important to get the right information. Consequently, the question is about sources of information. These are the same in the process of drafting of strategy, in the process of implementation of it, as well as in the process of assessment of results.

I think that the most important sources of information are:

- statistic information on violations of law or results of work of anti-corruption institutions. This is very important information but there are certain problems -

figures of initiated criminal cases or court's decisions not always reflect the real situation. If these figures are small it doesn't always mean that there isn't corruption. A cause of small figures can be also a poor work of anti-corruption agencies.

- Different public surveys and researches - very important data. Based on methods of surveys or researches we can make a decision whether we can trust these figures or not. But we can also say that public surveys reflect a public perception and not the real situation.

- Information from mass media. Sometimes very interesting and in a lot of cases criminal or administrative investigations had been started after research was performed by journalists. In a lot of cases journalists are the first who disclose violations of law. Articles in newspapers can contain information about concrete examples as well as can show the clear picture of respective situation.

- Information from international institutions.

- Reports on different problems from other sectors of public life which can be related to corruption.

Of course, this means a huge amount of different kind of information. But as a fact, just putting it together can give us a sense of reality – what is going on. This is crucial for planning and implementing an anti-corruption policy.

To conclude, I want to say that there are several very important questions regarding strategic planning against corruption:

1. Firstly, there have to be a political will to fight against corruption.
2. Secondly, there have to be an institution responsible for coordination of implementation of anti-corruption strategy.
3. Thirdly, the form of a strategy isn't as important as its specific tasks.
4. Fourthly, very important is the involvement of society and transparency of activities aimed at fighting corruption.
5. Fifthly, an anti-corruption policy should be linked to the planning of state and municipal budgets.
6. Sixthly, significant is also the assessment of results of anti-corruption policy.
7. Seventhly, both – in the process of drafting of anti-corruption policy and in the assessment of results we should summarize information from different sources.

Ladies and gentlemen,

I tried to provide you with the main characteristic features of the strategic planning against corruption.

I am convinced that the presence of such a prominent and competent audience will ensure a challenging diversity of views during the conference. I wish you to have a lively debate and good ideas for common future action!