

SPEECH

Konrad-Adenauer-Stiftung e.V.

RULE OF LAW PROGRAM
SOUTH EAST EUROPE
THORSTEN GEISSLER

May 2015

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REGIONAL ANTICORRUPTION SEMINAR

CAVTAT, 20RD MAY 2015

It is a great pleasure for me to welcome you to this regional anticorruption seminar on behalf of the Rule of Law Program South East Europe of the Konrad Adenauer Foundation.

I would like to thank our partner the Judicial Academy of Croatia for the excellent cooperation that we have had when planning and organizing this conference and I wish to extend these thanks to all those who will today take the floor and those who participate coming from Croatia, Bosnia and Herzegovina, Serbia, Macedonia and Montenegro. It is a special honour for us that the Chairman of the Group of States against Corruption, Mr Marin Mrcela, who is also a judge of the Supreme Court of Croatia, attends this conference.

[...]

Our priorities are the consolidation of democracy, the protection of human and minority rights and the fight against corruption.

This is why we are happy that we have partners also in Croatia who share our conviction that corruption must be fought vigorously.

Ever since antiquity, corruption has been one of the most widespread and insidious of social evils.

The Latin word „corruptio“ may be translated as „perdition“ or “destruction” and indeed, the destructive effects of corruption on the state and the society are diverse. A state under the rule of law is based, among others, on the principle of equality before the law, where unauthorized favoritism or discrimination is not tolerated. However, when people misuse or abuse a position of trust in politics, the judiciary, administration or economy, in order to gain a tangible or intangible advantage that legally is not due to them, the aforementioned principle is blatantly violated.

Corruption threatens the rule of law, democracy and human rights, undermines good governance, fairness and social justice, distorts competition, hinders economic development and endangers the stability of democratic institutions and the moral foundations of society.

Corruption endangers social cohesion, encourages recklessness, leads to the use of public funds against the interests of the population and to the advantage of private persons, it distorts competition and discourages foreign investors.

At the same time, corruption estranges people from democratic institutions when the former are under the impression that corruption is not fought against vigorously enough.

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The economic damage caused is immense. At EU level, corruption costs the economy around 120 billion euros per year, as shown by the first EU-Anti-Corruption report in 2014 – created to monitor and assess the efforts of Member States of the European Union in tackling corruption.

We are aware of the fact that there is no corruption-free society, yet this phenomenon may be successfully combated and repressed.

Particularly South East Europe has made considerable progress concerning this matter over the last few years, which calls for appreciation. National strategies on the fight against corruption have been adopted and specialized institutions and prosecution offices established for the prevention and prosecution of corruption, exposure of conflicts of interests and asset recovery. It is my pleasure to see that so many leading actors in this field have joined our conference today.

Furthermore, Southeast European countries have optimized laws, intensified criminal prosecution and imposed considerable custodial sentences against former high officials and office-holders in the field of politics, economy and administration.

Many of the steps taken were inspired by GRECO, by the Group of States against corruption which was established by the Council of Europe in 1999.

GRECO's objective is to improve the capacity of its members to fight corruption by monitoring their compliance with Council of Europe anti-corruption standards through a dynamic process of mutual evaluation and peer pressure. It helps to identify deficiencies in national anti-corruption policies, prompting the necessary legislative, institutional and practical reforms. GRECO also provides a platform for the sharing of best

practice in the prevention and detection of corruption.

GRECO monitors all its members on an equal basis, through a dynamic process of mutual evaluation and peer pressure. The GRECO mechanism ensures the scrupulous observance of the principle of equality of rights and obligations among its members. All members participate in, and submit themselves without restriction to, the mutual evaluation and compliance procedures.

And in its evaluation reports GRECO comes up with very concrete proposals. This is also true for the four reports on Croatia that have been published so far, the most recent one in 2014. And it is true for the reports that GRECO has published for the countries in the region.

Also the European Commission in its EU Anti-Corruption Report published in 2014 acknowledges that progress that been made in Croatia in regards to preventing and fighting corruption.

But these reports also make clear that there is still a lot of work ahead of us. In the aforementioned EU-Report the Commission recommends Croatia to pay further attention to the following points:

- Carrying out substantial checks of the asset declarations and conflict of interests of public officials at central and local levels, in line with the Constitutional Court decision of 2012; ensuring prioritisation of checks, improved methods and techniques of verification, including use of electronic tools, access to relevant information, cooperation with other authorities and accessibility of public interest information in a user-friendly format.
- Ensuring that the Conflict of Interest Commission has sufficient powers to impose deterrent sanctions. Ensuring a fully professional and merit-based recruitment, promotion and dismissal system for public

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officials at mid-management and lower levels. Developing comprehensive codes of conduct for elected officials at central and local level and ensuring corresponding accountability tools and dissuasive sanctions for potential violations of such codes.

- Establishing an effective mechanism for prevention of corruption in state-owned and state-controlled companies, including aspects relating to donations and sponsorships. Ensuring implementation of effective anti-corruption action plans within state-owned and state-controlled companies to promote comprehensive prevention policies, effective reporting mechanisms and high accountability standards. Ensuring access to public interest information relating to these companies presented in a user-friendly format.

- Implementing a comprehensive strategic approach to preventing and reducing corruption risks in public procurement at both central and local levels, including effective monitoring of the implementation of transparency and access to public information rules, systematic risk assessments, prioritisation of controls in vulnerable sectors and procedures, enhanced checks on compliance with public procurement rules and on the implementation of public contracts. Ensuring effective control mechanisms in the healthcare sector, including public procurement aspects.

- Implementing effective protection mechanisms and raising awareness in both the public and private sectors for whistleblowers who report corruption and malpractice.

If we want to work successfully it is important that we share experience and expertise and information on best practices. We want to create synergies – one of the objectives of this conference.

This is of high relevance not only but also because the attitude of the citizens towards

corruption in South East Europa has changed considerably in recent years.

Especially in these countries the number of people see corruption as a phenomenon “they have to live with”, but more as an evil which must forcefully be combated, has grown.

For example a Flash Eurobarometer published earlier this year showed that over 90% of respondents in Romania and Bulgaria consider corruption an important problem for their country, whereas over 1/3 of them expect an improvement over the next five years in regards to corruption.

And according to the Special Eurobarometer on Corruption published in 2014 only 9 % of Croatians considered it acceptable to give money to get something from the public administration or a public service.

It is exactly this change in attitude that challenges those politically responsible. Certainly, people expect from democratic institutions and democratically elected politicians to repress the problem of corruption, if not to solve it completely. This may seem unfair, since corruption is not limited to the political dimension, but represents rather a complex social phenomenon, which can only be successfully combated with the involvement of the entire society. However, these expectations exist and if there is no adequate response in this respect, there is a risk that people will turn to extremist political models. I am a convinced supporter of a democratic state, as well as of a free and open society, therefore I can only hope for all of us to succeed in this difficult process of combating corruption. Should this conference bring a small contribution in this respect, I would consider it to have reached its goal.

Once again, I would like to thank all our partners for the exceptional collaboration,

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as well as all attendees for their participation at this conference.

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