

REGIONAL ANTI-CORRUPTION INITIATIVE

19th STEERING GROUP MEETING



Summary, Conclusions and Decisions

*Skopje, Republic of Macedonia
November 26, 2014*

19th Regional Anti-corruption Initiative (RAI) Steering Group (SG) Meeting took place in Skopje, Republic of Macedonia, on November 26, 2014. It was organized by RAI Secretariat.

Participants

19th RAI Steering Group Meeting was chaired by the RAI Chairperson Mr. Davor Dubravica. It was attended by 8 member states' representatives, two regional partner institutions – the Regional Cooperation Council (RCC), and SELDI Network - as civil society partner, as well as the State Commission on Prevention of Corruption (SCPC) of Republic of Macedonia.

The countries were represented by:

- **Albania** – Ms. Erisa Proko – Adviser to the Minister of State on Local Issues on Anti-corruption Policies, Ministry of State on Local Issues;
- **Bosnia and Herzegovina** – Mr. Tomislav Curic – Expert Adviser, Department for Combating Organized Crime and Corruption, Ministry of Security;
- **Bulgaria** – Mr. Rosen Kukushev – Expert in EU and International Cooperation Directorate, Ministry of Interior;
- **Croatia** -- Ms. Maja Baricevic - Head of Anti-corruption Sector, Ministry of Justice;
- **Macedonia** – Ms. Elena Dimovska – Associate, Unit for Coordination of Anti-corruption Activities, Ministry of Justice;
- **Moldova** – Mr. Valeriu Cupcea – Head of Anti-corruption Policies and Programmes Division, National Anti-Corruption Center;
- **Montenegro** – Ms. Mirela Bakalbasic – Senior Advisor, Directorate for Anti-corruption Initiative (DACI);
- **Serbia** – Ms. Jelena Deretic – Advisor in the Group for the coordination of the implementation of National Anti-Corruption Strategy, Ministry of Justice.

Romanian representative – Mr. Cornel Virgiliu Calinescu – Head of National Office for Crime Prevention and Assets Recovery, Ministry of Justice, excused their absence from the meeting and gave his comments on the agenda items by a teleconference call.

RAI Secretariat was represented by:

- Mr. Radu Cotici – Head of Secretariat;
- Mr. Kiro Cvetkov - Anti-corruption Expert;
- Ms. Aida Bulbul – Finance and Administrative Officer;

The meeting was also attended by:

- The Regional Cooperation Council, invited by the Head of RAI Secretariat:
 - Ms. Ivana Goranic – Expert on Governance for Growth, RCC;
- SELDI Network, invited by the Head of RAI Secretariat:
 - Mr. Ruslan Stefanov – SELDI Coordinator, SELDI Network;

- State Commission on Prevention of Corruption of Republic of Macedonia, invited by the Head of RAI Secretariat:
 - Mr. Vladimir Georgiev – State Advisor, SCPC.

Summary of Discussions

19th RAI SG Meeting was opened by Mr. Davor Dubravica who welcomed the participants, introduced the new members to the Steering Group, and presented the agenda items for adoption.

The first agenda item presented at the SG Meeting was the information from RAI Secretariat on the activities conducted in 2014 and plans for 2015. The Head of the Secretariat gave an overview on the activities undertaken by the Secretariat during 2014 and shed light on the plans for 2015. Following the structure of RAI 2014-2015 Work Plan, the explanation on what had been done and what follows under each of the eight RAI Work Plan objectives was made. Details on the Internship Program and the partnership relations build by the Secretariat through signing MoUs and partnership agreements were also shared. Mr. Cotici emphasized the numerous activities conducted and stressed out the need of increasing RAI Secretariat's capacities. In this context, it was stated that the possibility of having a second anti-corruption expert in the office has to be considered in the future.

Next agenda item was the discussion on mandate of the Head of the Secretariat. The Chairperson quoted the existing rules, particularly Chapter V "Human resources" from ToR of RAI Secretariat, and asked for comments and suggestions related to the renewal of mandate of Head of Secretariat. Mr. Cotici explained his view that it is very important to have a consensus on such a decision and that the support from all member countries is highly desirable for an efficient performance of the mandate.

Ms. Erisa Proko stated that the performance of the Head of the Secretariat in the past two years has been more than satisfactory and that he should continue with the same approach in the future. Mr. Valeriu Cupcea also upheld the proposal of renewing the mandate of the Head of Secretariat.

Finally, the support for the Head of Secretariat and contentment of results to date were commonly shared by the Steering Group and therefore Mr. Dubravica concluded that the mandate of the Head of the Secretariat was renewed by consensus for two additional years, starting with February 2015.

The next topic of discussion was the question of Kosovo* membership in RAI. This agenda item was introduced due to the pending request of Kosovo* authorities on membership status in RAI, Steering Group's decision at its previous Meeting to continue discussions on this topic, and also due to the agreement on Kosovo* participation reached at the SEECF Bucharest Summit in June 2014.

* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

The Secretariat recalled of the 16th Steering Group Meeting in Sarajevo (2013) on Kosovo* participation in RAI programmatic activities. Also, the Secretariat informed that participation of Kosovo* delegates in RAI activities is currently enabled through financial support of UNDP Kosovo, based on the Memorandum of Understanding between RAI and UNDP Kosovo, and that so far RAI keeps Kosovo* involved in all its projects.

A list of regional organizations where Kosovo* is a member was delivered to the representatives for comparative assessment and overview of the status of Kosovo* in the regional organizations in SEE.

Ms. Ivana Goranic stated that RCC encourages discussions on membership of Kosovo* and RAI endeavors to find modalities for solving this subject. The solution used in the case of RCC and RACVIAC, where Kosovo was given the status of “participant”, was considered as a possible solution, which should yet be brought in line with RAI internal regulations.

Mr. Davor Dubravica explained the possibilities of Kosovo* participation, deriving from RAI’s Institutional Mechanism (Annex 1 to RAI Strategic Document) such as the status of “core member”, “associate member” or “the observer” status. Ms. Erisa Proko asked for a consideration of granting Kosovo* the full membership in RAI. In this context, Ms. Jelena Deretic noted that for Serbia neither the option of full membership is acceptable, nor is any other solution that could lead to a full membership of Kosovo* in RAI. Mr. Tomislav Curic stated that Kosovo* is not recognized as a state by Bosnia and Herzegovina and therefore he cannot support full membership of Kosovo* in RAI, but he is not against finding another solution of Kosovo formal participation. Moldova and Romania also remained to their previous positions, which led to the same situation where five member states were pro full membership of Kosovo* in RAI and four (Serbia, Bosnia and Herzegovina, Moldova and Romania) were against.

In order to move the process forward, Mr. Dubravica proposed a delegation of RAI to visit Kosovo’s officials in order to discuss modalities to join RAI, and then to present the conclusions from the meeting to the Steering Group, as a starting point for a final decision. At the same time, RAI Secretariat will prepare an explanatory note on options to join RAI according to its internal provisions, with all respective rights and obligations deriving, and will share it with all Senior Representatives. This proposal was accepted by all participants.

According to the next agenda item, Mr. Cvetkov presented the project “Raising Public Awareness on Corruption and Anti-corruption in Public Procurement”. He explained that this project is the first component of the Regional Programme on Raising Public Awareness on corruption, which is currently under development as part of the implementation process of the SEE 2020 Strategy. Mr. Cvetkov said that this project is based on a public – private partnership in the form of a task force on transparency in government procurement. The task force will be composed of the civil society organizations and Government representatives on fifty-fifty basis. Considering that RAI built this project idea in partnership with SELDI Network, Mr. Ruslan Stefanov, SELDI Coordinator, took the floor, giving more details about the project idea. He stated that the task force driven by RAI and SELDI will work on producing a red flagging mechanism as a practical instrument for diminishing risks in tendering procedures by unification of practice

across the region. Ms. Mirela Bakalbasic asked for information related to this project in written in order to consult relevant national authorities.

The next agenda item was another project presented by the Secretariat as the second component of the Regional Programme on Raising Public Awareness on corruption. This project relates to protection of whistleblowers and it is designed in six phases. One of its elements – the Groundwork research report – is already undergoing. Mr. Cvetkov gave short description of the activities under each of the six phases explaining that the phases are designed to complement each other toward developing a framework and roadmap for improving whistleblower protection, opportunities and awareness throughout RAI's member countries.

In this context, the Meeting continued with the information on the Regional Programme developed under SEE 2020 Strategy. The Secretariat presented two Regional Programme developed under the "Dimension O" – Anti-corruption from the SEE 2020 Strategy. Mr. Cvetkov gave a short explanation on the project ideas under the "Regional Programme on Raising Public Awareness on Corruption" and the "Regional Programme on Building Capacities of Anti-corruption Entities in SEE and Strengthening their Cooperation". Besides the project ideas previously explained, Mr. Cvetkov also depicted the project ideas under the components "Technical assistance in corruption risk assessment and corruption proofing of legislation", "Mapping the anti-corruption actors in SEE and maintaining resource centre for them" and "Regional cooperation on data exchange in asset disclosure and conflict of interest". Ms. Ivana Goranic took the floor next, explaining the role of RCC in the process of drafting the Anti-corruption Regional Programmes in cooperation with RAI, as well as the next steps in the development of the Programmes and the fundraising activities.

The next agenda item was dedicated to the findings of the Study "International Regional Entities and the Process of Establishing Treaties". The study was developed by the Secretariat as part of the internship program and on this occasion Mr. Cvetkov presented the steps to be taken by RAI, in order for the organization to obtain the formal status of international organization under the UN Charter. The Secretariat explained why RAI can be considered as international organization under the UN Charter and that RAI fulfills all conditions prescribed as essential by international law in order for an international entity to be considered fully flagged international organization. The SG Senior Representatives concluded that the process of registering RAI under the UN list of international organizations can be only beneficial to the organization and for that reason they give their full support to this possibility.

In light of the discussions on the international legal status of RAI, the next agenda item discussed was the process of ratification and internal confirmation of RAI MoU and its Protocol. It was concluded that Serbia (being the only RAI member state that did not complete this process) should complete the process of internal confirmation in accordance with its respective domestic procedure as soon as possible, as that is the pre-condition for registering RAI MoU and its Protocol under the UNTS. Ms. Jelena Deretic noted that Serbia will complete this process as soon as possible and requested assistance from the Secretariat in this regard. It was concluded that the Secretariat will undertake all necessary steps for obtaining the formal status of international organization for RAI under UN Charter once Serbia notifies the depositary about completing its internal procedure for MoU and protocol approval.

Furthermore, Senior Representatives exchanged views and experiences with Mr. Vladimir Georgiev from the State Commission on Prevention of Corruption of Republic of Macedonia. Mr. Georgiev explained the ongoing activities and projects that the SCPC is involved in and the possibilities for future cooperation with RAI were explored.

According to the approved agenda, Ms. Aida Bulbul presented the RAI Budget for 2014 in details, which was approved by the Steering Group.

Under the agenda item “Other business”, the Secretariat proposed amendments to Terms of Reference for RAI Secretariat and Office Policies Manual related to social contributions for resident staff for adoption by the Steering Group. After explaining the needs and circumstances for these amendments, the Steering Group approved them.

In light of point 4 “Intern’s expenses” from Terms of Reference for RAI Secretariat, the Steering Group approved covering expenses related to RAI Internship Program in 2015 from the RAI Budget.

Furthermore, Mr. Radu Cotici draw the attention on progress reports that countries have to submit to Secretariat. He proposed to have the reports submitted next year for the period 2014 – 2015 and to focus them on the progress made in regards of the objectives of RAI Work Plan 2014 – 2015. This approach would help the Secretariat to draw up a comprehensive report on the Work Plan implementation, which would contain information on what has been done on both regional and national levels. The Steering Group accepted the proposal.

It has to be noted that Mr. Cornel – Virgiliu Calinescu, in his teleconference intervention, urged all RAI Representatives, who are also members of delegations to the Group of States against Corruption (GRECO), to support RAI’s observer status to GRECO.

Finally, Ms. Elena Dimovska asked the Secretariat to use the constitutional name of the Republic of Macedonia in its documents or to specify the source of a document in case it does not come from RAI and cannot be edited.

The 19th RAI SG Meeting was closed by Mr. Davor Dubravica by listing the conclusions and decisions of the Meeting.

Conclusions and Decisions

The RAI Steering Group:

1. Took note of the activities carried out by the RAI Secretariat in 2014 and planned projects for 2015.
2. Renewed the mandate of the Head of Secretariat as of February 2015.

3. Tasked the Secretariat to explore different modalities of participation of Kosovo* in RAI and mandated RAI Chairperson and Head of Secretariat to have an exchange of views with Kosovo* authorities on this matter.
4. Tasked the Secretariat to take all necessary steps in order to register RAI as an international organization under UN Charter, immediately after Serbia notifies the Depository about the completion of the domestic procedure for MoU approval.
5. Approved RAI Budget for 2015.
6. Adopted the amendments to RAI official documents as presented in the Annex.
7. Agreed on the expenses for Internship Program for 2015 being covered from RAI Budget.
8. Agreed to submit countries' progress reports for 2014 – 2015 by September 2015.

ANNEX

AMENDMENTS

1. Office Policies Manual:

Article 5.1 „Compensation“, paragraph 2 should be amended as follows:

“The monthly compensation amount for local staff is net of pension and disability, health and unemployment contributions. The Secretariat will withhold employee taxes and social contributions and make payments to the relevant government agencies, as required by the local law. In addition, the Secretariat will report each local employee’s full salary (excluding non-taxable allowances) to the local authorities. All salary payments will be made in accordance with the local law with regard to timing, taxes, and other withholdings. In case of international staff, the amount for permanent housing will also be included in this total compensation amount.”

2. Terms of Reference for RAI Secretariat:

Article V “Human Resources“, paragraph 4 should be amended as follows:

“The pay scale for the Secretariat staff will be based on Bosnia and Herzegovina’s market conditions for professional staff in comparable positions. The Secretariat, on behalf of the local employees, will make mandatory pension and disability insurance, health and unemployment insurance, and related salary tax contributions in accordance with the local laws. However, pay and allowances will not include a housing benefit for locally hired staff. The health insurance will be provided for both international and local staff. The payments related to the staff can be done from contributions by both donors and member states.”