



REPUBLIC OF ESTONIA  
MINISTRY OF FOREIGN AFFAIRS



TRANSPARENCY  
INTERNATIONAL  
Korruptsioonivaba Eesti



# Mitigation of corruption risks

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The role of the civil society in improving transparency and integrity in the public sector

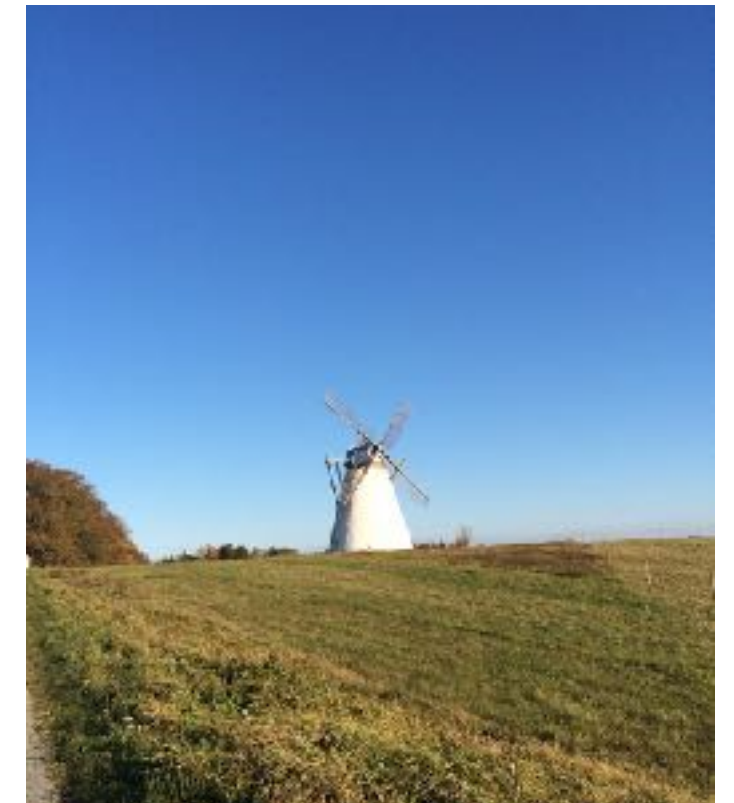
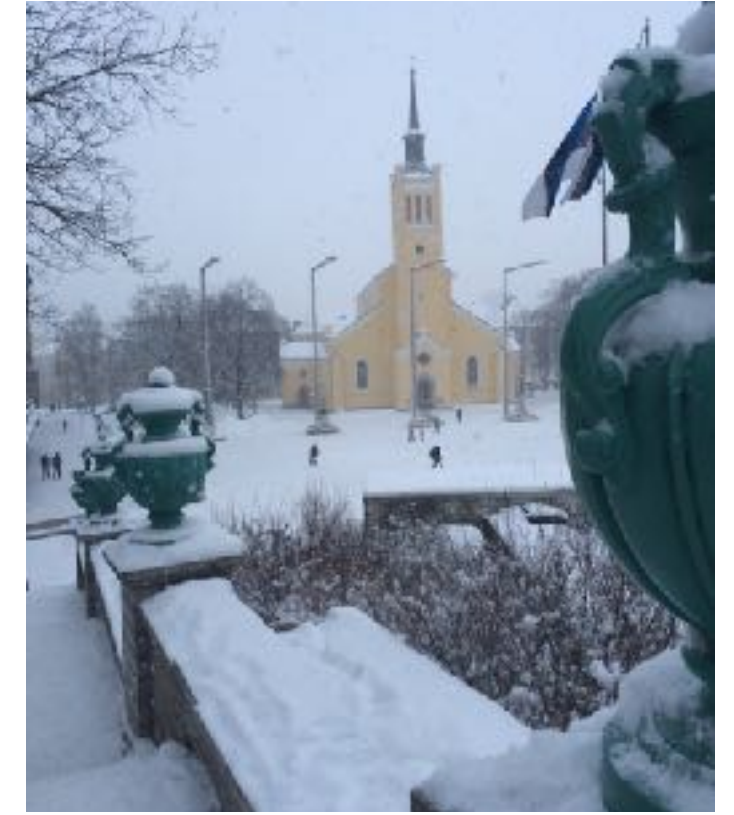
TI-Estonia, board member  
Dr Aive Pevkur

Chișinău, 28.06.2017

# Estonia

- Area: 45,228 km<sup>2</sup>
- Population: 1 315 635 (01.01.2017)
- EU member: 1 May 2004
- OECD member: 9 December 2010
- skype
- [www.estonia.eu](http://www.estonia.eu)





# Transparency International Estonia

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- TI Estonia is accredited national chapter of Transparency International.
- TI Estonia's main fields of activity are analyzing and highlighting the risks of corruption, awareness raising and strengthening cooperation between public institutions and private persons in the fight against corruption. TI Estonia has a project-based operation.
- <http://www.transparency.ee/cm/en/>



# National Integrity System

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# PILLARS OF NATIONAL INTEGRITY

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- The National Integrity System evaluates key ‘pillars’ in a country’s governance system, both in terms of their internal corruption risks and their contribution to fighting corruption in society at large.
- When all the pillars in a National Integrity System are functioning well, corruption remains in check. If some or all of the pillars wobble, these weaknesses can allow corruption to thrive and damage a society.
- <https://www.transparency.org/whatwedo/nis>

# Estonian assessment 2012



VERY STRONG ● ● ● ● ● ● ● ● ● ● VERY WEAK

# Corruption culture

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- Corruption - dishonest or fraudulent conduct by those in power
- corruption is always embedded in a general culture of lack of service mentality, disrespect or disdain for citizens, and absence of caring about the public good
- the level of respect for and implementation of laws is always low in an environment with a low level of ethical culture



# Key components of good governance

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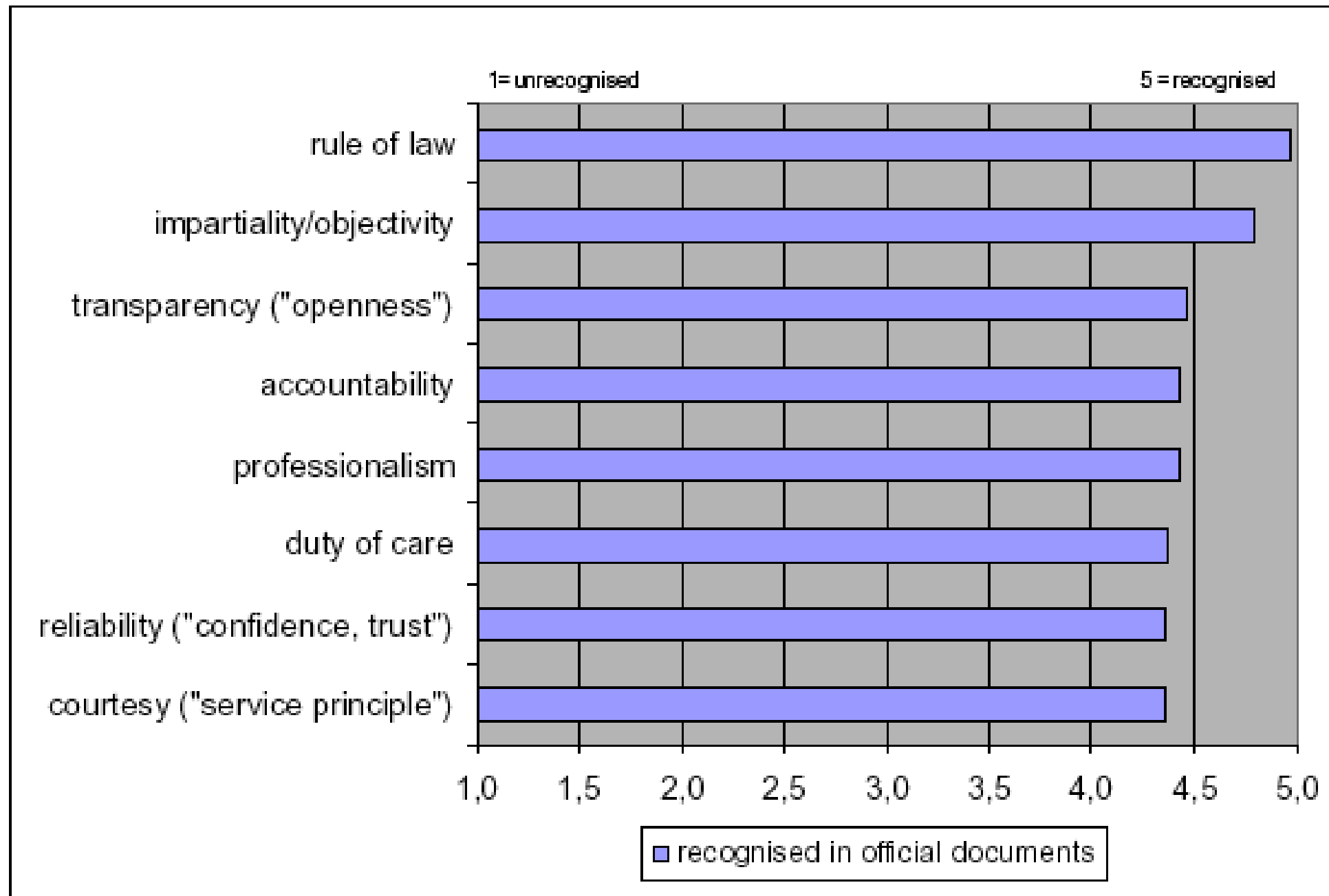
- the rule of law principles of reliability, predictability, accountability and transparency,
- technical and managerial competence,
- organisational capacity and citizens' participation

“European Principles for Public Administration”, SIGMA Papers, No. 27, 1999

[http://www.oecd-ilibrary.org/governance/european-principles-for-public-administration\\_5kml60zwd7h-en](http://www.oecd-ilibrary.org/governance/european-principles-for-public-administration_5kml60zwd7h-en)

# CORE VALUES IN EU MEMBER STATES

Figure 1: Reflection of Core Values in Official Documents (N=28)



# Rules-based vs values-based integrity management

## by Jeroen Maesschalck

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- To avoid unethical behaviour (minimum standards of conduct)
- Pessimistic view of human nature
- To emphasise on external controls
  - how much do invest?
- Regulation oriented practice
- Typical instruments:
  - Legislation
  - Strict codes of conduct
  - Strict procedures
- To stimulate ethical behaviour ('make a good decision')
- Optimistic view of human nature
- To emphasise internal control
- Typical instruments:
  - Workshops
  - Training sessions
  - Ambitious ethics codes
  - Individual coaching

# Compliance approach

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- The compliance features of the OECD ethics infrastructure, such as legislative frameworks and accountability and financial control, responded directly to the need to strengthen formal institutions.
- While compliance-based approaches can enforce certain kinds of behavior, they cannot produce the fundamental willingness to do the right thing that is essential if public services are to play a positive role in good governance and development
- Compliance-based approaches, however, are necessary but not sufficient.



# Integrity approach

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- Integrity in the public administration is an important condition for the effective functioning of the state, for ensuring public trust in the government, and for creating conditions for sustainable social and economic development.
- Integrity-based approaches hold out the promise of public servants who willingly act with integrity and respect for citizens because they know it is right to do so, regardless of external compulsion or responsibility.

# The situation

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- Public sector reform efforts to combat corruption in the countries of the former Soviet Union (FSU) have, to date, focused heavily on control and compliance measures, such as the adoption of legal frameworks.
- Citizens in countries with high level of corruption usually want to see real results of the fight against corruption quickly, including criminal cases, arrests and court proceedings.
- In a number of governments in transitional societies compliance tended to win out.

# Ethics infrastructure (i)

## OECD PUMA

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- political commitment (politicians should say ethics is important, set an example, support good conduct, allocate adequate resources);
- effective legal framework (laws and regulations which set standards of behaviour; enforcement);
- efficient accountability mechanisms (administrative procedures, audits, agency performance evaluations, consultations and oversight mechanisms);

# Ethics infrastructure (II)

## OECD PUMA

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- workable codes of conduct (statement of values, roles, responsibilities, obligations, restrictions);
- professional socialisation mechanisms (education and training);
- supportive public service conditions (fair and equal treatment, appropriate pay and security);
- ethics co-ordinating body;
- active civil society (including investigative media) to act as watchdog over government activities.





***Commitment***



**Political Leadership**



**Legislative Framework**

***Control***



**Accountability & Control**



**Codes of Conduct**

***Guidance***



**Professional Socialisation**



**Coordinating Body**

***Management***



**Public Service Conditions**

# Fundamental values of anti-corruption policy

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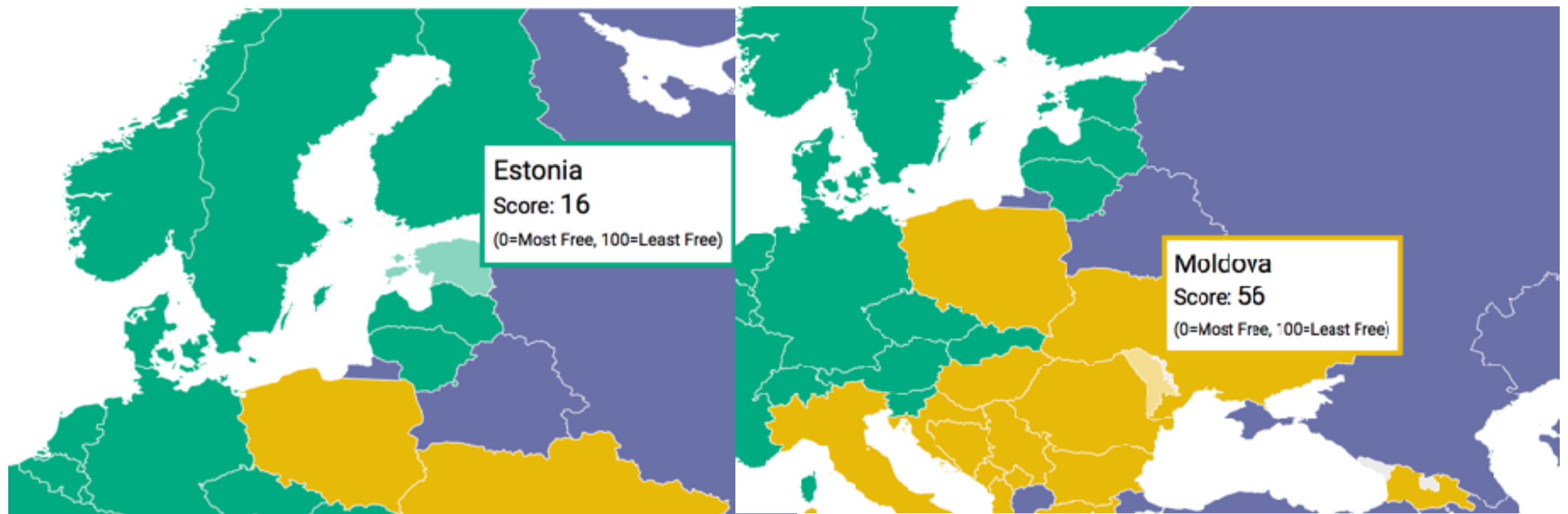
- **Political will** — all branches of the state power, i.e. legislative, executive and judicial, fully realise the importance of having a society free from corruption and effectively co-operate
- **Priority of public interest** — representatives of the state power and public institutions, while performing their power, are obliged to consider the public interest above any other interests. The use of their power for obtaining unjustified material or non-material benefits or advantages for themselves, their families or close relatives are impermissible.
- **Good will** — representatives of the state power and public institutions are obliged to disclose any personal interest in conflict with the objective performance of their duties, as well as to undertake all necessary measures to avoid conflict of interests and activities incompatible with their duties.
- **Transparency** — representatives of the state power and public institutions ensure accessibility of information related to public interest, transparency of decision-making process and participation of the civil society in this process.

Free media

# Freedom of the Press 2017

<https://freedomhouse.org/report/freedom-press/freedom-press-2017>

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# Estonia *Profile*

Press Freedom Status:

FREE



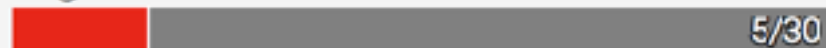
Freedom of the Press Scores

Total Score

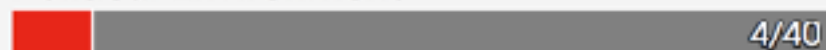


(0=Most Free, 100=Least Free)

Legal Environment



Political Environment



Economic Environment



# Moldova *Profile*

Press Freedom Status:

PARTLY FREE



Freedom of the Press Scores

Total Score



(0=Most Free, 100=Least Free)

Legal Environment



Political Environment



Economic Environment



Political commitment

# Good Practice of Members of the Riigikogu

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- On 17 December 2014, the Board of the 12th Riigikogu met with the representatives of factions (Board of Elders minutes No 4). The meeting approved the good practice of conduct of members of the Riigikogu (good practice), which is to be published in the Manual for Members of the Riigikogu at the start of the term of the 13th Riigikogu.
- <https://www.riigikogu.ee/wpcms/wp-content/uploads/2015/05/Riigikogu-liikme-hea-tava-ENG.pdf>
- <https://www.riigikogu.ee/wpcms/wp-content/uploads/2015/05/Case-examples-of-possible-situations-where-there-is-a-conflict-of-interests.pdf>

Case examples of possible situations where there is a conflict of interests  
(Discussed and approved at the sitting of the Committee on 29 May 2017)

<p><b>Covering of expenses relating to travel abroad</b></p> <p>On the initiative the Estonian Waste Management Association, a trip to Ireland is organised to get information about waste management under free market conditions. The delegation is formed of representatives of the Estonian Waste Management Association and local governments, and members of the committee of the Riigikogu dealing with the issue. A private company dealing with waste management in Estonia offers to cover the expenses of the members of the Riigikogu relating to the trip abroad (plane tickets, accommodation, food).</p>	<p><b>Must not be accepted</b></p>	<p>The covering of the costs is linked to the official duties of a member of the Riigikogu and crosses the boundaries of common courtesy. This benefit may be defined as income from a corrupt practice.</p>
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Public sector

# Public sector compliance management

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- NO central coordination body
- The law enforcement agencies prioritising anti-corruption activities since 2005 (part of enforcing the compliance system)
- Ministry of Justice: three anti-corruption strategies (2004, 2008, 2013)
  - specific tasks for different institutions and in different policy fields
  - includes activities aimed at compliance as well as integrity (e.g. codes, trainings for different professional groups)
- Office of the Chancellor of Justice (ombudsman functions in protection of basic right and liberties, The European Code of Good Administrative Behaviour)
- National Audit Office (performance audits, that occasionally deal with the application of ACA rules)

# AC regulatory framework

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- Public Service Act:
  - Principles of performance of duties
  - Restrictions (e.g. entrepreneurship, post-employment etc)
- Anti-Corruption Act
  - rules on conflicts of interest
  - declarations of interest
  - limits on the activities of public officials
- Penal Code
  - different forms of corruption (including bribes, abuse of office etc)

# Anti-Corruption Strategy 2013-2020

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## Ministry of Justice as a coordinating body

- Higher awareness of corruption
- Higher transparency of public sector decision-making and activities
- Developing the investigative capabilities of investigative bodies and preventing corruption that could jeopardise national security
- <http://www.korruptsioon.ee/orb.aw/class=file/action=preview/id=59029/Estonian+Anti-Corruption+Strategy+2013-2020.pdf>
- [http://www.korruptsioon.ee/sites/www.korruptsioon.ee/files/elfinder/dokumendid/korru-uuringu\\_lyhiversioon\\_0.4\\_0.pdf](http://www.korruptsioon.ee/sites/www.korruptsioon.ee/files/elfinder/dokumendid/korru-uuringu_lyhiversioon_0.4_0.pdf)

# ACA § 3. Obligations of officials and agencies performing public duties

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(3) State or local government agencies, legal persons in public law, foundations established by them and public undertakings within the meaning of the Competition Act shall ensure with respect to the officials performing public duties on their behalf, upon their request or under their supervision:

- 1) awareness in the field of the prevention of corruption
- 2) supervision over performance of the obligations

## Civil service is: (CSA 2013 §5)

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1) a public-law **service and trust** relationship between the state or local government and an official to perform the functions of the authority, which is the exercise of official authority;

2) the employment relationship, governed by private law, between the state or local government and a person to perform the functions of the authority, which is solely the work to support the exercise of official authority



# Ethics and corruption prevention in CS

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- 1996 PSA: open, position-based PS
- 1999 cabinet of PM: New Public Management
  - Decentralisation of PA
  - Decentralised ethics system
  - Development and training devolved to individual organisations
- 1999, new 2015 Public Service Code of Ethics ([http://www.avalikteenistus.ee/public/eetika/Code\\_of\\_Ethics.pdf](http://www.avalikteenistus.ee/public/eetika/Code_of_Ethics.pdf))
- 2012 new PSA
- 2013 Council of Ethics of Officials

# Corruption prevention in CS

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The role of the Ministry of Finance:

- Supporting development of public service ethics infrastructure
- Enhancing awareness on public service ethics via “Central Training Programme”, guidelines and counselling
- Monitoring the state of affairs on ethics via surveys
- If necessary, initiating draft regulations and amendments to regulations
- serving the Council of the PSE

# Avoiding corrupt practices

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- Mobility between public and private sector requires common values in PS
- Proactive role of training in PSE
- Enhancement of professional, e.g. ethical competencies of public servants
- Reinforcement of public service ethics and values, implementation of Code of Ethics

# Role ethics

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- Roles characteristically claim to generate moral prescriptions that vary from professional role to role. (Applbaum)
- When individuals participate in different role relationships, each of them may generate different obligations (Goode)
- issues in professional ethics derive from conflict between the norms and ideals of different roles

# Central ethics trainings - raising awareness

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- Systematic development of professional identity in public service
- Law does not (have to) regulate all ethically questionable situations
- Officials have to be ethically competent to recognise and avoid corruption risks, ethically questionable practices as well as analyse such kind of situations
- Public service ethics is public trust!

# AC via professional role-responsibility

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- Roles: administrative vs political vs civic organisations vs media
- What should I do in this role?
  - Relevant facts
  - Relevant norms, codes, rules, laws
    - for public servants (professional code)
    - for organisation
    - for professional activity (accountants, human resource managers, policemen, border-guards etc)
- Right decisions

# Key components of good governance

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- the rule of law principles of reliability, predictability, accountability and transparency,
- technical and managerial competence,
- organisational capacity and citizens' participation

“European Principles for Public Administration”, SIGMA Papers, No. 27, 1999

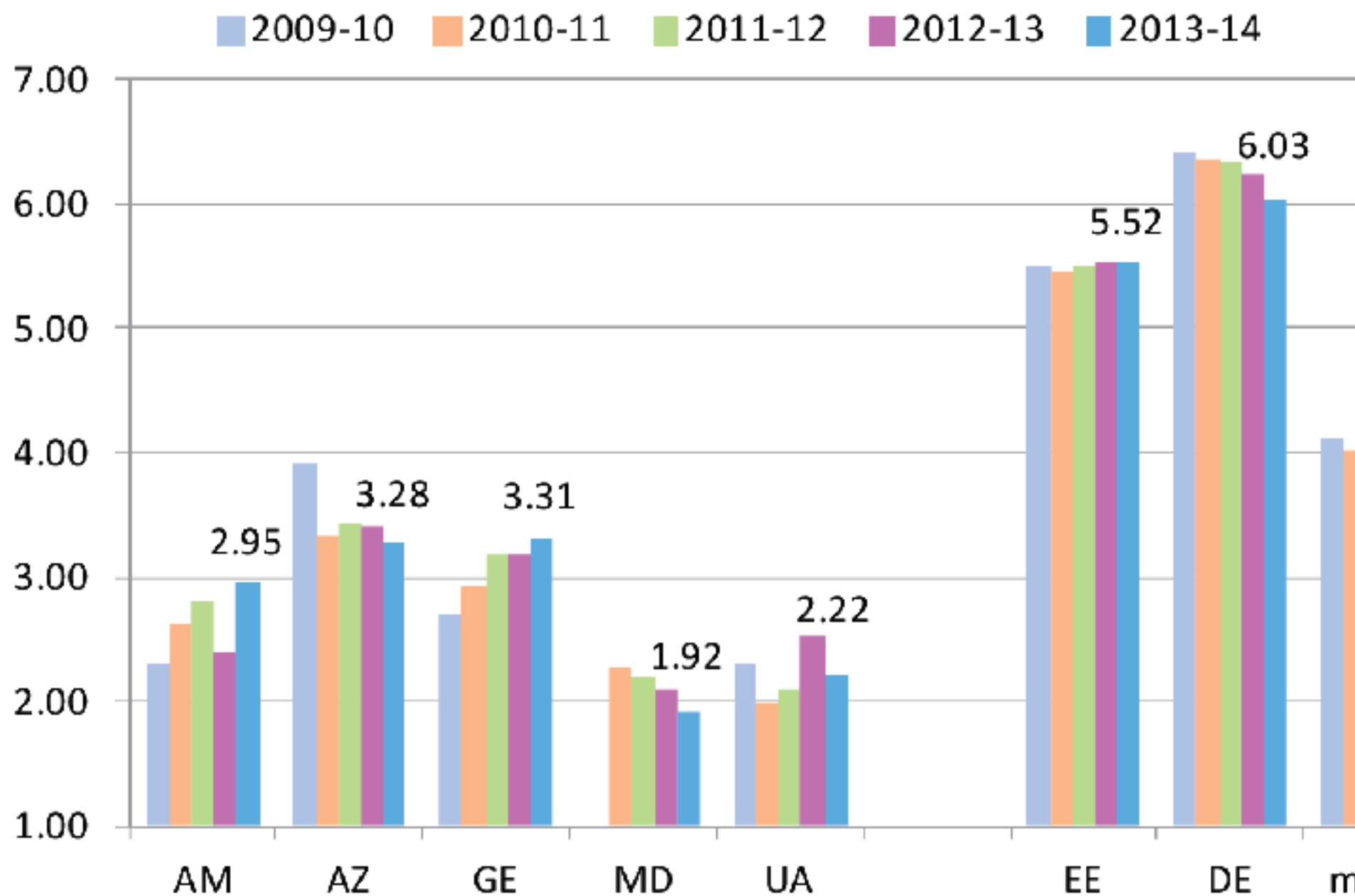
[http://www.oecd-ilibrary.org/governance/european-principles-for-public-administration\\_5kml60zwd7h-en](http://www.oecd-ilibrary.org/governance/european-principles-for-public-administration_5kml60zwd7h-en)



# Public Administration in EU Eastern Partners: Comparative Report 2013

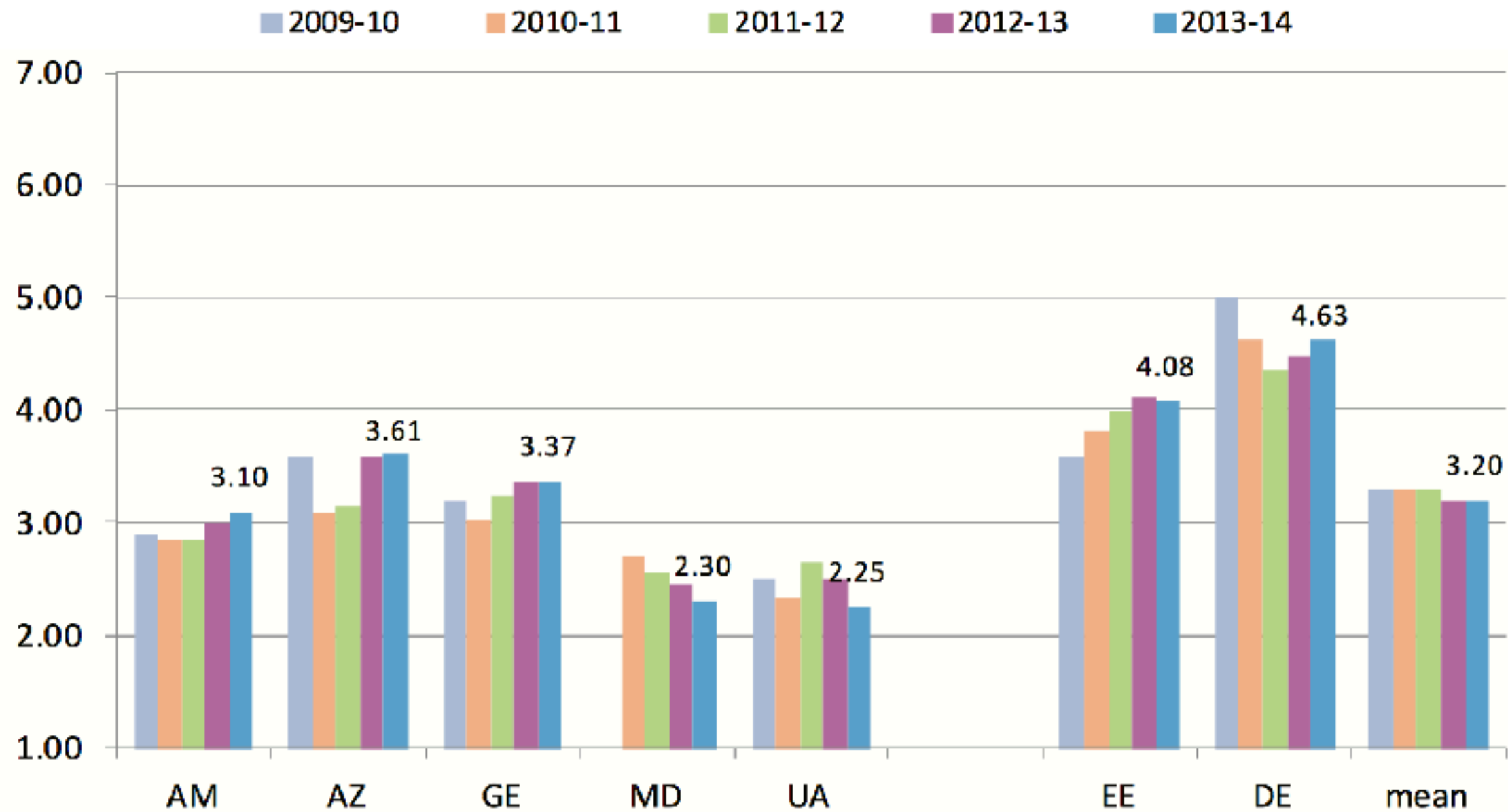
[http://eceap.eu/wp-content/uploads/2014/06/Review\\_No14.pdf](http://eceap.eu/wp-content/uploads/2014/06/Review_No14.pdf)

## C2: Judicial independence



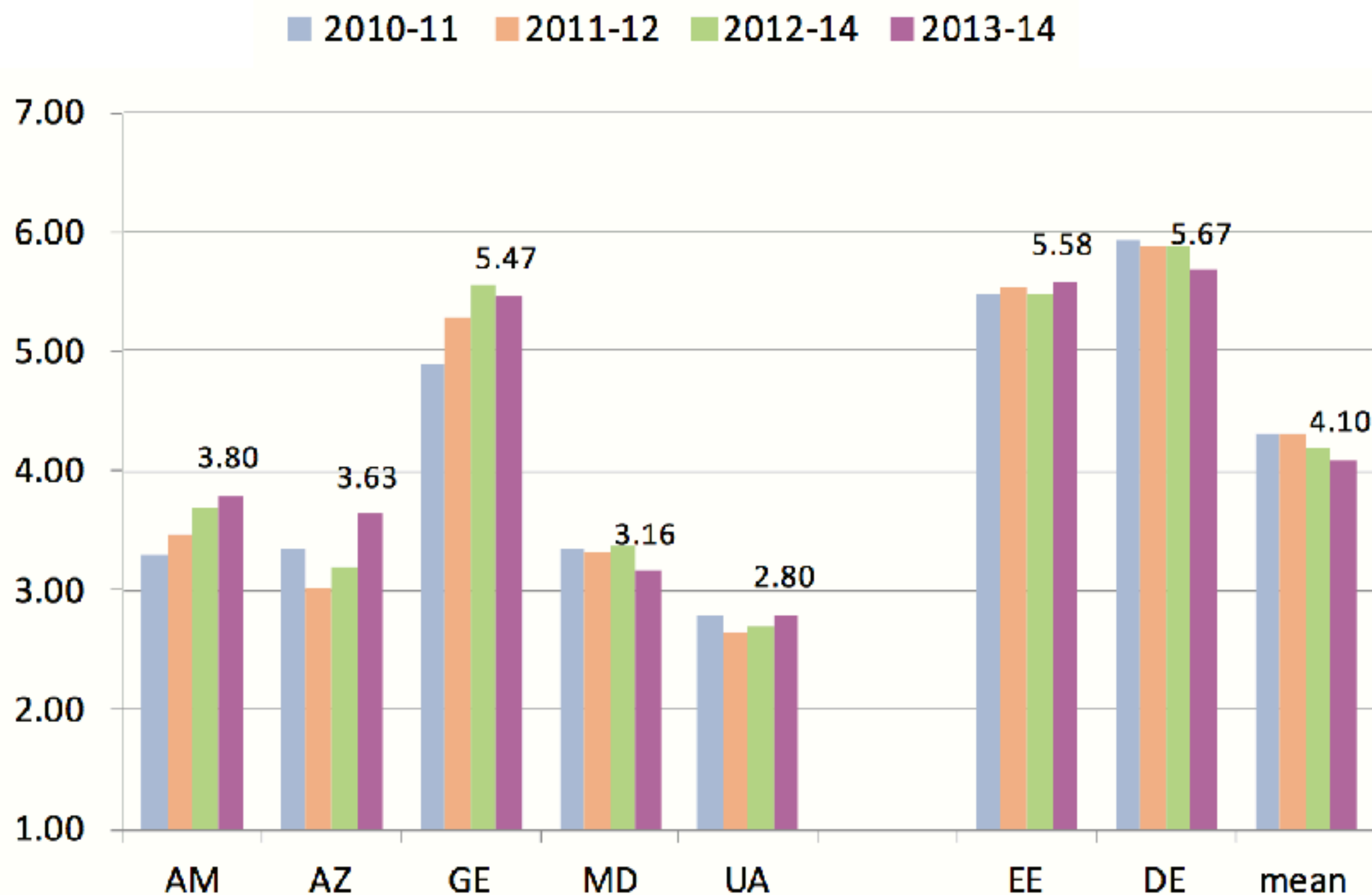
1 – judiciary is heavily influenced by government, citizens or firms; 7 – judiciary is entirely independent

## Favouritism in government decisions



To what extent do government officials in your country show favouritism to well-connected firms and individuals when deciding upon policies and contracts? 1 – always; 7 – never

### A3: Irregular payments and bribes



How common it is for firms to make undocumented extra payments or bribes connected with (a) imports and exports; (b) public utilities; (c) annual tax payments; (d) awarding of public contracts and licenses; (e) obtaining favourable judicial decisions? 1 – irregular payments are very common; 7 – irregular payments never occur

# How to build non-corrupt society

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- Inquiries on breaches - ENFORCE
- Prevention – REMOVE OPPORTUNITIES
- Education – BUILD SKILLS & VALUES; BUILD PROFESSIONAL COMMUNITY
- Coordination and implementation – RAISE CAPACITY

## See also

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- <https://eceap.eu/eastern-partnership-review/>
- <http://www.korruptsioon.ee>

Thank you for your attention!