

Systems for interest and asset disclosure: GRECO's standards and practice

by

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Systems for interest and asset disclosure

Control questions:

- What is the objective of your system for interest and asset disclosure?
- Does the design of your system correspond to the objective/s pursued?
- Are you achieving the objectives set for your system?
- What is the role/place of the system for interest and asset disclosure in your country's overall anti-corruption and integrity policies?

Key objectives of systems for interest and asset disclosure in GRECO member States:

- Transparency – a cross-cutting objective
 - I. Prevention of **conflicts of interest**
 - II. Monitoring of **wealth variations** and identification of illicit enrichment
 - III. Dual systems (I+II together) – **absolute majority!**

GRECO's 4th Evaluation Round - Recommendations on systems for interest and asset disclosures

- Cover both periodic and *ad hoc* disclosure
- Principally target MPs but also judges and prosecutors
- **37%** of recommendations tackle inadequate interest and asset disclosure
- Every country received **at least one recommendation** on ways to better address conflicts of interest

GRECO's 4th Round Recommendations – Systems for interest and asset disclosures

Only for MPs:

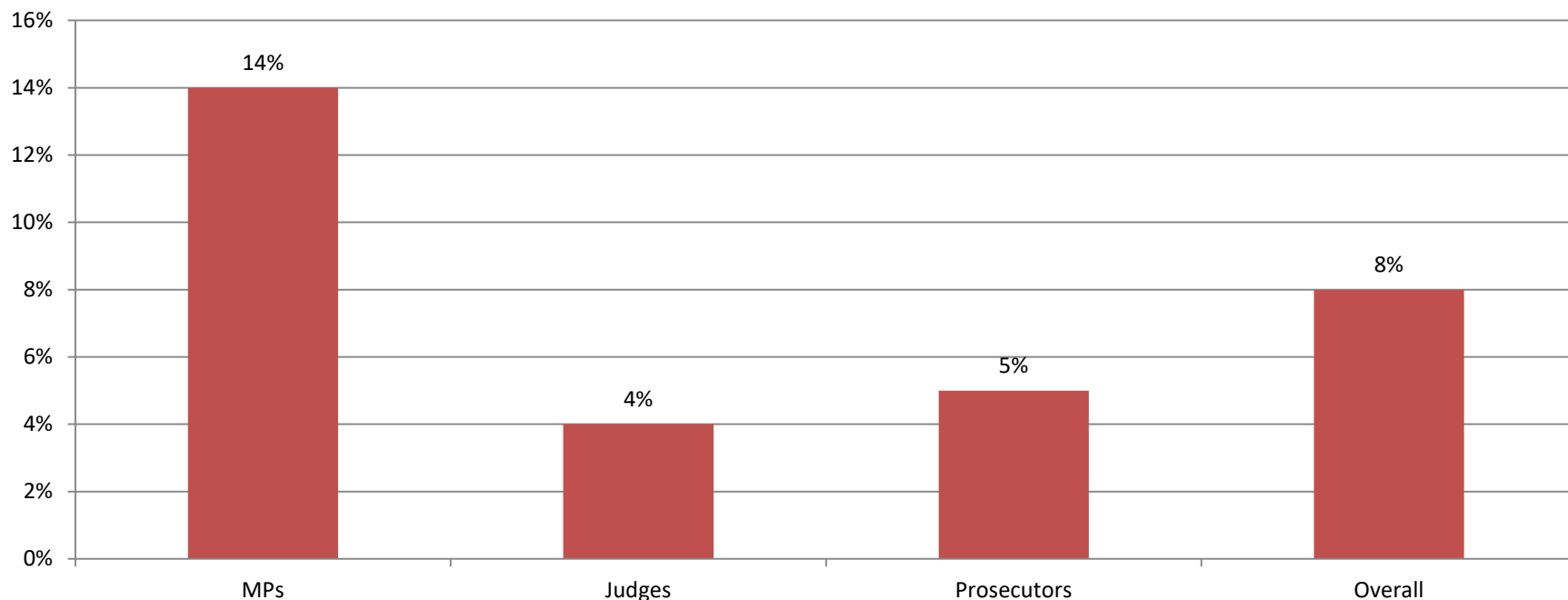
Ad hoc/case by case declaration of interests rarely specifically regulated or implemented in practice

- **54%** of recommendations under «conflicts of interest» call for instituting *ad hoc* disclosure of private interests

GRECO – 4th Evaluation Round

Distribution of recommendations

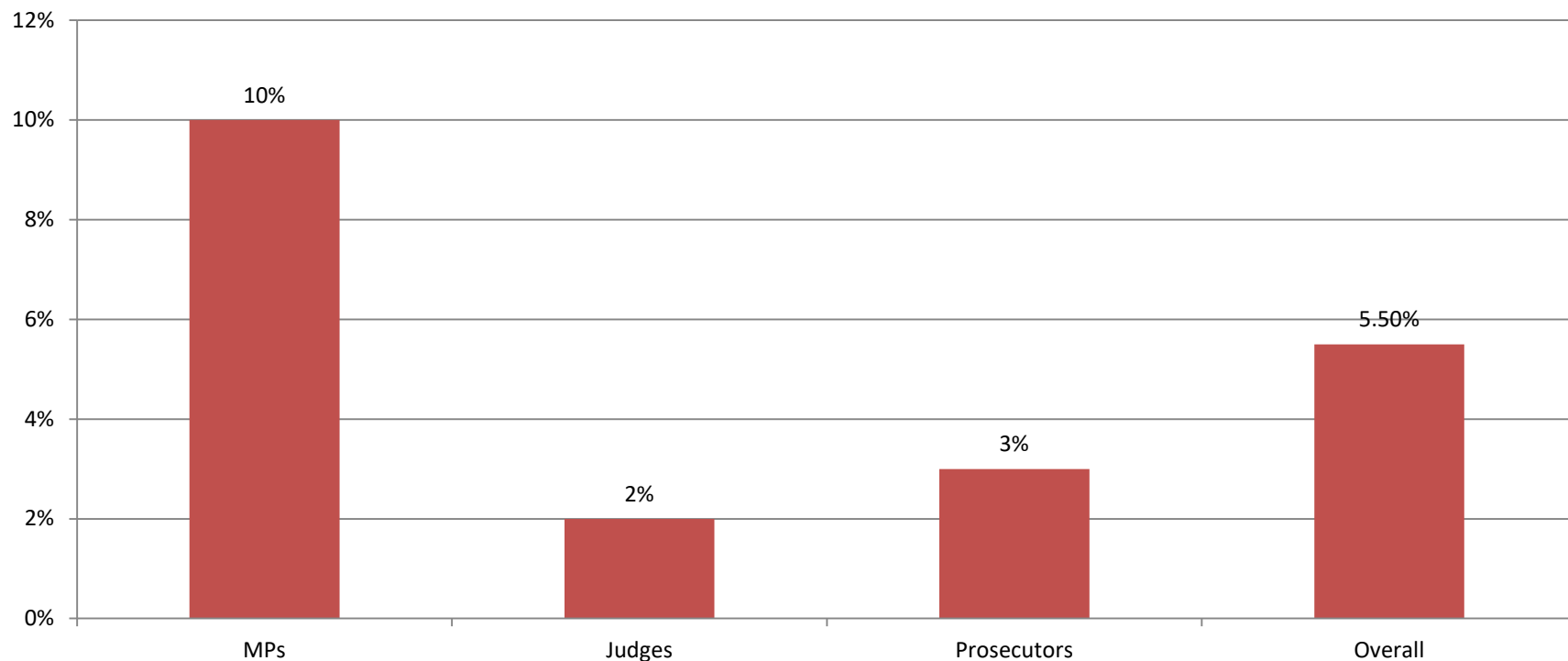
Declaration of assets, income and liabilities



GRECO – 4th Evaluation Round

Distribution of recommendations

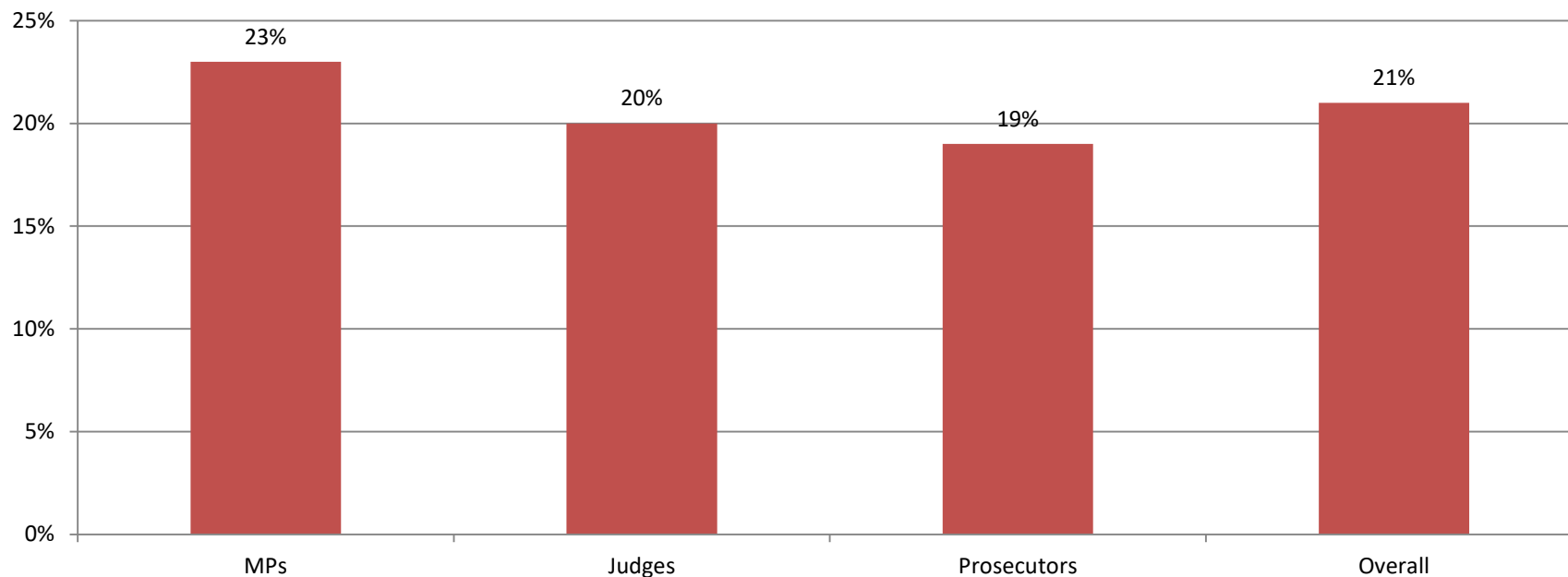
Conflicts of interest



GRECO – 4th Evaluation Round

Distribution of recommendations

Supervision and enforcement per category



GRECO – 4th Evaluation Round

Recommendations

A. The scope of disclosure

➤ Material scope

- widening the *categories* of interests and increasing the level of detail reported on outside activities, positions, contractual relations and other business arrangements
- declaration of benefits, hospitality, sponsorship, travel paid by third parties
- regular disclosure of outside ties by MPs
- *quantitative* data on income, financial assets, liabilities
- lowering thresholds for reporting financial holdings such as stocks and shares

GRECO – 4th Evaluation Round Recommendations

A. The scope of disclosure

➤ Personal scope

- include information on spouses/partners and dependent family members or close relatives of MPs, judges and prosecutors

GRECO – 4th Evaluation Round Recommendations

B. Public access to declarations

- public accessibility in practice - all obstacles to be removed
- contents of declarations to be made available on an official website, in a timely manner and for an adequate period of time

GRECO – 4th Evaluation Round Recommendations

C. Supervision and enforcement

- independence of oversight bodies to be strengthened
- clear mandate/powers and adequate resources to be provided for carrying out substantive checks, investigating irregularities, initiating proceedings
- effective, proportionate and dissuasive sanctions to be introduced
- national inter-institutional co-operation to be reinforced

Systems for Interest and Asset Disclosure across GRECO membership (1)

Common trends identified:

- frequent legislative changes
- expansion of the “population” of declarants
- more refined disclosure forms
- what is “personal information”?
- e-declaration

Systems for Interest and Asset Disclosure across GRECO membership (2)

Common trends identified:

- oversight bodies not reinforced in response to a widening of the material/personal scope of disclosure (budget/resources)
- scarce statistics on sanctions
- no systematic evaluation and impact assessment (even where the systems have existed for decades!)
- unclear impact within national anti-corruption policies
- low public trust in the system and information published

Conclusion...

(Arguably) greater transparency: objective attained!

- public officials' interests and assets have become more visible
- reporting requirements are better targetted
- accessible and timely publication assured thanks to e-declaration
- overall efficiency of the management of the systems has improved

Conclusion...

Better prevention of conflicts of interest?

More successful identification of illicit enrichment?

Way forward:

- clearly define your objectives and reconfigure the system in alignment with the objectives
- focus on functions/sectors most exposed to corruption
- prioritise in-depth verification
- further simplify and streamline the reporting process
- obtain a comprehensive overview of a public official's interests and assets
- overcome fragmentation, avoid a silo mentality and promote holistic anti-corruption and integrity policies

(same for GRECO's 5th Eval Round)

Questions?

Thank you

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