

LATVIA

March, 2011



CORRUPTION PREVENTION AND COMBATING BUREAU

Prevention activities 2011

Corruption Prevention and Combating Programme for 2009-2013

2009 marked the beginning of a new anti-corruption policy planning period for the next five years. Latvian Corruption Prevention and Combating Strategy and Programme for 2009-2013 were elaborated by KNAB taking into account new realities of corruption. The Strategy identifies the main priorities and directions of further activities whereas the Programme defines measures to be taken in areas of corruption prevention, combating and education, responsible institutions for each measure and time-frame for implementation. To prevent corruption, KNAB is responsible for the development and coordination of the implementation of the national anti-corruption programme, control the respect by public officials of restrictions provided in the legislation (conflict of interest), development of legal initiatives and monitoring of political parties' compliance with party financing regulations. The Programme was drafted as a comprehensive counteraction against corruption (prevention, combating and education on anti-corruption issues). All public administration institutions take part in implementation of the Programme and annually submit progress reports to

CORRUPTION PREVENTION AND COMBATING BUREAU (KNAB):

- *Established in October 2002;
- *140 staff members;
- *The leading specialized anti-corruption authority of Latvia;
- *Its aim – fight corruption in Latvia through prevention, investigation and education.
- *An independent public administration institution under the supervision of the Cabinet of Ministers.

KNAB concerning executed tasks. ■

Strategic Directions of the Programme

- improve the system of political party financing.
- ensure **transparency of lobbying**.
- ensure legitimate process of the distribution of the financial resources and property of state and local municipalities.
- ensure effective control

- of those public officials involved in distribution of state and municipal property and financial assets.
- **control of public officials** in the area of conflict of interest.
- improve the **control system of income** and assets of public officials.

- improve **internal control mechanisms** in state and municipal institutions.
- improve the system of **protection of those public officials reporting about corruptive offences**. ■

Achieved Results in 2010

- *Amendments of the legal framework stipulating the scope of information to be published and location concerning communication among lobbyists and state and municipal institutions.
- *Consultations provided for heads of institutions concerning prevention of conflict of interest.
- *The raising of awareness regarding basic ethics principles for public administration employees is in the process.
- *Improved and increased scope of those activities targeted at more effective identification of income and all assets of public officials in the initial stage

- of examination or investigation.
- *Developed guidelines for internal anti-corruption measures in police, customs and border guards.
- *Improved the protection system for persons who have reported corruption related violations (*whistle blowers*) including legal amendments aimed at the protection of persons reported alleged conflict of interest in other institutions and corruptive offences identified at daily work.
- *Information regarding implemented anti-corruption measures and disclosed corruption cases is provided to the society and mass media on regular basis.

- *Training for heads of institutions and responsible officials provided regarding identification of corruption risks and organisational countermeasures. ■



Control over the respect by public officials of restrictions and conflict of interest situations provided in the legislation

KNAB examines the following violations of restrictions and conflict of interest situations:

- * issuing administrative acts, supervision, control, inquiry or punitive functions and entering into contracts or influencing the above mentioned actions with respect to his/herself, relatives, counterparties or to those who can influence the personal or financial interests of the official, his or her relatives or counterparties, as well as those natural or legal persons from whom the official or his or her relatives obtain any type of

income.

- * accepting gifts, donations or receive supplementary payments for performing his or her duties as a public official.

- * public officials have to avoid conflict of interest situations, i.e. situations when a public official in performing office duties has to take a decision or any other action regarding his or her, or his or her relative or counterparties personal or financial interests.

- * additional employment of public officials or violating procedures for implementation of restrictions on additional employment, except

cases when an additional employment like scientist, scholar, teacher, etc. is allowed.

- * obtaining of income, for example a public official is permitted to receive a salary for performing office duties but is not allowed to obtain income from capital shares, stocks, securities from *offshore* companies or companies.

- * commercial activities, for instance, a public official cannot be a share holder in a company which receives orders from the respective public official's institution for procurements. ■

OBSTACLES FOR THE SUCCESSFUL IMPLEMENTATION OF ANTI-CORRUPTION POLICY:

► *Political attempts to hinder strategy implementation and work of responsible institutions* ► *Interpretation by the media and the selection of information, the manner of news reporting which effects the perception of society and attitude towards corruption as a social phenomenon* ► *Economic recession* ► *The disparity between the reimbursement of public sector employees and entrusted authorities* ► *The administrative burden and penalty regime both are inconsistent with socioeconomic changes.*

Education of public officials and the society about corruption, ethics and respect of law

Apart from two core activities—prevention and investigation – KNAB also is responsible for the education and providing information to society. KNAB is responsible for the education of the public in the areas of respect for the rule of law and ethics. In 2010, the Corruption Prevention Division of KNAB organised 92 training courses, reaching an audience of 3482 people (see. Figure1). The majority of workshops in 2010 were devoted to explanation of “The Law On Prevention of Conflict of Interest in Activities of Public Officials” and raising awareness among public officials concerning professional ethics, control and anti-corruption measures to be implemented internally by institutions. KNAB is also in charge of informing the public on detected trends in corruption and cases of corruption, as well as overall steps taken to prevent corruption and enforcement of law. In 2007 KNAB launched its anti-corruption social advertising campaign "Corruption is the Prostitution of the Entrusted Power" with the aim to improve the public awareness of negative

consequences of corruption and promote intolerance towards different forms of corruption.

The experience of KNAB shows that while efforts to detect corruption crimes have a positive impact on public opinion, citizens, when personally experiencing situations with corruption risks, still tend to resolve them by corrupt means, in certain situations even considering corruption as a way of life.

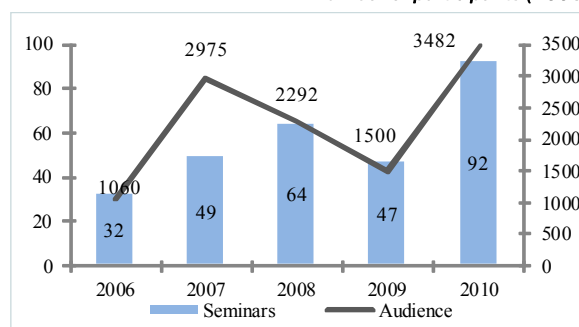
Information about the work of KNAB is available in press releases and by using informative brochures which call for cooperation with KNAB if there are allegations of corruption.

In 2010, KNAB released a newsletter for public officials



explaining the role of the head of the institution in preventing corruption risks in the institution. It also provided updated information in relation to the use of official vehicles. Related tests available on the website of KNAB are very popular (see: <http://knab.gov.lv/lv/education/tests/>). ■

Figure1. Educational activities and the number of participants (2006-2010)



Statistics — tool for the prevention of corruption

The control of activities of public officials is one of main fields of KNAB ensuring that public administration works in the interests of the society and preventing personal interests from affecting decision making. In 2010, 86 public officials faced administrative sanctions and 90 % were related to violations of limitations and restrictions applicable to public officials. The second most common administrative violation is the failure to observe procedures for restrictions concerning additional employment (see. Figure3). In 2010, KNAB detected 119 different violations in the area of public procurement, most of which include entering into agreement without justification or drafting technical specification in the interests of a certain tenderer. In 19 % of cases, public officials using official position or exceeding official authority gained personal undue advantage or third persons benefited from this advantage. In most of the cases, public officials used official vehicles for private needs or paid severance payments. ■

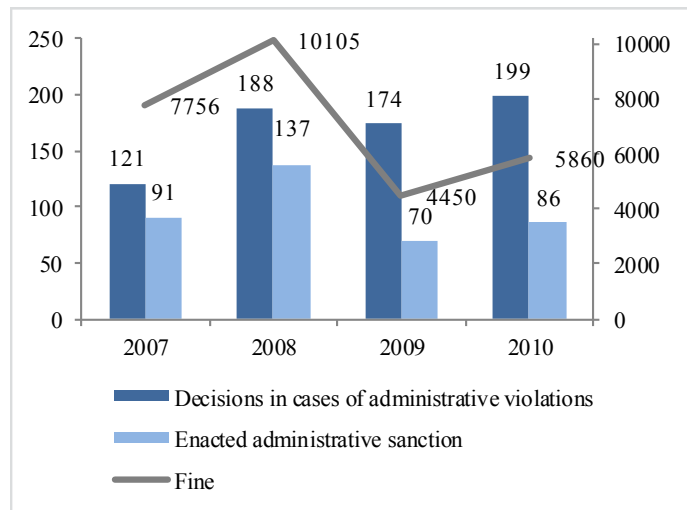


Figure2. Decisions in cases of administrative violations and enacted administrative sanctions (2007-2010)

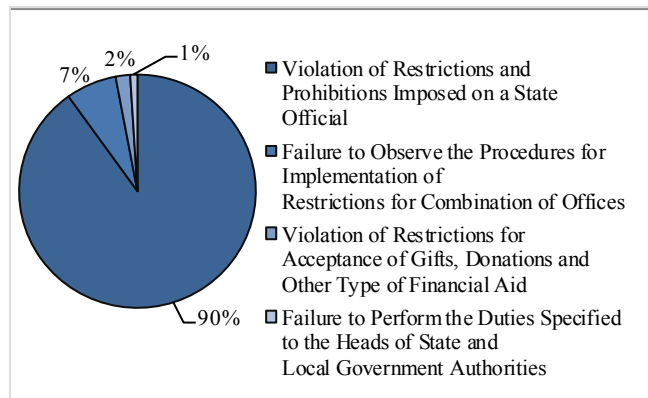


Figure3. Detected administrative violations in 2010



Author: Uldis Briedis

In 2009, it was observed that the number of corruption offences among public officials with a low level of income and who deal with control or work with financial resources remain on the same level. Cases investigated in 2010 show that the number of cases of active bribe demands, after several years of decreases, has once again increased. The economic crisis has had an effect on the correlation between public administration and business activities.

Statistics show that approximately 62 % of convicted persons were public officials, approximately 38 % - private persons (see. Figure4). The majority of convicted persons are officials of interior or justice institutions as well as officials of specialised state and municipal

institutions. This information is crucial for further planning activities in the area of corruption prevention. ■

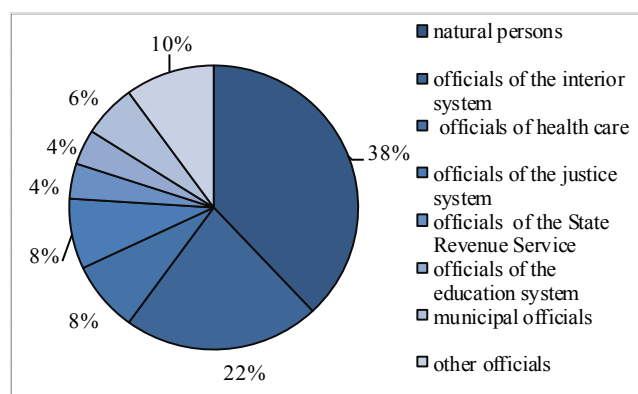


Figure4. Corruption Prone Areas in Latvia/ Diagnostic research



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