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**Support to the National Integrity Commission of the Republic of Moldova
Joint effort by Romania, Poland and the United Nations Development Programme**

Concept Note – pending the final approval of the Romanian MFA

The purpose of this note is to present a concept of a possible joint initiative – a triangulation project in the field of integrity and anti-corruption – for discussion with concerned counterparts in Poland, Romania, Republic of Moldova and within UNDP.

The note presents the background information and situation analysis; the justification for and the objectives of the possible joint initiative; its key partners as well as a tentative budget and management arrangements.

This triangulation project will be a joint effort of two new providers of development cooperation-Romania and Poland -in the field of integrity and anti-corruption. The overall objective is to support the Republic of Moldova in increasing transparency, accountability and efficiency of central and local public authorities. UNDP, through its established Country Office in Moldova and the regional program supporting new EU donors, will act as a facilitator.

Background – New ODA Cooperation Partnership with Romania:

This effort is part of the *New ODA Cooperation Partnership with Romania (2013-2015)*, an umbrella project facilitated by UNDP that focuses on supporting Romania to become an effective, innovative and increasingly influential actor in development cooperation in order to achieve sustainable, scalable development impact in the priority countries of Romanian ODA. The ultimate objective of the project is that, by 2015, the Government becomes fully capable and equipped with the appropriate capacity to independently manage all parts of ODA project management cycle UNDP and Romania are working together to strengthen the long term vision and policy coherence of Romania's international development cooperation, consolidate national instruments for ODA management, delivery, monitoring and reporting, and to develop a triangulation support facility - a flexible demand-driven system of east-east cooperation to share Romania's transition experience. The project is managed by the New Partnerships and Emerging Donors team of the UNDP Regional Center for Europe and the CIS (Bratislava).

In addition, more broadly, the UNDP Regional Center for Europe and the CIS is working to provide support to effective development cooperation of the new EU donors and to promote east-east cooperation. This effort fits squarely into this line of work.

Situation analysis:

Since 2009, the Government of the Republic of Moldova declared European integration as the priority of its external and domestic policy. However, despite the effort undertaken by a reformist government, conflicting political and economic interests among the coalition parties often led to failures in implementing key domestic reforms. Corruption in the public sector and judiciary is recognized both internally and externally as a major challenge to democratic reforms. European Union officials have repeatedly stated that corruption remains the main problem that could jeopardize the new Agreement with the EU. The National Consultations on Post-2015 Development Agenda carried out by UNDP in Moldova in 2013 emphasized that the public at large also identifies corruption as a priority to be tackled by the next generation of development goals.

Acknowledging the urge to fight corruption, the Government of Moldova adopted the National Anti-Corruption Strategy (2011-2015) and the Justice Sector Reform Strategy (2012-2016). The Centre for Combating Corruption and Economic Crimes (CCECC) has been transformed into the National Anticorruption Centre focusing exclusively on combating and preventing corruption. Moreover, a National Integrity Commission (NIC) to monitor the income and property of the civil servants, to detect conflicts of interest, incompatibilities in income and unjustified assets has been established in 2011. By its mission the Commission has to contribute to the development and implementation of state polices in the area of detection and prevention of corruption. Its mandate includes monitoring and control of incomes and properties and control over and investigation of conflicts of interests concerning 60,000 persons with public functions, judges, prosecutors, civil servants and persons with high public administration functions.

However, while an ample anticorruption legislation exists, implementation remains weak and enforcement is inconsistent.

Development issue to be addressed and objectives:

This triangulation activity will try to fill this gap by supporting the Republic of Moldova in increasing transparency, accountability and efficiency of central and local public authorities.

Specifically the project will use a combination of Polish and Romanian expertise and experience to build capacity of the National Integrity Commission (NIC) in view of effectively implementing its corruption prevention mandate.

A preliminary capacity and needs assessment of the NIC had already been performed by the Romanian Centre for European Policies (CRPE) in 2013, and funded by the UNDP, based on the conclusions of the study visit organized in Bucharest in January 2013, within the framework of an ODA-funded project¹, where representatives of NIC exchanged experiences and best practices in the field with their Romanian homologue institution – the National Integrity Agency (ANI).

- The assessment demonstrated that further guarantees of its independence and impartiality in decision-making, as well as relevant internal instruments and mechanisms and capacitated staff are crucial for an effective implementation of its mandate. As a recently established institution facing budgetary constraints and limited capacities, it needs urgent external support to be able to achieve the expected results.
- The assessment further highlighted the need of urgent external support to the NIC as a recently-created institution, which lacks the appropriate normative frameworks, procedures, processes and tools, as well as staff technical knowledge and skills to fulfill its mandate. In this context, the project aims to support NIC's capacity development efforts, on the basis of the shared experiences and expertise of peer institutions in Romania and Poland, in view of effectively and efficiently implementing its corruption prevention mandate.

Justification and relevance: why a triangulation project?

While definitions vary depending on context, triangular cooperation normally involves two countries that are sharing knowledge and expertise and provide assistance and a recipient (partner) country that is the main beneficiaries. Often triangular cooperation is facilitated by an international organization that may serve as a neutral platform, a catalyst and / or a "knowledge broker", as well as an implementer.

¹ "Contributions to the partnership for development Romania – Republic of Moldova" project, implemented by the CRPE and cofunded by the Romanian MFA through its ODA budget and the USAID

Why Romania and Poland?

Having gone through complex democratic transition processes themselves, Romania and Poland have gathered plenty of experiences, practices and lessons learned that can be shared with other countries that continue their efforts to build a strong and democratic state. In this context, both Romania and Poland position democratic governance, anti-corruption and integrity as important thematic priorities in their ODA policies.

Moreover, Romania and Poland have both placed a special emphasis on corruption prevention and integrity in the Romanian-Polish Strategic Partnership that was signed in 2009. Also, recent correspondence between the Polish Central Anti-Corruption Bureau (CBA) and Romanian National Integrity Agency (ANI) shows a great interest of the two institutions in developing joint ODA anti-corruption programming in view of promoting both countries' success stories to the benefit of the non-EU member states.

Why UNDP?

In this context, UNDP can provide the critical space that connects the expertise of two countries to the benefit of the Republic of Moldova, where the UNDP has a well-developed anti-corruption program and has enjoyed a very good cooperation with the public authorities for more than 20 years.

The project will serve as a follow up to an initiative jump started by UNDP to support Moldova in its anti-corruption and integrity strengthening efforts essential in Moldova's EU integration process.

This project will also complement a larger-scale anti-corruption intervention led by UNDP in the Republic of Moldova. UNDP Bratislava Regional Centre for Europe and CIS and UNDP Moldova have undertaken coordination efforts to implement a coherent and synergized institutional capacity development initiative. A set of interventions have also been designed by the UNDP Moldova for 2014, for which it has already commenced fundraising efforts, in view of complementing and building on the present triangulation project achievements, thus ensuring the continuation and sustainability of results.

Activities and tentative budget: (for further discussion with key project partners, ANI and CBA).

As per the consultations with the Beneficiary and the UNDP in Moldova as well as in accordance with the recommendations of the capacity and needs assessment, key proposed activities (each with a budget of \$6,000 to \$10,000) to be undertaken through the triangulation project are as follows:

1. **Support to the elaboration of NIC's Strategic Development Plan and sectoral strategies**
2. **Support to the development of internal rules and procedures**, setting up the decision making process;
3. **Elaboration of practical guidelines on the main integrity processes** (conflict of interest analysis, income and assets declarations management, etc.) and facilitation of validation workshops for development of the integrity processes guidelines;
4. **Experience sharing study visits** to Romanian ANI and Polish CBA; (\$18,000)
5. **Definition of technical specifications (ToRs) for the integrity software** (based on which UNDP Moldova's next year project will fund the actual development of the integrity software)

6. **A special knowledge sharing events series**, including a lecture by Poland's Plenipotentiary responsible for the matters related to the Corruption Threat Prevention System;
7. **Other areas of expertise** where Poland and / or Romania have relevant experience.

Total estimated budget: \$60,000 (proposed 50% funding from Romanian MFA; 50% funding from Polish MFA). The total estimated budget is UNDP GMS and ISS inclusive. A detailed work plan and budget will be developed once the key stakeholders agree on the key elements of support, in line with the capacity assessment of NIC and the capacities and experience of ANI and CBA.

In 2014, the UNDP Moldova will continue and build on the activities of this triangulation project, ensuring the sustainability of results. Such activities include: assessment of current legislation and amendments drafting; procurement of the integrated Information Management Software (internal e-system) of assets and interests declarations and of a public portal of assets and interests disclosures as an efficient instrument for ensuring transparency of the declarations on income, assets and interests; continuation of the capacity development efforts for the members and staff of NIC (trainings on collection of declarations in the public institutions); facilitation of sustainable partnerships between the NIC and other national stakeholders in the field of anti-corruption (National Anticorruption Commission, legislative power, executive power, media and the CSOs). The UNDP Moldova has already started the fundraising efforts for this program.

Project stakeholders and their roles:

National Integrity Commission – NIC (Republic of Moldova): Project Beneficiary

The main project target group, the National Integrity Commission, was established through the Law no. 180 from 19 December 2011 and enforced on 1 March 2012. It is an independent and autonomous central public authority, part of Moldova's overall anti-corruption framework. By its mission, the Commission has to contribute to the development and implementation of state policies in the area of detection and prevention of corruption. Its mandate includes monitoring and control of incomes and properties and control over and investigation of conflicts of interests concerning 60,000 persons with public functions, judges, prosecutors, civil servants and persons with high status public administration functions.

According to the Law no. 180/2011, NIC is entitled to: a) request public authorities' assistance in verifying the information and data presented in the statements; b) initiate legal proceedings in court in line with the civil procedure legislation; c) notify the prosecution and the tax authorities about the existence of evidence of a criminal or other kind of offense; d) publish all income, property and personal interest statements on its web page. NIC's organizational chart includes 5 members appointed by the Parliament, including the President and Vice-President, and 21 staff members. Being a recently created institution in Moldova's overall anti-corruption framework, NIC lacks a coherent normative frameworks, appropriate procedures and tools, as well as staff technical knowledge and skills that are critical to fulfill its mandate.

National Integrity Agency – ANI (Romania):

ANI is one of the most solid institutions after Romania's EU accession with wide powers in verifying assets, detecting incompatibilities and potential conflicts of interest and issuing binding decisions on the basis of which dissuasive sanctions can be given. ANI has reached an important track record of cases, many of which referring to high-profile public officials, such as ministers, members of the Parliament, chief police officers, local or county counselors and others. In figures, ANI's achievements, repeatedly acknowledged by the European Commission in its biannual *Cooperation and Verification Mechanism (CVM) Reports*, can be summarized as follows: more than 4700 finalized

investigations; 34 cases concerning unjustified differences between declared assets and income; 46.488.621 Lei (approx. 12.564.525 €) total differences between assets and incomes, ascertained in 34 cases; 379 incompatibility cases; 151 conflicts of interests cases; 322 cases referred to Prosecutor's Offices for breaching criminal legislation (false statements, corruption, etc.); 4941 administrative fines for non-compliance with legal provisions regarding assets and interests disclosures submission; 3.570.323 assets and interests disclosures published on the Public Portal of Assets and Interests Disclosures; 103 files / inspector: average case load.

The National Integrity Agency holds the Chairmanship-In-Office of the Integrity Experts Network and is a full member of European Partners against Corruption (EPAC) and International Association of Anti-Corruption Agencies (IAACA). During the last 4 years, ANI has organized an important number of workshops and study visits for homologue institutions from Europe (Azerbaijan, Armenia, Macedonia, Bosnia and Herzegovina, Moldova, etc), Middle East (Iraq) and even Africa (Ethiopia), most of whom had visited ANI at the European Commission, European Council, World Bank or OECD recommendation.

Central Anti-Corruption Bureau - CBA (Poland)

The Central Anti-Corruption Bureau is a special service with wide powers, created to combat corruption in the public and economic life, particularly in government institutions as well as to fight against activities detrimental to the state's economic interest. The Bureau operates on the basis of the Act of 9 June 2006. The main goal of the CBA is combating corruption where the public sector meets the private sector. Under article 2 of the Act on the Central Anti-Corruption Bureau, the Bureau deals with identification, prevention and detection of crimes and offences, prosecution of perpetrators as well as control, analytical and preventive activities. The CBA performs activities in three main areas:

- operational and pre-trial activities - preliminary investigation tasks aiming to disclose corruption offences as well as offences detrimental to the state's economy, investigation activities under the Penal Code focusing on offences against the activities of public institutions and local government, administration of justice, financing of political parties, fiscal obligations as well as donation and subvention settlements.
- control activities—detection and prevention of non-compliance, e.g. within the scope of issuing economic decisions (privatization processes, financial support, disposal of state and municipal property or award of public procurements), control of accuracy of asset declarations or statements on business activities by persons performing public functions.
- analytical activities - identification of irregularities and threats to the interest of the state; monitoring of public procurements, privatization processes and government programmes.

The CBA is engaged in international cooperation with 51 countries and 11 international organizations based on the approval from the Prime Minister of Poland. For example, in June 2012 the CBA signed a three-year framework agreement for cooperation with the European Commission, which facilitates the acquisition of EU funds for anti-corruption projects.

Management arrangements:

The triangulation project at hand will be managerially supported by the UNDP Bratislava Regional Centre through its *New ODA Cooperation Partnership with Romania* project, which will: a) facilitate a set of well-defined activities aimed at building the capacity of the Moldovan NIC; b) create a mix of the appropriate Polish and Romanian expertise in partnership with Polish and Romanian integrity and anti-corruption agencies; c) ensure the project management (implementation, partnership between agencies from three countries, monitoring and reporting to the two donors – Ministry of Foreign Affairs of Romania and Ministry of Foreign Affairs of Poland).

The UNDP Country Office in Moldova will provide support and programmatic integration on the ground, in close coordination with the embassies of Poland and Romania.

The two specialized institutions - CBA and ANI – will be the main implementing partners, while the Ministries of Foreign Affairs of the two countries will provide overall guidance and oversight, and will be closely involved in conceptualization as well as monitoring and evaluation.