



ANNEX 3

of the Commission Implementing Decision on the Annual Action Programme 2018 in favour
of Republic of Moldova

Action Document for strengthening the rule of law and anti-corruption mechanisms

| | | | | |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------------------------|---------------------------|
| 1. Title/basic act/ CRIS number | Strengthen the rule of law and anti-corruption mechanisms in the Republic of Moldova CRIS number: ENI/2018/041-244 Financed under European Neighbourhood Instrument | | | |
| 2. Zone benefiting from the action/location | Neighbourhood East, Republic of Moldova The action shall be carried out at the following location: Republic of Moldova | | | |
| 3. Programming document | Single Support Framework (SSF) for EU support to the Republic of Moldova (2017-2020) | | | |
| 4. Sector of concentration/ thematic area | Sector 2 of the SSF - Strengthening institutions and good governance, including the Rule of Law and Security. | | | |
| 5. Amounts concerned | Total estimated cost: EUR 8 490 000 Total amount of EU budget contribution EUR 8 000 000 This action is co-financed in joint co-financing by the German Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung for an amount of EUR 490 000 | | | |
| 6. Aid modality(ies) and implementation modality(ies) | Project modality Indirect management with a Member State organisation (Gesellschaft für Internationale Zusammenarbeit (GIZ)) Direct management – procurement of services | | | |
| 7 a) DAC code(s) | 15130 - Legal and judicial development | | | |
| b) Main Delivery Channel | 13000 - Third Country Government (Delegated co-operation) | | | |
| 8. Markers (from CRIS DAC form) | General policy objective | Not targeted | Significant objective | Main objective |
| | Participation development/good | <input type="checkbox"/> | <input type="checkbox"/> | V |

| | | | | |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------------|--------------------------|
| | governance | | | |
| | Aid to environment | √ | <input type="checkbox"/> | <input type="checkbox"/> |
| | Gender equality (including Women In Development) | <input type="checkbox"/> | √ | <input type="checkbox"/> |
| | Trade Development | √ | <input type="checkbox"/> | <input type="checkbox"/> |
| | Reproductive, Maternal, New born and child health | √ | <input type="checkbox"/> | <input type="checkbox"/> |
| | RIO Convention markers | Not targeted | Significant objective | Main objective |
| | Biological diversity | √ | <input type="checkbox"/> | <input type="checkbox"/> |
| | Combat desertification | √ | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change mitigation | √ | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change adaptation | √ | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Global Public Goods and Challenges (GPGC) thematic flagships | N/A | | | |
| 10. SDGs | Goal 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels | | | |

SUMMARY

The recent high-level corruption cases under investigation in the Republic of Moldova, the Laundromat case, the banking crises, the wide spread endemic corruption at all levels in the country and the continuous consultations with relevant stakeholders point at the need for more robust and sector-wide approach in the area of anti-corruption. The 2017 Corruption Perception Index of Transparency International continues to indicate a low trust of citizens in public institutions (31 out of 100, which ranks the country at the 122nd position out of 180 countries; the level of trust has also been dropping over the years from 36 out of 100 in 2012). For the first time in the Republic of Moldova, a new sector-wide National Integrity and Anti-Corruption Strategy (NIAS) and an Action Plan were adopted on 31 May 2017. It involves for the first time all relevant institutions. A step in the implementation of the Strategy was taken with the elaboration of nine sectorial anti-corruption plans. The NIAS has also put in place a 3-tier monitoring mechanism for transparency and accountability. The monitoring mechanism includes 3 separate monitoring groups that are chaired by top level officials. This programme will support the implementation of the National Integrity and Anti-Corruption Strategy 2017-2020 along with the adoption and the beginning of the implementation of the next anti-corruption strategy.

The overall objective of this project is to contribute to the prevention and fight against corruption.

Specific objectives of this project are:

- To develop zero tolerance against corruption among Moldovan citizens
- To strengthen anti-corruption mechanisms including in particular the investigation and prosecution mechanisms, the asset recovery functions, the declaration of assets and of conflict of interest and the prevention of corruption.

This programme is relevant for the Agenda 2030. It contributes primarily to the progressive achievement of the SDG Goal 16 on promoting peaceful and inclusive societies for sustainable development and providing access to justice for all and builds effective, accountable and inclusive institutions at all levels.

This programme directly contributes to the "20 Deliverables for 2020" under the Eastern Partnership and in particular to the Deliverable No. 9 in the field of the rule of law and anti-corruption.

This action will reinforce cooperation mechanisms between CSOs and specialised agencies through the creation of participatory platforms and innovative anti-corruption initiatives.

1 CONTEXT

1.1 Sector/Country/Regional context/Thematic area

In recent years, the Republic of Moldova has initiated some reform processes in vital governance-related areas. The implementation of those reforms facilitated the visa liberalization with the EU which entered into force in April 2014 and an Association Agreement which was signed in June 2014. This Agreement includes a Deep and Comprehensive Free Trade Area (DCFTA) with the EU offering a framework for trade and economic development *inter alia* through approximation with the EU law. Despite some successful reforms in the financial sector and the specialised prosecutor's offices, the Republic of Moldova needs to continue addressing systemic problems that slow down the implementation of key reforms. These problems mainly involve the fight against corruption, including high level corruption, and vested interests, the need to ensure independence and impartiality of the judiciary and the de-politicisation of state institutions as well as the need to prevent and fight money laundering.

In order to overcome these challenges, the current Government initiated a number of reforms related to the office of the prosecutor and to the prevention of hostile takeovers of shares in banks, companies and less transparent deals with state assets. However, corruption at all levels including the local level remains widely spread. Local administration is very often lacking capacity and political will to ensure transparency and accountability in its decision making processes. Consequently, heads of local administration were apprehended for corruption charges and opaque procurement practices. Grassroots organisations do not have the necessary institutional set-ups, financial means or knowledge to participate in the decision making processes, thus missing the chance to reduce the space for corrupt practices. The population lacks trust in authorities and, though intolerance towards corruption has been growing, it still does not cooperate enough with them in reporting and detecting corruption. Some of the reasons for that is the lack of transparent mechanisms for consultation and participation of citizens in the decision making processes at local levels as well as the low capacity of grass-root organisations.

1.1.1 Public Policy Assessment and EU Policy Framework

Article 16 of the Association Agreement (AA) between the Republic of Moldova and the EU focuses on preventing and combating organized crime, corruption and other illegal activities. Furthermore, **Article 18** of the AA promotes the fight against money laundering and

financing of terrorism. The 2017-19 Association Agenda¹ identified 13 key priorities. The ones related to anti-corruption and anti-money laundering encompass fighting corruption at all levels and in particular high level corruption, effective implementation of the NIAS, strengthening coordination and information exchange among institutions, putting in place efficient financial investigation and asset recovery mechanisms, and strengthening the operational capacity of the National Integrity Authority.

Additionally, the **2017 Joint Staff working Document on Eastern Partnership – focusing on key priorities and deliverables**² delineates key priorities and deliverables that will guide the bi-lateral cooperation with Partner countries for the following years. Deliverable No. 9 focuses on the rule of law and anti-corruption mechanisms, which mirror the overall objective of this action.

Furthermore, the first Commission report under the visa suspension mechanism, published in December 2017, considered that anti-corruption and anti-money laundering are areas for immediate action so as to keep up the **continuous fulfilment of visa liberalisation** benchmarks.

The **Council Conclusions on the Republic of Moldova of February 2018**³ underline the renewed efforts dedicated to a more decisive **fight against corruption** with tangible results for the citizens; this should be accompanied by a thorough **reform of the judiciary**, including the **prosecution service**. It also underlines that this reform process should include thorough, impartial and comprehensive investigations and prosecutions of all those involved in the massive banking fraud that was exposed in 2014.

The Activity Program of the Government of the Republic of Moldova for 2016-2018 aims at increasing the wellbeing, safety and quality of citizens' life by eradicating corruption and guaranteeing the rule of law. Combatting corruption is one of the fundamental priorities of the government's programme, providing for a range of complex measures. These measures range from anticorruption policies to combat illicit enrichment and confiscation of illegal proceeds from corruption and related crimes to combat fraud in using foreign funds, oversight of property, personal interests and conflict of interest.

The assessment of the **National Anti-Corruption Strategy 2011-2015** concluded that not all performance indicators were achieved. Some of the indicators revealed improvements, while others registered a deteriorating trend, returning to the level of the indicators at the beginning of the Strategy implementation.

A new sector-wide **National Integrity and Anti-Corruption Strategy and Action Plan were adopted on 31 May 2017**. It involves for the first time all relevant institutions and the development of sectorial anti-corruption action plans. It also puts in place a 3-tier monitoring mechanism which will be chaired by top level officials. These groups will produce annual progress reports on the implementation of NIAS pillars and the National Anti-corruption Centre (NAC) will play the role of the secretariat. The **monitoring groups meetings**, which will be held in public twice a year, will discuss the progress and difficulties in implementing the actions identified in the strategy. The first monitoring groups took place end of May 2018.

¹ Recommendation No 1/2017 of the EU-Republic of Moldova Association Council of 4 August 2017 on the EU-Republic of Moldova Association Agenda [2017/1489], *OJ L 215, 19.8.2017, p. 3–46*

² SWD(2017) 300 final

³ Council conclusions on the Republic of Moldova: <http://data.consilium.europa.eu/doc/document/ST-6280-2018-INIT/en/pdf>

Despite the fact that the NIAS includes sector wide indicators and some baselines, it lacks full credibility because there is no budget behind its action plan. This is because different pillars are implemented via line ministries, thus activities should be included in the existing sectorial strategies. Nevertheless, the EU Delegation is actively involved in policy dialogue with the NAC to facilitate the process of budgeting the remaining parts of the strategy where possible.

1.1.2 Stakeholder analysis

Main institutions active in the area of anti-corruption and anti-money laundering are the National Anti-Corruption Centre (NAC) the National Integrity Authority (NIA), the General Prosecutor's Office (GPO), the Specialised Anti-Corruption Prosecutor's Office (APO), the Specialised Prosecutor's Office on Organised Crime and Special Causes (PCCOCS), The Office for Prevention and Fight against Money Laundering (FIU), the Criminal Asset Recovery Agency (ARO) under the NAC, the Police and the Ministry of Interior, the Tax Authorities, the Court of Accounts, the Customs and the National Bank of Moldova. Overall, the landscape of AC bodies is rather scattered, which poses a coordination challenges, which this action will address.

1) The **NAC** has competency in both preventing and combating corruption, reflected in its three main divisions: Criminal Investigation, Fight against Corruption and Prevention of Corruption. The National Anti-Corruption Centre also covers important areas such as corruption proofing of legislation, anticorruption education and awareness raising, analytical activity, institutional integrity assessment (including professional integrity testing of public officials and integrity records and the identification of corruption risks in different areas) of public officials as well as anti-corruption risk assessments in different areas.

2) The **ARO** has five subdivisions with competences to deal with parallel financial investigations, special investigations and operations, information and analysis, international co-operation and evaluation and administration of goods seized in connection to a broader range of criminal cases. In July 2017, the NAC selected the new head of the ARO who was officially appointed at the beginning of September 2017. On 29 March 2018, the Parliament has approved the new structure of the NAC which has affected the status of the ARO. The ARO became an autonomous division within NAC. Currently, the ARO has 8 employees and expects to appoint 10 more people in 2018.

3) **The Specialised Anti-Corruption Prosecutor's Office** is the main body that investigates anti-corruption cases in the Republic of Moldova. The recent Prosecution reform included a review of the Prosecution Office structure. In this context, the Anti-corruption Prosecution Office had been reshaped. It is provided that the Specialised Anti-Corruption Prosecutor's Office is independent, with its own budget, investigating and operative officers (selected and detached from police or National Anticorruption Centre eventually, and paid from the Prosecution's budget) and press officer. Thus, a new role and concept of the Specialised Anti-Corruption Prosecutor's Office is provided (focus on the "big and high-level corruption" fight). The ongoing revision of its mandate will improve the inter-agency cooperation with the NAC and other relevant specialised agencies when dealing with various corruption investigations. It will also involve the NAC more actively in all stages before submitting the indictments to the court.

4) **The PCCOCS** is the key body that deals with organised crime, trafficking, terrorism and special cases. It will play a key role in investigating AML cases and directly liaise with the

Criminal Asset Recovery Office. The PCCOCS was created in the context of the Prosecution reform and started its activity on 1 August 2016. Provided with the status of Specialised Prosecutor's Office, the PCCOCS is also designed as independent, with its own budget, investigating and operative officers (selected, detached, and paid from the Prosecution's budget) and press officer.

5) **The FIU** will operate as an autonomous and independent central specialized agency under the Government. The purpose of the FIU is to prevent money laundering and financing of terrorism and to ensure the security of the State. The management is exercised by the Director of the Office, appointed for a period of five years. The staff consists of analysts and financial investigators, appointed based on the skills and aptitudes of the candidate in financial, banking, legal and economic activity.⁴

6) The core competence of the **National Integrity Authority** is to issue integrity certificates for public employees and members of parliament. It also scrutinises all e-declarations of assets and of absence of conflict of interest and reports irregularities to the corresponding law enforcement agencies.

7) **The CSOs** active in the area of AC/AML are, among others, the Anticorruption Alliance, the IDIS Viitorul, the Legal Resource Centre, the Transparency International - Moldova Chapter, the Centre for Investigative Journalism, the Expert Group to name but a few. These CSOs are located in Chisinau and mostly isolated from local levels organisations. Only few of them have the capacity to work with grass-root organisations and to implement long term activities and reforms on the ground. One other key challenge is to create more grassroots organisations, to increase their basic capacities and to institutionalise their relationship with the local and central government.

8) **The Media** is an important actor in the country that is meant to ensure bottom-up accountability vis-à-vis the Government and the work of specialised agencies. Despite the fact that the media landscape in Moldova is not free from political interference, there are still players that can make a difference. One of the active players in the field is the Centre for Investigative Journalists (CIJ) that exists since 2003. It is focusing on corruption, organised crime, contraband, embezzlement, protectionism, corruption among state officials, illegal assets of public servants, human trafficking etc. The CIJ investigations are published in 16 national and local newspapers. This is also reflected in the results of the 2017 Corruption Perception Index.

1.1.3 Priority areas for support/problem analysis

Since September 2017, the AC/AML institutions were subject to numerous initiatives that reorganised the sector. **This affects the separation of responsibilities between the NAC, the APO and the PCCOCS when it comes to investigating corruption and money laundering cases.** The current tendency is to **put all anti-corruption and money laundering cases under the direct supervision of the APO and the PCCOCS.** These push even further for the creation of an effective mechanism for cooperation among those institutions and strengthening their capacities. In addition, the competences on prevention between the NAC and the NIA are overlapping when issuing integrity certificates.

⁴ See Art. 21 of the new Law on Anti-Money Laundering and combating financing of terrorism that was adopted in December 2017 and published in the Official Gazette on 23 February 2018.

The NIA underwent a reform albeit with a delay. A President and one Vice-President were appointed in December 2017. The functioning of the NIA is essential for ensuring transparency in the public sector, prevent and investigate irregularities with regard to asset declarations and conflict of interest. Once the NIA is fully institutionalised, it is of utmost importance to create and strengthen formal relations with the CSOs and grass-root organisations active in the field as well as with (specialised) media. The NIA does not have the necessary capacity to scrutinize the annual e-declarations yet, as the integrity inspectors are still in the process of being recruited.

The APO is currently understaffed and lacks managerial and logistical capacity to effectively implement its functions. The idea of mobile investigatory capacities will strengthen the prosecution services to better exercise their role in the different stages of the criminal justice chain from analysing evidences, conducting interviews, performing experiments, producing indictments and so forth. This will preserve the necessary independence when the APO conducts its operations and will better reflect the law on specialised prosecutor's offices. The APO also lacks basic communication and Public Relations capacities that need to be addressed in the future. It is important to mention that improving the investigative capacities of prosecutors should improve the quality of cases, which should in turn positively affect the quality and impartiality of judicial decision.

The PCCOCS is currently under huge budgetary constrain in terms of existing infrastructure, means for specialized investigations, mobility, and office equipment. Confiscation of money and goods by the PCCOCS contributed to an increase in the national budget. Additionally, the PCCOCS plays a crucial role in dealing with tax evasion cases (above 2 500 000 lei). The PCCOCS does not have the opportunity to rely on the capacities of the NAC as it is the case with the APO.⁵

The **ARO** needs to be equipped with necessary logistics, expertise and inter-agency cooperation tools to effectively perform its duties, notably in the context of the recovery of the assets stolen in the 2014 bank fraud. Those may include mobile capabilities to react to different cases and a well trained staff to perform its core functions.

The **FIU** currently faces the lack of supervisory mechanism that will monitor and approve its activities. In addition, a number of institutions will have the investigatory capacities to handle AML cases. As those mandates are not yet properly distributed, the FIU will have the difficult task to facilitate an effective inter-agency cooperation and joint operational teams.

At **local level**, citizens are very often exposed to every day corruption that affects their lives. Furthermore, **citizens** are not always involved in the decision making processes in their local administrative structures which are often exposed to various corruption practices that include bribes, red tape, and inaccessibility of essential information such as access to key local procurement projects, execution of municipal budgets, tax violations and so forth. This action

⁵ Between 2016 and 2017, 87% of the initiated organised crime cases (65) were finalised by the special prosecutors. Consequently, 54% of the people suspected in being involved in organised crime activities were finally convicted. Current backlog of pending cases is around 20%. Special attention in the work of the Specialised Prosecutor's Office on Organised Crime and Special Causes was put on investigation and destruction of criminal groups committing economic crimes (money laundering, tax evasion, smuggling). An amount of over EUR 3 000 000 was voluntarily recovered and for the purpose of whole repairing, assets and money means in a total amount of over 51 000 000 lei have been placed under sequester. (PCCOCS source)

proposes the institutionalisation of **several pilot citizens' councils at local level**, which will provide an interface between local authorities and citizens minding the gap in key areas that will transform the perception of citizens about corruption in the country. It will be proposed to also include in these citizens' councils representatives from key local institutions such as police, prosecutor, local authorities, education/health/tax institutions. In addition, there is **no permanent mechanism that will assess and analyse the opinion of citizens** on various initiatives of the government and especially on the work of specialised institutions. For this purpose, this intervention will propose the creation of an adapted anti-corruption barometer that will be based on international experience in the field and on Transparency International's methodology in building a global anti-corruption barometer.

2 RISKS AND ASSUMPTIONS

| Risks | Risk level (H/M/L) | Mitigating measures |
|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Volatility of the Anti-corruption bodies (new bodies created, merge of bodies, frequent modification of the mandate of the AC bodies) | M | Close monitoring of the institutional evolutions, continuous dialogue with the authorities and where possible support to anti-corruption mechanisms rather than to AC bodies per se. |
| Delays in the costing and the budgeting of the existing action plans related to anti-corruption and anti-money laundering. | M | Continuous dialogue with AC corruption agencies and the Ministry of Finance. |
| Delays in the programme implementation due to parliamentary elections in 2018 and local elections in 2019 | M | Clear commitment from all stakeholders involved from the start of the programme's implementation. Commitment of the stakeholders may be modified as a result of the elections which will require continuous policy dialogue. |
| Lack of political will and commitment | H | Active policy dialogue with relevant specialised agencies, the Government, including at highest level through the Association Council and Committees and high level-visits and the Parliament. Strictly monitoring ongoing and future AC cases and reacting to cases or legislative proposals where international standards are not applied, including in a joined-up manner with relevant international organisations (World Bank Group, International Monetary Fund ...). EU assistance will also be subject to strict conditionality. |
| Assumptions | | |

- Commitment from all stakeholders for the implementation of the Action.

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

Previous experience has demonstrated that the AC/AML sector is rapidly changing. The last EU funded project MOLICO ended in 2007. A World Bank project provided targeted financial support to the NIA for the creation of the e-declaration system. Additionally, there are few small scale, targeted interventions that did not always lead to systematic change in the sector. The Laundromat and the 1 billion cases demonstrated the scale of corruption and schemes that very often involve strong political interests. This makes every intervention in the sector even more challenging.

Previous projects also revealed that a right balance between support to central administration and support to the local level can overcome some of the volatilities in the sector and strengthen bottom-up oversight mechanisms. This is one of the main reasons to propose this sector-wide approach and have a coherent and targeted support to key institutions in order to influence the whole sector and foster inter-agency cooperation.

Additionally, even if there are some developments in initiating AC criminal cases, communication to the public was poor and not timely, CSOs were not adequately involved at local levels and ordinary citizens were not targeted at the end.

3.2 Complementarity, synergy and donor coordination

The EU has initiated in 2017 a EUR 2 000 000 project "Controlling Corruption through Law Enforcement and Prevention (CLEP)" for 3 years that is jointly co-financed and implemented by the CoE. The purpose of this project is to build the foundations for future institutionalisation of interagency cooperation mechanisms, provide targeted support to key anti-corruption and anti-money laundering institutions, help the FIU to deal with the next year MONEYVAL evaluation and prepare its follow up AML strategy. The project allows the initiation of key raising awareness anti-corruption activities at local level.

In September 2017, the EU has initiated an important EUR 1 000 000 Twinning project with the NAC that will strengthen its investigatory capacities and promote good practices on inter-agency cooperation mechanisms based on the Finnish and other models. Additionally, the Twinning will help ensuring a transparent and a rule of law based institutional integrity assessment and testing. This Twinning may be an important tool for providing support to the revised competences of the NAC in order to ensure its effective functioning in the future.

The EU is currently preparing a EUR 2 000 000 Twinning project on AML that is expected to start in the summer of 2018.

The current High Level Advisor's 2016-2018 Mission provides HLAs on Anti-Corruption and Anti-Money Laundering.

The EU has launched in 2016 a sector wide Sector Reform Contract on police with a budget of EUR 51 000 000 that will run up to 2021. It entails important anti-corruption and anti-money laundering components vis-à-vis the Ministry of Interior and the Police.

The citizen's empowerment action document that is part of the AAP 2017 aims at empowering citizens in the Republic of Moldova by engaging both the CSOs and the citizens of Moldova

in the governance of public investment projects, leading to their improved transparency and accountability in key sectors such as Water Supply and Sanitation and Energy Efficiency.

On 28 February 2018, the EU Delegation to the Republic of Moldova together with the EU Member States and Switzerland presented the first European Joint Development Cooperation Strategy to the Government of the Republic of Moldova. This Joint Programming Document serves as a key reference for planning future EU assistance to the Republic of Moldova by presenting a consolidated view of development priorities agreed amongst European donors. This Joint Strategy will complement ongoing assistance to Moldova in areas such as public administration reform, anti-corruption and anti-money laundering, justice sector, agriculture and rural development as well as support for the implementation of the DCFTA.

The ongoing Macro-Financial Assistance to Moldova contains a number of conditions for the release of the instalments including a political pre-condition on among others the respect of the rule of law and several actions under each of the three instalments related to anti-corruption.

The current Action Document will be consistent with and contribute to the ongoing Public Administration Reform in the country. Harmonising the activities of this action with the central and local reforms will promote the creation of a professional, merit-based and stable civil service and the creation of clear and transparent procedures and systems within the administration at all levels.

The EU was involved with the USAID in proposing and initiating the first donor coordination meeting in the area of anti-corruption and anti-money laundering; it took place in December 2017. A second meeting took place on 6 April 2018 in the EU Delegation. A full complementarity and synergy with the ongoing and future projects in the area of anti-corruption and anti-money laundering will be actively promoted.

3.3 Cross-cutting issues

Human rights principles and institutions are essential components of successful and sustainable anti-corruption strategies. First, anti-corruption efforts are likely to be successful when they approach corruption as a systemic problem rather than a problem of individuals. A comprehensive response to corruption includes effective institutions, appropriate laws, good governance reforms as well as the involvement of all concerned stakeholders in and outside the government. Thus, the adoption of legal frameworks or anti-corruption institutions may not be effective if there is no strong and engaged civil society or a culture of integrity in State institutions. Likewise, civil activism against corruption needs the assistance of a strong legal framework and an open political system to achieve its goals. **Transparency and accountability are key principles of a human rights-based approach** to development that are also integral to successful anti-corruption strategies. Measures to enhance transparency and accountability contributing to fighting corruption include adoption of laws on public access to information as well as institutional reforms of the operating procedures and decision-making processes in institutions with elected services, and institutions responsible for the delivery of services.

An engaged **civil society and media** that value and demand accountability and transparency are vital in addressing corruption. Lessons can be learned from the experience of the human rights movements in raising civil society's awareness of the adverse consequences of

corruption and in building alliances with state institutions and the private sector in support of anti-corruption efforts. Both civil society and the private sector can play a determining role in affecting institutional reform to strengthen transparency and accountability.

Corruption affects **women** and men differently. Women have fewer opportunities than men to obtain an education, own land or other productive assets, receive credit, or earn wages equal to men's—factors that increase women's vulnerabilities to corruption and exacerbate its impacts. Women - particularly poor women - often bear different costs of corruption. Bribes paid with money may represent a greater portion of their income than it would for men. Women are also more often subject to sexual extortion pressures—a form of corruption that deeply erodes their equal citizenship rights, dignity, and health. A rights-based approach to gender equality and anti-corruption is, therefore, essential when designing and implementing anti-corruption policies.

4 DESCRIPTION OF THE ACTION

This programme is relevant for the Agenda 2030. It contributes primarily to the progressive achievement of the SDG Goal 16 on promoting peaceful and inclusive societies for sustainable development and providing access to justice for all and build effective, accountable and inclusive institutions at all levels and more specifically to the Goal 16.5 on substantially reducing corruption and bribery in all their forms. This does not imply a commitment by the Republic of Moldova benefiting from this programme.

This programme directly contributes to the "20 Deliverables for 2020" under the Eastern Partnership and in particular to the Deliverable No. 9 in the field of the rule of law and anti-corruption.

4.1 Objectives/results

The overall objective of this project is to contribute to the prevention and fight against corruption.

Specific objectives of this project are:

- To develop zero tolerance against corruption among Moldovan citizens
- To strengthen anti-corruption mechanisms including in particular the investigation and prosecution mechanisms, the asset recovery functions, the declaration of assets and of conflict of interest and the prevention of corruption.

Expected results of this project are:

1. Increased level of citizens' participation in the decision making processes, especially at local level, and increased awareness of citizens on the harms of corruption and on the ways to fight corruption;
2. Increased institutional and operational capacities of the existing specialised investigation and prosecutor's bodies for efficient and effective prevention and fight against corruption and money laundering;
3. The national criminal asset recovery system is fully in place and has progressive track record for identification, freezing, management and confiscation of criminal/unjustified wealth;

4. Effective systems of declaration of assets and conflict of interests are fully implemented;
5. More effective prevention of corruption risks identified and addressed in relevant high risk sectors as per existing current and/or future anti-corruption strategies.

4.2 Main activities

Activities for the expected result 1:

- Creating institutionalised mechanisms for citizens' participation, both women and men, at local level;
- Providing technical assistance to CSOs and grassroots organisations (representing both women and men), and improving their monitoring capacities;
- Supporting/creating monitoring mechanisms for implementation of current and future anti-corruption strategies and action plans;
- Promoting raising awareness campaigns including on anti-corruption education for youth, trainings, workshops and anti-corruption monitoring mechanism;
- Developing qualitative surveys as a part of an "anti-corruption barometer" complementing existing indexes – this includes anti-corruption mapping, organising participatory platforms and targeted surveys.

Activities for expected result 2:

- Providing institutional building / technical assistance support to specialised investigation and prosecutor's bodies;
- Conducting a functional analysis of both specialised prosecutor's offices;
- Improving mobile operational capacities of specialised investigation and prosecutor's bodies through targeted supplies;
- Promoting inter-agency cooperation and coordination mechanisms among specialised anti-corruption and anti-money laundering bodies including to targeted supplies where relevant; this activity will also contribute to results 3 and 4.

Activities for expected result 3:

- Providing institutional building / technical assistance support to specialised agencies related to criminal asset recovery including via technical assistance and targeted supplies;
- Supporting the implementation of national criminal asset recovery strategies;
- Supporting international cooperation.

Activities for expected result 4:

- Providing technical assistance, including targeted supplies where relevant, for the implementation of an effective system of declaration of assets and conflict of interests;
- Strengthening cooperation between CSOs and central specialised institutions acting on preventing corruption.

Activities for expected result 5:

- Addressing corruption in at least 3 high risk sectors through multilevel approaches;
- Assessing selected anti-corruption court decisions;
- Performing study and/or impact assessment on existing data or implementation of existing AC legislation where relevant.
- Facilitate citizens' complaints mechanisms at local level, including possibly through innovative IT or other possible tools and applications;
- Facilitating the adoption and budgeting of the next anti-corruption strategy;
- Supporting the existing monitoring mechanisms for the implementation of the NIAS and the future anti-corruption strategy.

4.3 Intervention logic

This sector programme will aim at tackling corruption in a coherent and sustainable manner through two avenues: first a number of activities will aim at raising the awareness of citizens, including in particular at local level, on the harm of corruption and hence at developing a zero tolerance against corruption among Moldovan citizens; secondly a great emphasis will be put to ensure that anti-corruption mechanisms are effectively implemented and well-coordinated among them.

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements implemented, is **60 months** from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3 Implementation modalities

The envisaged assistance to the Republic of Moldova is deemed to follow the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU⁶.

5.3.1. Indirect management with a Member State organisation Gesellschaft für Internationale Zusammenarbeit (GIZ)

This action will be implemented in an indirect management with the GIZ. This modality includes the implementation of all 5 results mentioned under point 4.1 of this document. It is expected that all 5 results will be covered under one delegation agreement. This

⁶ https://eeas.europa.eu/headquarters/headquarters-homepage/8442/consolidated-list-sanctions_en

implementation mode is justified because this modality allows a consistent approach when providing targeted support to several institutions. Additionally, due to the sensitivity of the subject joining forces with the GIZ will help to leverage robust and long term reforms in the area. Indeed, GIZ has extensive expertise and a comparative advantage in the area covered by the programme.

The entrusted entity would carry out the following budget-implementation tasks – carrying out procurement and grant award procedures, and awarding, signing and executing the resulting Procurement Contracts and Grant contracts, notably accepting deliverables, carrying out payments and recovering the funds unduly paid.

If negotiations with the above-mentioned entrusted entity fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 5.3.2.

5.3.2 Changes from indirect to direct management mode due to exceptional circumstances (technical assistance project under one single TA contract for the indicative amount of EUR 5 800 000 and a grants call for proposals for the indicative amount of EUR 2 000 000)

Only in case the negotiations with the GIZ under the indirect management mode fail, the action may be implemented through a service contract and grant(s) under direct management. The TA contractor would provide technical assistance to the beneficiary entities to implement activities under the five Results in accordance to 5.3.2.2. The separate call for proposals for an indicative amount of EUR 2 000 000 will be organised to implement activities under the five Results requiring the involvement of civil society organisations and in accordance to 5.3.2.1.

5.3.2.1. Grants: call for proposals "Empowering citizens to boost transparency and accountability of decision making processes at local level"

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

The main objectives will be to engage civil society organisations and grass root organisations, including at local level in various areas such as participation in and monitoring of the decision-making process and of anti-corruption strategies, awareness-raising including on anti-corruption education, cooperation with anti-corruption bodies and prevention of corruption including the facilitation of citizen's complaints mechanisms. The main purpose of this action is to provide support to third parties.

Expected results are the following but not limited to:

- Creating Citizen's Councils at local level. Special attention will be paid to the effects of irregularities on women and vulnerable groups;
- Providing training and technical expertise to CSOs (representing women and men) and specialised media to tackle corruption at local level as well as its effect on women and vulnerable groups;
- Involving citizens, both women and men, in the decision making processes at local and central levels. Developing qualitative surveys as a part of an "anti-corruption

barometer" complementing existing indexes – this includes anti-corruption mapping, organising participatory platforms and targeted surveys⁷;

- Improving CSO's monitoring capacities for the implementation of the NIAS 2017-2020 and the future anti-corruption strategy;
- Facilitating citizens' complaints mechanisms and raising awareness campaigns through modern technologies and innovative approaches (including through IT applications where possible and relevant) that improves citizens' engagement and fosters collaboration with central institutions;
- Promoting CSOs activities to prevent and fight corruption in at least 3 high risk sectors identified in the NIAS or in the future anti-corruption strategy.
- Strengthening cooperation between CSOs and anti-corruption agencies.

(b) Eligibility conditions

Eligible for this call for proposals will be entities from EU MS or Moldova, which are legal entities, in particular public bodies, CSOs and/or grass-root organisations.

Subject to information to be published in the call for proposals, the indicative amount of the EU contribution per single grant is EUR 2 000 000 and a single grant may be awarded to one sole beneficiary or to a consortia of beneficiaries (coordinator and co-beneficiaries). The indicative duration of the grant (its implementation period) should be at least 36 months.

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for grants under this call is 95 %.

If full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100 %. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative timing to launch the call - 4Q of 2019

5.3.2.2 Procurement (direct management)

| Subject in generic terms, if possible | Type (works, supplies, services) | Indicative number of contracts | Indicative trimester of launch of the procedure |
|---------------------------------------|----------------------------------|--------------------------------|-------------------------------------------------|
| | | | |

⁷ On the anti-corruption barometer – similar methodology was already created by the TI when creating the global corruption barometer. More info on the 2016 report that affects Moldova can be found [here](#).

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------|----------|---|---------|
| | | | |
| Service Contract for EUR 5 800 000 that will implement the activities under Results 1 to 5 not carried out under the CSO component. | Services | 1 | 1Q 2020 |

5.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.5 Indicative budget

| | EU contribution (amount in EUR) | Indicative third party contribution, in currency identified |
|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------|----------------------------------------------------------------------------------------|
| Objective/Result 1, 2, 3, 4 and 5 – Strengthen rule of law and anti-corruption mechanisms Comprise of | | |
| 5.3.1. Indirect management with the GIZ | 7 800 000 | 490 000⁸ |
| Evaluation, Audit | 200 000 | |
| Totals | 8 000 000 | 490 000 |

5.6 Organisational set-up and responsibilities

For the activities of the Action, a multi-stakeholder approach will be followed in the context of a Project Steering Committee in order to ensure wider range of consensus.

⁸ This amount includes 5% joint co-funding from the GIZ (based on 7 800 000 euro) and 5 % co-funding from the potential CSO that will implement result 1 (based on the 2 000 000 euro envelop dedicated to the CSOs).

The main counterparts of this action will be, in particular but not limited to, the APO, the PCCOCS, the ARO, the NIA, the NAC and the FIU CSOs, grass-root organisations, media and citizens. The precise definition of the beneficiaries will take place during the inception phase of the project and in close collaboration with the implementing partner(s).

The Delegation of the European Union to Moldova will co-chair the Project Steering Committee (SC) with the selected implementing partner.

This SC will supervise the implementation of the project. It will review and guide the work of the action and shall supervise its overall implementation.

The Steering Committee shall meet at least twice a year or more frequently if needed.

5.7 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action and projects resulting from it will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8 Evaluation

Having regard to the nature of the action, mid-term and ex-post evaluations will be carried out for this action or its components via independent consultants contracted by the Commission.

The Commission shall inform the implementing partner at least 2 months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and *inter alia* provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, two framework contracts for evaluation services shall be provisionally concluded in Q4 of 2022 and in Q2 2024. Alternatively and depending on the actual duration of the contract, both services can be performed earlier and under one single framework contract.

5.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements. Indicatively, one contract for audit services shall be concluded under a framework contract in Q2 2024.

5.10 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The 2018 Communication and Visibility Requirements for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The Moldovan government undertakes to ensure that the visibility of the EU contribution is given appropriate coverage in the various media.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives. With regards to the Eastern Neighbourhood, all EU-supported actions shall be aimed at increasing the awareness level of the target audiences of the connections, the outcomes, and the final practical benefits for citizens of the EU assistance provided in the framework of this Action. Visibility actions should also promote transparency and accountability in the use of funds.

Communication and visibility measures for the project activities under this Action Document may be reinforced, coordinated and implemented through the Action Document for Strategic communication and media support, which is part of the Annual Action Programme 2017 for the benefit of Moldova.

Outreach/awareness raising activities will play a crucial part in the implementation of the action. The implementation of the communication activities shall be the responsibility of the implementing organisations and shall be funded from the amounts allocated to the Action.

All necessary measures will be taken to publicise the fact that the action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the Commission (European Neighbourhood Policy and Enlargement Negotiations) will be strictly adhered to.

This action will be communicated externally as part of a wider context of EU support to the country, and where relevant to the Eastern Partnership region in order to enhance the effectiveness of communication activities and to reduce fragmentation in the area of EU communication.

6 PRE-CONDITIONS

The following pre-conditions need to be fulfilled before the signature of the Financing Agreement:

- Moldovan authorities need to ensure that anti-corruption bodies, including the Criminal Assets recovery office, the National Integrity Authority and the Office for the Prevention and Fight against Money Laundering have completed the recruitments of their staff for 2018 and half-2019 and that these bodies receive appropriate budget allocations in 2019 budget so that they operate effectively and independently.
- Moldovan authorities need to focus on high-level corruption in order not to overload the capacities of anti-corruption institutions and to allow real results; a track record of convictions within the respect of the Rule of Law should be presented.
- The National Integrity Authority needs to adopt a regulation clarifying the methodology for the verification of asset declarations and conflict of interest and to ensure its effective implementation with regard to all high-level actors and its timely publication of results.

[APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY) ⁹]

| | Results chain | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources and means of verification | Assumptions |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| Overall objective: Impact | The overall objective of this project is to contribute to the prevention and fight against corruption. SDG 16**, Deliverable No.9*) | Average Control of Corruption score (WB) TI Corruption Perceptions Index Absence of corruption score of the World Justice Project Rule of Law Index Prosecution of office abuse score as per Transformation Index for 2018 Global Corruption Barometer | WB data for 2018 TI CPI for 2018 (WFP 2016 data – 77/113) BTI Index for 2018 GCB of TI for 2018 | Improved results (towards less corruption) on the indicators mentioned in the indicators column Improved qualitative assessment by the end of the programme | NIAC (2017-2020) reporting mechanism WB Governance Indicator TI CPI WJP RoL Index GCB of TI Assessments by non-government organisations | Willingness of the Government and specialised agencies to advance on prevention and fight against corruption |
| Specific objective(s): Outcome(s) | 1: To develop zero tolerance against corruption among Moldovan citizens | Increase the level of citizens' participation in the decision making at local level. | 2018 data | Improvement in the TI Corruption Perception Index compared to the beginning of the project. | TI Corruption Perception Index, AC Barometer created by the project | Willingness of local authorities to cooperate |
| | 2: To strengthen anti-corruption mechanisms | Increased number of joint investigations compared to the beginning of the project | APO, NAC and PCCOC statistics for 2018 ¹⁰ TI CPI | 10% increase compared to the beginning of the project | GPO APO PCCOC Media Project reports | Willingness of the Government and specialised agencies to advance on prevention and fight |

⁹ Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

¹⁰ According to 2016/17 data PCCOCS has exercised prosecution of 65 organised crime cases that involve 105 persons. At the same time, during the same period, 40 criminal cases related to organized crime were finalized with conviction of 57 persons. Total number of cases created under PCCOCS is 968 cases. Out of these, 937 cases were initiated so far since its creation. Out of these 449 persons were under indictment. By November 2017 number of PCCOCS cases was reduced down to 856. Out of these, criminal proceedings in 526 cases were terminated. APO currently has a total of 1322 cases. Out of these 1031 cases were initiated. Out of these cases, 419 persons are under indictment. By November 2017, ongoing cases under APO grew up to 1483. Criminal proceedings in 776 cases were terminated.

| | Results chain | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources and means of verification | Assumptions |
|--|----------------------|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| | | | | | NIAC 2017-2020 monitoring mechanism | against corruption |
| | | Increased number of good quality reports/press releases on AC/AML issued by APO/PCCOCS/CARA to the general population | 2018 data | > 0 initiatives/critical reports | GPO APO PCCOC CSO reports Media Project reports NIAC 2017-2020 monitoring mechanism | Willingness of the Government and specialised agencies to advance on prevention and fight against corruption |
| | | Increased % of assets recovered from overall amount of criminal assets in the fraud, corruption and money laundering cases by the CARA | Zero in 2018 | > 0 initiatives/critical reports | GPO APO PCCOC CSO reports Media Project reports NIAC 2017-2020 monitoring mechanism | Willingness of the Government and specialised agencies to advance on prevention and fight against corruption |
| | | Optimized criminal investigation procedure of serious /economic/financial / corruption crimes. | 2018 data | % reduction of length of time to conviction of those cases | GPO APO PCCOC CSO reports Media Project reports NIAC 2017-2020 monitoring mechanism | Willingness of the Government and specialised agencies to advance on prevention and fight against corruption |
| | | Percentage of concluded court cases of fraud and/or corruption that led to assets recovery. | Zero in 2018 | 25 % increase compared to beginning of the project | GPO, APO, PCCOC CSO reports Media Project reports | Willingness of the Government and specialised agencies to advance on prevention and fight |

| | Results chain | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources and means of verification | Assumptions |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------|
| | | | | | NIAC 2017-2020 monitoring mechanism | against corruption |
| | | Increased % of e-declarations checked/verified by the NIA | 2019 data | 20 % increase per year compared to the beginning of the project | NIA statistics | |
| Direct Outputs | Result 1: Increased level of citizens' participation in the decision making processes, especially at local level, and increased awareness of citizens on the harms of corruption and on the ways to fight corruption; | Number of Citizens Councils (CCs) created and functioning | Zero | Number of initiatives implemented by the CCs with a special attention to irregularities related to women and vulnerable groups | Project Progress Reports, CSOs reports | Willingness of local authorities to cooperate |
| | | Number of events/campaigns on corruption/AML were initiated by Citizen's Councils, targeted grassroots organisations and specialised media | Zero | At least 10 of raising awareness campaigns implemented by the end of the project including in the 3 high risk sectors that will be identified | Project Progress Reports, CSOs reports | Willingness of local authorities to cooperate |
| | | % increase of CSOs/grassroots organisations, representing women and men, and involved in the advocacy and raising awareness campaigns | 2018 data | % increase compared to the beginning of the project | Project Progress Reports, CSOs reports | Willingness of local authorities to cooperate |
| | | Improving citizen's perception about implemented AC/AML initiatives supported by the project | 2018 TI data | Improvement in the TI Corruption Perception Index compared to the beginning of the project | TI Corruption Perception Index AC Barometer created by the project | |
| | | | | | | |

| | Results chain | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources and means of verification | Assumptions |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| | | Number of CSOs reports sent to the NIAS and future AC strategy's monitoring groups | 2018 data | % increase compared to the beginning of the project | NAC statistics, Project Progress Reports, CSOs reports | |
| | Result 2: Increased institutional and operational capacities of the existing specialised investigation and prosecutor's bodies for efficient and effective prevention and fight against corruption and money laundering | At least 30 problematic court decisions analysed in the area of anti-corruption and anti-money laundering and recommendations provided to the NAC, the APO, the PCCOCS and the Judiciary | 2018 APO, PCCOCS and NAC statistics, Court's statistics | | Project progress reports | Willingness of GPO and Judiciary to provide the necessary information |
| | | Improving the effectiveness of joint investigation operations | 2018 data | Improvement in quality as per existing legislation | Project Progress reports | |
| | | Reducing the time for processing criminal investigation cases. (SDG 16.4**) | 2018 data | 10-20 % increase of cases that reached the court compared to the beginning of the project | APO, PCCOCS, NAC statistics | |
| | | Reducing backlog of AC/AML existing cases by the APO and the PCCOCS. (SDG 16.4**) | 2018 data | 15 % decrease of pending cases before the court | APO and PCCOCS statistics | |
| | | Number of confiscated items and money by the specialised prosecutor's offices following Court decisions (SDG 16.4**) | 2018 data | 25 % increase compared to the beginning of the project | PCCOCS statistics | |
| | | The NAC anti-corruption campaigns and targeted educational activities in at least 3 high risk sectors identified in the NIAS | 2018 data | Number of campaigns implemented in at least 3 high risk sectors | NAC statistics, CSO reports, project progress reports, AC Barometer created by the project | The NAC is capable to effectively exercise its functions as per annual budget |
| | | Targeted surveys for effective implementation of anti-corruption activities in high risk | 2019 data | Number of surveys implemented by the NAC | NAC statistics, CSO reports, project progress | The NIAS strategy and action plans are budgeted to the |

| | Results chain | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources and means of verification | Assumptions |
|--|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------------|
| | | sectors done by the NAC and as defined in the NIAS and/or future AC strategy. | | | reports | extent possible |
| | | Number of e-declarations that were processed and published online | 2018 data | At least 15% increase compared to beginning of the project | NIA statistics | The NIA is capable to exercise its functions as per annual budget |
| | | Inter-agency cooperation mechanisms in the field of anti-money laundering put in place and functioning | 2018 data | Number of AC/AML cases initiated as a consequence of those mechanisms | FIU statistics | Willingness of specialised institutions to cooperate with each other |
| | | System for the APO, the PCCOCS and the NAC employees to fulfil their job duties including budgetary planning, staff management skills and joint operations planning is put in place | 2018 data | Fully implemented by the end of the project | Project progress reports | |
| | | Communication skills improved and efficient and effective PR departments created and functioning | Zero | Quality of information communicated to the public and a number of press releases sent to the general public | Project progress reports | |
| | | Next Anti-corruption strategy and action plan adopted | Previous NIAS | Action Plan of future strategy is budgeted | Project progress reports, NAC annual report | The MoF and the NAC will be able to agree on a budget for the action plan |
| | | Result 3: The national criminal asset recovery system is fully in place and has | System for CARA employees to fulfil their job duties including budgetary planning, staff management and joint operations planning is put in place | 2018 data | % increase compared to beginning of the project | ARO statistics |

| | Results chain | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources and means of verification | Assumptions |
|--|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------|
| | progressive track record for identification, freezing, management and confiscation of criminal/unjustified wealth; | Facilitating parallel financial investigations | 2018 data | % of parallel financial investigations initiated | ARO statistics | |
| | | Assets identified vs assets that are finally confiscated | 2018 data | At least 40 % increase of confiscated assets compared to the beginning of the project | ARO statistics, PCCOCS statistics, APO statistics | |
| | | Putting in place an efficient national criminal justice asset recovery system and supporting the recommendations of the MONEYVAL | The 2018 MONEYVAL evaluation | Number of recommendations implemented | MONEYVAL, FIU | |
| | Result 4: Effective systems of declaration of assets and conflict of interests are implemented | Number of e-declarations that were processed | 0 at the end of 2017 | At least 15% increase per year compared to beginning of the project | NIA statistics | The NIA is capable to exercise its functions as per annual budget |
| | | Functioning of the electronic public registry of interests and assets | Not functional in 2017 | As of 2019, fully functional and with all declarations accessible to the general public | Monitoring of the second instalment of the MFA, NIA | |
| | | Track record of dissuasive sanctions | No sanctions in 2017 as the system was not functional | Increased number of sanctions | NIA, CSOs report | |
| | | Implementation of relevant GRECO recommendations | | Number of recommendations implemented | GRECO | |
| | Result 5: More effective prevention of corruption risks | Implementation of anti-corruption mechanisms put in place in high risk sectors. | N.A. | Effective implementation of anti-corruption mechanisms | Project reports, CSO reports | |

| | Results chain | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources and means of verification | Assumptions |
|--|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------------------------------|
| | identified and addressed in relevant high risk sectors as per existing anti-corruption strategies. | Targeted surveys on effective implementation of anti-corruption activities in at least 3 high risk sectors done by the NAC and as defined in the NIAS and/or future AC strategy. | 2019 data | Number of surveys implemented by the NAC The survey should point to positive results on the effectiveness of anti-corruption mechanisms put in place in the high risk sectors. | NAC statistics, CSO reports, project progress reports | The NIAS strategy and action plans are budgeted to the extent possible |