

Custom Report Excerpts

Albania

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, but the government did not implement the law effectively, and officials frequently engaged in corrupt practices with impunity.

Corruption: Corruption was pervasive in all branches of government. Trials involving 25 cases concluded in the first six months of the year, resulting in guilty verdicts for 28 defendants and one dismissal. As of June court proceedings involving 48 defendants continued.

During the year judges in two courts refused to extend the investigation time and closed the case of a court of appeals judge and member of the High Council of Justice whom prosecutors charged in 2014 with hiding assets, making a false declaration, falsification of documents, money laundering, and corruption. While authorities were investigating the charges, the defendant scheduled performance reviews for the two trial judges presiding over the case. The prosecution had requested further time to receive evidence from foreign countries.

Corruption was also a problem among police and in educational institutions, including public universities. In addition to judges and public officials, many students complained that instructors demanded bribes for passing grades in courses.

During the year authorities took a number of measures to deal with corruption and made some progress. Prosecutors made significant progress in pursuing low-level public corruption, but prosecution of higher-level crimes remained elusive due to investigators' fear of retribution, a general lack of resources, and corruption within the judiciary itself. Police installed camera systems in police patrol vehicles with the result that officers refused bribes more often, citing the increased surveillance. The government expanded its automated system to manage traffic citations to include traffic commissions responsible for resolving traffic citation disputes, further reducing opportunities for corrupt practices.

Although the Service for Internal Affairs and Complaints investigated and referred for prosecution a significantly higher number of police officers during the year than in 2014, courts convicted few of them. In March authorities established a web portal that allows citizens to report corruption by public officials. As of September the web portal had received 8,749 reports, and the coordinator referred 52 of those for prosecution.

A number of government agencies investigated corruption cases, but limited resources, investigative leaks, real and perceived political pressure, and a haphazard reassignment system hampered the investigations. The Ministry of Justice reported that convictions at district courts decreased by 36.8 percent during the year compared to 2014. No data was available with regard to the convictions at appeals courts. In selective instances involving international actors, anticorruption agencies cooperated with civil society.

Financial Disclosure: The law requires public officials to disclose their assets to the High Inspectorate for the Declaration and Audit of Assets and Conflict of Interest (HIDAACI), which monitored and verified such disclosures. The inspectorate made these disclosures available to the public. During the year the parliament authorized an increase to the number of HIDAACI inspectors to investigate declarations of assets and conflicts of interest from 12 to 15. The legislation strengthened the institution's capacities and

increased public transparency. The law authorizes HIDAACI to fine officials who fail to comply with disclosure requirements or refer them to the prosecutor. As of September, HIDAACI had fined 420 individuals, including ministers, members of parliament, ambassadors, and judges, for not disclosing their assets, for delaying their submissions, or for conflicts of interest. HIDAACI reported that by September it had referred 82 new cases for prosecution. These cases involved 12 judges, two prosecutors, seven members of parliament, as well as ambassadors, and local government officials on charges including refusing to declare, hiding, or falsifying asset declarations, money laundering, falsification of documents, and corruption.

Public Access to Information: The law provides for public access to government information, but the government did not effectively implement the law. The process for making information public often was not clear, and officials were sometimes reluctant to release information. The law stipulates that the right to access information can be restricted when information is categorized as classified or when such a release would violate the protection of personal data.

Most government ministries and agencies posted public information directly on their websites. Businesses and citizens complained that the process lacked transparency and that authorities failed to publish some regulations and legislation that should be basic public information. Citizens often faced serious problems obtaining such information. Individuals could generally access government information free of charge, but there were cases in which processing fees were required to cover the cost of service for the institution providing the information. Noncompliance is punishable as an administrative rather than a criminal offense. Citizens may appeal denials of disclosure to the authority with which they filed the original request or in a civil court.

Andorra

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively.

Corruption: In July a court sentenced a police officer to two years in prison and four years' ban from public office for disclosure of sensitive information.

Financial Disclosure: The constitution and the law do not require disclosure of income or assets by elected or appointed officials, except for the declaration of earned income to the social security agency required of all employees. The government does not publish the declarations.

Public Access to Information: No specific law provides for public access to government information. The government publishes a weekly compilation of laws, dispositions, and administrative acts in its official bulletin, which is available online or via email.

Armenia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, but the government did not implement the law effectively, and officials often engaged in corrupt practices with

impunity. There were numerous allegations of government corruption. According to the World Economic Forum's Global Competitiveness Report for 2014-15, corruption was viewed as the most problematic factor for doing business in the country. Freedom House's *Nations in Transit 2015* report noted that despite some improvements, corruption remained pervasive, and bribery and nepotism were reportedly common among government officials, who rarely faced prosecution or removal for abuse of office.

Corruption: Although the constitution prohibits individuals engaged in entrepreneurial activity from holding public office, company executives and oligarchs continued to occupy seats in the National Assembly, and various government officials continued to use their offices to promote their private business interests. In the view of many observers, oligarchs linked to the government or holding government posts monopolized the economy. According to civic groups working to address corruption, authorities continued to ignore media and other reports implicating government officials in corrupt practices. Many public officials disclosed large sums of unexplained income and assets as required by ethics rules, but authorities failed to invoke anticorruption laws or investigate such declarations.

There were numerous reports of systemic government corruption in urban maintenance, construction, public administration, the judiciary, state procurement and auctions, health care, taxation, law enforcement bodies, and military personnel. There were reports of embezzlement of state funds, involvement of government officials in questionable business activities, and tax privileges for government-linked companies.

Following the May announcement of a hike in electricity rates by Electric Networks of Armenia (ENA), authorities published ENA's financial information on its website. This report and numerous media reports shed light on ENA's spending practices, which included the purchase and rental of lavish houses, apartments, and cars for official use, large donations to a state-run education foundation, and donations toward the construction of a church sponsored by the prime minister.

Following public protests in June, the president ordered an external audit of ENA, which was underway as of September, and announced the government would subsidize the difference between the old and new rates for small households until the audit results were available. On September 17, the government decided to review the proposed sale of ENA to a company that was registered offshore and owned by a wealthy Russian-Armenian businessman.

The prosecutor general was responsible for prosecuting corruption, while the newly established RAIC was responsible for investigating corruption. According to widespread reports, neither the RAIC nor police operated effectively or independently, and neither had sufficient resources. A former prosecutor general was appointed as the head of the RAIC, which led members of civil society to question the organization's independence.

Financial Disclosure: The law requires high-ranking public officials and their families to file annual asset declarations. There were administrative penalties for noncompliance or filing false declarations, but the Ethics Commission for High-Ranking Officials, which is responsible for collecting and monitoring the filing of declarations, lacked authority to verify their accuracy or origins of the declared income or to penalize officials for false declarations. During the year several judges, as well as the prosecutor general and other officials, declared gifts of thousands of dollars as part of their income, but no state body investigated the origins of the gifts.

Public Access to Information: While the law provides for public access to government information, some government bodies and officials were reluctant to grant it. According to the NGO Freedom of Information Center of Armenia and the Transparency International Anticorruption Center, the biggest challenge continued to be governmental bodies that, while creating an impression they were satisfying freedom of information requests, provided answers that were either irrelevant or incomplete. As a consequence NGOs were less successful in pursuing freedom of information cases in court than in previous years,

as judges rejected their claims on the grounds that government entities already provided answers, regardless of their content.

The government has appointed freedom of information officials as points of contact in all ministries and regional governors' offices, as required by law. No information on the effectiveness of these officials was available. On October 15, the government adopted regulations for the implementation of the 2003 Freedom of Information law; in the past, officials cited the absence of such regulations when refusing requests for information.

Austria

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and anticorruption laws and regulations extend to civil servants, public officials, governors, members of parliament, and employees or representatives of state-owned companies. The government generally implemented the law effectively, but a number of high-profile cases have dragged on for years during lengthy investigations without authorities filing charges. The law criminalizes corrupt practices by citizens outside the country. The penalty for bribery is up to 10 years in prison.

Corruption: In February parliament established an ad hoc investigative panel to clarify political responsibilities for multi-billion-euro losses accrued since 2000 by the then regional lender Hypo Alpe-Adria-Bank, owned by the Austrian province of Carinthia. In 2009 the federal government bought the bank for a token amount and nationalized it; covering the bank's losses was estimated to have cost the government more than five billion euros (\$5.5 billion).

Financial Disclosure: Public officials are subject to financial disclosure laws, and there were no reports officials failed to comply with disclosure requirements. Politicians must and do publicly disclose biannually when they earn more than 1,142 euros (\$1,260) for certain activities, but they are not required to disclose the amounts earned. The law does not require public officials to file disclosure reports upon leaving office. There are no sanctions for noncompliance.

Public Access to Information: The law provides for full public access to government information, and the government generally respected this provision. Authorities may only deny access to information that would violate personal data protection rights by disclosing sensitive personal data on racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, health, or sex life or would involve national security information. Petitioners could challenge denials of access to information before the administrative court.

Azerbaijan

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for conviction of corruption by officials, but the government did not implement the law effectively, and officials often engaged in corrupt practices with impunity. While the government made some progress combatting low-level corruption in provision of government services, high-level corruption remained a problem.

Transparency International and other observers described corruption as widespread during the year.

There were continued reports that authorities targeted some human rights defenders and journalists seeking to combat government corruption. For example, on September 1, Khadija Ismayilova was convicted (see section 1.e., Political Prisoners and Detainees) on a variety of charges considered unfounded by observers. Many international human rights organizations asserted Ismayilova's arrest and conviction were directly related to her investigative reporting of high-level corruption, including the president's family.

Corruption: There continued to be reports that the families of several high-level officials were beneficiaries of monopolies. Authorities initiated some criminal cases related to bribery and other forms of government corruption during the year, although few senior officials were prosecuted.

There was widespread belief that a bribe could obtain a waiver of the military service obligation, which is universal for men between ages 18 and 35. Citizens also reported military personnel could buy assignments to easier military duties for a smaller bribe. The Ministry of Defense participated in a program with the State Anticorruption Committee to address the various possible avenues of corruption, such as in assignments, pay, and housing.

The president and the Presidential Administration continued a well-publicized program to decrease corruption at lower levels of public administration. The government increased the number of State Agency for Public Service and Social Innovations (ASAN) service centers from six to nine stationary centers and added a mobile center. The ASAN service functioned as a one-stop location for government services, such as birth certificates and marriage licenses, from nine ministries.

The Prosecutor General's Office includes an anticorruption department that took 206 cases to court involving 333 persons during 2014. The department also sought recovery of proceeds from crime, made recommendations, and issued mandatory instructions to eliminate conditions conducive to corruption.

Financial Disclosure: The law requires officials to submit reports on their financial situation, and the electoral code requires all candidates to submit financial statements. The process of submitting reports was complex and nontransparent, with several agencies and bodies designated as recipients, including the Anticorruption Commission, the Milli Mejlis, the Ministry of Justice, and the Central Election Commission, although their monitoring role were not well understood. The public did not have access to the reports. The law contemplates administrative sanctions for noncompliance, but the sanctions were not imposed.

The law prohibits the public release of the names and the capital investments of business founders. Critics claimed the amendments were an attempt to curb investigative journalism into government officials' business interests and could decrease public access to information.

Public Access to Information: The law provides for public access to government information by individuals and organizations, but the government often did not allow it. Various ministries routinely denied requests, claiming not to possess information, although the ministries also claimed to have separate procedures on how to request information. Individuals have the right to appeal denials in court, but the courts generally upheld ministry decisions.

Belarus

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for official corruption, and the government regularly jailed officials alleged to be corrupt, but reports indicated that officials continued to engage in corrupt practices. The World Bank's Worldwide Governance Indicators reflected that corruption was a serious problem in the country.

On July 17, President Lukashenka signed into law anticorruption legislation, which reportedly strengthened existing anticorruption regulations. Under the amended law, individuals dismissed for lower-level corruption face a five-year ban on public service employment, while those found to have committed more serious abuses are banned indefinitely from government employment. The law also allows seizure of property worth more than 25 percent of a public servant's yearly income. The amendments also introduced provisions for public monitoring of the government's anticorruption efforts.

Corruption: According to official sources, most corruption cases involved soliciting and accepting bribes, fraud, and abuse of power, although anecdotal evidence indicated such corruption usually did not occur as part of day-to-day interaction between citizens and minor state officials.

The absence of an independent judicial system and law enforcement, the lack of separation of powers, and a harried independent press largely barred from interaction with a nontransparent state bureaucracy made it virtually impossible to gauge the scale of corruption or combat it effectively.

The Prosecutor General's Office is responsible for organizing and coordinating activities to combat corruption, including monitoring law enforcement operations, analyzing the efficacy of implemented measures, supervising engaged parties, and drafting further legislation.

The Prosecutor General's Office reported that from January to May courts heard 533 corruption cases compared with 406 cases in the same period in 2014, citing law enforcement's proactive investigation of corruption-related charges. The most corrupt sectors were state administration and procurement, the industrial sector, the construction industry, health-care, and education.

Prosecutor General Aliaksandr Kanyuk reported on February 20 that authorities investigated 1,326 corruption-related crimes in 2014. Of those, 494 were cases of bribery, 411 of embezzlement, and 256 of abuse of powers.

There were numerous corruption prosecutions during the year, but prosecutions remained selective, nontransparent, and appeared (in some cases) politically motivated. On April 15, a Minsk district court sentenced two former senior officials of the Justice Ministry's Bar and Legal Profession Licensing Department to eight and four years, respectively, in jail with property forfeiture on charges of abuse of power and multiple bribery accounts following their arrest in August 2013 upon receiving a \$1,000 bribe. The court also banned the two from serving in any governmental position for a period of five years upon release. The two officers were responsible for the 2011 politically motivated debarment of defense lawyers in the December 2010 postelection demonstration cases.

On June 18, a court in the Minsk region sentenced former Deputy Minister of Forestry Fyodar Lisitsa to five years on charges of corruption. The court also ruled to seize his property and forbade him to serve in governmental positions for five years upon release. Police arrested the official in April 2014.

On December 4, state media reported that President Lukashenka pardoned and exempted from prosecution a former senior official of the education department in Mahilyou, who was charged with corruption-related crimes and faced up to seven years in jail. Prosecutors claimed that the official reimbursed "double or triple" the amount of damages

and was released from investigation.

Financial Disclosure: Anticorruption laws require income and asset disclosure by appointed and elected officials, their spouses, and members of households who have reached legal age and continue to live with them in the same household. According to the law, specialized anticorruption departments within the Prosecutor General’s Office, the KGB, and the Internal Affairs Ministry monitor and verify anticorruption practices, and the Prosecutor General and all other prosecutors are mandated to oversee the enforcement of anticorruption law. These declarations were not made available to the public. An exception applies to candidates running in presidential, parliamentary, and municipal elections. There are administrative sanctions and disciplinary penalties for noncompliance.

Public Access to Information: The law, government policies, and a presidential decree severely restricted public access to government information. Citizens had some access to certain categories of information on government databases and websites, but much of the information was neither current nor complete.

Belgium

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for official corruption, and the government generally implemented the law effectively. There were isolated reports of government corruption during the year.

Corruption: In February authorities arrested Serge Kubla, a mayor and formerly a minister in the Walloon government, and charged him with corrupting an individual in a public function in a foreign country.

Financial Disclosure: The law does not require elected officials to disclose their income or revenue, but they must report if they serve on any board of directors, regardless of whether in a paid or unpaid capacity.

Public Access to Information: With some exceptions, such as material involving national security, the law provides public access to government information. The government effectively implemented the law.

Bosnia and Herzegovina

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, but the government did not implement the law effectively. Officials frequently engaged in corrupt practices with impunity, and corruption remained prevalent in many political and economic institutions.

Corruption: The public viewed corruption as endemic in the public sphere. The multitude of state, entity, cantonal, and municipal administrations, each with the power to establish laws and regulations affecting business, created a system that lacked transparency and provided opportunities for corruption. The multilevel government structure gave corrupt officials multiple opportunities to demand “service fees.” According to professors and students, corruption continued at all levels of the higher education system. Professors at a number of universities reported that bribery was common and that they experienced

pressure from colleagues and superiors to give higher grades to students with family or political connections.

Financial Disclosure: Candidates for high-level public office, including for parliament at the state and entity levels and for the Council of Ministers and entity government positions, are subject to financial disclosure laws, although observers noted the laws fell short of standards established by the Organization for Economic Cooperation and Development and other international organizations. The Central Election Commission is responsible for overseeing compliance with the laws. Authorities generally failed to make financial disclosure declarations public, ostensibly because of conflicts between the laws on financial disclosure and protection of personal information. Financial disclosure laws do not provide adequate investigative authority and enforcement mechanisms. As a result public officials and their relatives often declared only a fraction of their total assets and liabilities.

The law provides criminal sanctions for failure to comply with financial disclosure requirements, but authorities did not apply those sanctions during the first 10 months of the year.

Public Access to Information: Although the law provides for citizen access to government records, many government agencies did not comply. The government sometimes failed to provide the required explanation for denial of access but generally did so when citizens appealed denials through the ombudsman, courts, or legal aid.

Bulgaria

Section 4. Corruption and Lack of Transparency in Government

While the law provides criminal penalties for official corruption, the government did not implement the law effectively, and officials in all branches of government reportedly engaged in corrupt practices with impunity. Corrupt practices included bribery, conflict of interest, elaborate embezzlement schemes, procurement violations, and influence trading.

DANS investigates corrupt activities of high-level government and other officials. The Anticorruption Task Force, established in March, is an interagency unit comprised of prosecutors, DANS agents, and police officers that investigates high-level government corruption. The National Anticorruption Policy Council, established in May, is an interagency body that develops and implements anticorruption policies. The Center for Prevention and Combating Corruption and Organized Crime is responsible for analyzing, planning, and developing anticorruption solutions and policies. NGOs stated the government lacked sustainable anticorruption mechanisms, and the European Commission concluded the prosecution service lacked capacity for effective investigation of high-level government corruption. According to NGOs, government agencies did not apply a systematic approach for collaborating with civil society.

Corruption: According to the Center for the Study of Democracy, corruption levels were extremely high. The center estimated that 18 percent of citizens had offered a bribe and 28 percent had been offered a bribe. Underreporting as well as legal and procedural limitations on the use of methods such as sting operations, plea bargaining, and cooperating with witnesses made it difficult to pursue corruption cases. On December 16, the National Assembly adopted amendments to the constitution to increase the transparency and independence in the management of the courts and prosecutors' offices.

As of October prosecutors had initiated checks into more than 100 reports of official corruption, indicting eight magistrates. In August the Sofia Appellate Court convicted

Veliko Turnovo judge Slavcho Petkov and sentenced him to five years in prison for taking a 25,000 lev (\$13,600) bribe from a defendant. In July the Supreme Administrative Court confirmed that former National Assembly member Emil Dimitrov had voted on two legislative amendments that would benefit his family business.

Financial Disclosure: The law mandates that government officials publicly declare any circumstances in which they could face accusations of using their position for personal profit. The National Audit Office verified and monitored disclosures. High-level public officials who fail to submit a financial disclosure declaration can incur fines of up to 1,500 levs (\$800).

Public Access to Information: The law provides the right of public access to government information with a sufficiently narrow list of exceptions outlining the grounds for nondisclosure and a reasonable timeline for response and processing fees. There are administrative sanctions for noncompliance and an appeal mechanism for review of disclosure denials. NGOs complained the government did not implement the law effectively and equally. The courts allowed greater access to government information, but the government selectively complied with court decisions. NGOs continued to insist on the need for a central independent body to oversee enforcement of the law, the application of unified practices, and sanctions for noncompliance.

Croatia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government implemented these provisions effectively. Corruption was a problem, however.

Corruption: On September 30, the Supreme Court annulled a lower court's March 2014 conviction of former prime minister Ivo Sanader, several co-defendants, and his former party, the Croatian Democratic Union (HDZ) on corruption charges in the "FIMI Media" case. The Supreme Court did not rule on Sanader's guilt or innocence but found procedural errors in the 2014 conviction and called for the retrial of all defendants on all charges. The lower court's March 2014 conviction found that lead opposition party the HDZ funneled money from public companies to its own accounts from 2003 to 2009 and convicted several former HDZ members, including Sanader, of diverting 70 million kunas (\$10 million) from government institutions to private and party-affiliated accounts.

Financial Disclosure: The law requires public officials to declare their assets and income, and government officials generally complied with this requirement. This information is made available to the public. There were administrative sanctions for noncompliance, which generally resulted in a fine.

Public Access to Information: The law provides for public access to information held by many public institutions and establishes a relatively narrow list of exceptions outlining the grounds for nondisclosure. Authorities generally implemented the law effectively. According to Transparency International, an effective public outreach campaign was lacking, and government institutions required additional training on the law. Civil society groups considered the information commissioner's office to be underresourced.

Cyprus

Section 4. Corruption and Lack of Transparency in

Government

The law provides criminal penalties for corruption by officials, which vary depending on the charges, and the government generally implemented the laws effectively. There were numerous reports of government corruption during the year. The government generally investigated and prosecuted cases of corruption at a faster pace than in previous years.

Corruption: During the year the government initiated several investigations against public officials on suspicion of corruption, and the president publicly declared zero tolerance for corruption. In January the Larnaca Criminal Court convicted five persons on various charges of corruption and fraud in a high-profile, multimillion-euro real estate deal involving board members of a quasi-governmental organization and a high-ranking political party official. The court sentenced the former chairman of the Board of the Cyprus Telecommunications Authority (CYTA) to eight years in prison and a senior director of the company to nine years, while an official of the government Land Registry Department received six-and-a-half years in prison. The court sentenced the high-profile party official to three-and-a-half years in prison and a former member of the board of CYTA to three years.

Financial Disclosure: Public officials are not required to declare their income or assets.

Public Access to Information: The constitution provides citizens the right to access government information, but there are no specific laws to implement the right. The law prohibits civil servants from providing access to government documents without first obtaining permission from the relevant minister.

Cyprus - Cyprus - the Area Administered by Turkish Cypriots

Section 4. Corruption and Lack of Transparency in Government

The “law” provides criminal penalties for official corruption. Authorities did not implement the “law” effectively, and “officials” sometimes engaged in corrupt practices with impunity. Observers generally perceived corruption, cronyism, and lack of transparency to be serious problems in the legislative and executive branches.

Corruption: In April the press reported that a municipal worker responsible for the cemetery in Nicosia sold the same spots in the cemetery to multiple persons, illegally pocketing 100,000 Turkish lira (\$36,600). The municipality opened an investigation into the case.

Financial Disclosure: The “law” provides that all “government” employees must declare their wealth and assets, including those who are elected; “Council of Ministers” appointees; all “judges” and “prosecutors;” the “ombudsman”; “Audit Office chair;” and “Audit Office members.” All employees who fall under the definition must declare any immovable property, money, equity shares, stocks, any jewelry worth five times their monthly salary, receivables and debts, and all other movable property and salary, of their selves, their spouse, and all children under their custody, every five years. The disclosure is made internally and is not public information. Once declarations are overdue, the employee receives a written warning to disclose wealth within 30 days. If unsuccessful, a complaint is filed with the “Attorney General’s Office.” The penalty for noncompliance is a fine of up to 5,000 Turkish lira (\$1,830) or three months imprisonment, or both. If confidentiality is violated, employees may receive up to 10,000 Turkish lira (\$3,660) or 12 months’ imprisonment, or both.

Public Access to Information: The “constitution” provides free access to “government” information, and the “law” provides for public access. “Civil servants” were not allowed to provide access to “government” documents without first obtaining permission from their superiors or “minister.” NGO representatives complained that there were delays, out-of-date information, and problems concerning access. One NGO complained about the procedure of accessing information and claimed that some access was denied or deliberately delayed.

Czech Republic

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials. The government did not always implement the law effectively, and officials sometimes engaged in corrupt practices with impunity.

Corruption: In July the Prague Municipal Court sentenced David Rath, a former governor of Central Bohemia, to eight and one-half years in prison and fined him 22 million koruna (\$920,000). He was arrested in 2012 and put on trial in August 2013 on charges of accepting a seven million koruna (\$290,000) bribe. Rath appealed to the High Court. The case was pending at year’s end.

In October the organized crime unit of the police raided offices of several high-level police officers and the office of the mayor of the city of Olomouc and accused the deputy regional police director, another police officer, the mayor of Olomouc, and an influential Olomouc businessperson of abuse of power and corruption. They faced up to 10 years in prison if convicted.

In January the NGO zIndex released an analysis of the financing of political parties represented in the Chamber of Deputies between 2006 and 2014. The study showed that 29.6 percent of all companies winning procurement contracts donated money directly to political parties.

Financial Disclosure: The law obliges legislators, members of the cabinet, and other selected public officials to declare their assets annually. The public can view the declarations on a website, but access remained difficult because it requires a time-sensitive password issued by the official’s department. The information tended to be general and lacked detail. Persons subject to the law must report only assets gained after taking public office. NGOs criticized the fact that officials do not have to report their finances at the beginning of their term in office but rather only after they have been in office a certain time. They noted this requirement made it difficult to determine whether an official’s assets had increased during his or her term in office. The law does not require officials to disclose information about share ownership, and all forms are completed by hand, making them difficult to review.

The Supreme Audit Office is responsible for auditing executive branch disclosures but rarely verifies the declarations. The parliament had jurisdiction over asset declarations for legislators but did not verify them. If the Supreme Audit Office discovers noncompliance with the requirements, a penalty of up to 100 percent of the embezzled money may be assessed. Under the penal code, the perpetrator may also face up to 10 years’ imprisonment.

Public Access to Information: The law provides for public access to government information, and in most cases the law was effectively implemented. NGOs reported inconsistent practices in releasing information, noting that authorities were reluctant to

release information to the public proactively, especially information about the salaries of public officials, public tenders, and other uses of public finances.

Several cases involving access to public information reached the courts, which were generally receptive to plaintiffs' positions. Authorities, however, implemented court decisions only when specific institutions were required to provide specific information and generally did not implement nonspecific rulings.

Denmark

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented the law effectively. There was one report of government corruption during the year.

Corruption: On June 9, the undercover police (a subdivision of the national police) charged 13 persons from the region of Zealand with bribery. The 13 individuals included employees of the national police, the local government, and of two information technology (IT) companies that were seeking contracts to provide IT services to the local government. As of October the investigation continued.

Financial Disclosure: The law does not require public officials to disclose their personal finances. Government officials may not work on specific matters in which they, or someone they represent or with whom they have close relations, have a personal or economic interest and must inform their superiors of possible conflicts of interest.

Public Access to Information: The law provides for public access to government information, and the government effectively implemented the law and granted access to citizens and noncitizens, including foreign media.

Estonia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. The government has effective mechanisms to investigate and punish abuse and corruption. On March 12, the Officials' Ethics Committee at the Ministry of Finance approved a new code of ethics for Officials, which sets out the core ethical values for officials, along with proposals for their implementation.

Corruption: There were several reports of government corruption during the year. In November 2014 the Harju County Court convicted five former employees of the Estonian Information Board--Sergei Bostrov, Pavel Kotkin, Ines Piibeleht, Sven Randlane, and Lauri Vihula--of using their official positions to acquire the board's property and money on multiple occasions in amounts totaling more than 600,000 euros (\$660,000). In addition the court found four of those convicted, Bostrov, Kotkin, Randlane, and Piibeleht, guilty of disclosing state secrets they obtained in their official capacities. The court sentenced Bostrov to four years and six months in prison and the others to two or more years' parole with three to four years of probation and ordered them to repay the funds taken from the board.

Financial Disclosure: The law requires all public officials to disclose their income and assets. Designated offices have responsibility for monitoring and verifying disclosures. The financial declarations of high-level government officials were available to the public, and there are criminal and administrative sanctions for noncompliance with the law.

Public Access to Information: The law provides for public access to government information, and the government provided such access.

Finland

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. There were isolated reports of government corruption during the year.

Corruption: On June 2, the Helsinki District Court found the former head of the Helsinki police antidrug unit, Jari Aarnio, guilty of aggravated abuse of office and bribery for actions in 2009 and 2010 and sentenced him to prison for one year and eight months. Aarnio appealed the decision and faced other charges.

Financial Disclosure: By law income and asset information from all tax forms of all citizens, including appointed and elected officials, must be made public each year. Although the law does not provide for specific criminal penalties for nondisclosure, the law does provide criminal penalties for official corruption.

Public Access to Information: The law provides for public access to government information, with the exception of national security information and documents covered by privacy laws. Laws governing public access to information were effectively implemented.

France

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented the law effectively. There were some reports of government corruption during the year.

Corruption: On September 11, a prosecutor requested a two-year suspended prison sentence, a 20,000 euros (\$22,000) fine, and five years of ineligibility for public office for a Socialist senator over bribery charges. He was accused of having provided public housing benefits in exchange for money. On October 22, the Nanterre criminal court found the senator guilty and sentenced him to two years in prison, including a one-year suspended sentence, and five years of ineligibility for public office and fined him 20,000 euros (\$22,000).

The inspector general of national police and the Inspectorate of the National Gendarmerie actively investigated and prosecuted allegations of police and gendarme corruption. Citizens can report police abuses on the internet through the Ministry of Interior's website, provided they identify themselves. In 2014 citizens registered 3,162 reports online.

Financial Disclosure: The president, members of the parliament and the European

Parliament, ministers, regional and departmental council heads, mayors of larger communities, and directors of state-owned companies (post office, railway, and telephone) are required to declare their personal assets to the Commission for the Financial Transparency of Political Life at the beginning and the end of their terms. The commission issued and made available to the public periodic reports on officials' financial holdings on a discretionary basis at least once every three years.

The Central Office for the Prevention of Corruption (SCPC) is responsible for combating corruption. The SCPC is an interministerial agency formally attached to the Ministry of Justice. The SCPC's main role is to collect information regarding corruption-related offenses and use it to prevent corruption.

The Central Office for Combating Corruption and Financial and Tax Crimes investigates offenses including tax fraud, influence peddling, and failure of elected officials to make financial disclosures or report their own violations of the law.

Public Access to Information: The law provides for public access to government information, and the government provided access for citizens and noncitizens, including foreign media.

Georgia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials. While the government implemented the law effectively against low-level corruption, high-level corruption remained a problem.

Transparency International noted that authorities did not take measures to limit public officials from directly moving from regulatory positions to jobs in sectors they used to oversee and that the government occasionally contracted and issued licenses without a truly competitive process, raising suspicion of insider deals. It further asserted that negligence by ministries in inventorying their assets placed them at an extremely high risk of abuse. Numerous gaps in the public internal financial control and financial accountability laws and a lack of detail in budget programming remained during the year.

According to Transparency International's December report, which examined the implementation of the provisions of the country's anticorruption laws, the majority of ministries had internal bodies responsible for identifying corruption violations, reviewing them, and applying sanctions. The report noted, however, that these bodies were often ineffective at identifying violations, and that the majority of public institutions had not established clear internal mechanisms for whistleblowing.

On August 1, the government split the Ministry of Internal Affairs and created a new internal state security agency, the SSG. The Anticorruption Agency moved from the Ministry of Internal Affairs to the SSG. During the year the agency launched 54 criminal cases, including 39 cases of bribery, five cases of abuse of official authority, six cases of falsification in service, and four cases of neglecting official duties. The agency completed 22 criminal cases related to accepting bribes and arrested 23 officials. For example, on February 11, the agency arrested the former chief of the supervisory service in the Tbilisi mayor's office on suspicion of receiving a bribe of 120,000 lari (\$50,000) in February in exchange for a hotel construction permit in Tbilisi. On November 4, the Tbilisi City Court found him guilty of accepting a bribe and sentenced him to 11 years in prison.

In January the government established a specialized unit within the Prosecutor General's Office to investigate and prosecute past and current cases of high-level corruption. The

unit began operating in March; as of September it was investigating 41 cases. The Ministry of Justice Inspector General's Office actively enforced internal ethics and disciplinary rules in the Prosecution Service.

During the year the State Audit Office monitored the legality and transparency of political financing, and Transparency International noted its audits improved in terms of both quantity and quality.

The government's Interagency Coordinating Council for Combating Corruption defined anticorruption policy; prepared and updated the country's anticorruption strategy and coordinated its implementation; and aimed to ensure compliance with the recommendations of international organizations. According to Transparency International, the council's effectiveness and influence over policy suffered from its limited mandate and resources.

Corruption: There were some allegations of high-level corruption. During the year authorities indicted former senior government officials on corruption-related charges. For example, on September 17, a court convicted former Tbilisi mayor Giorgi Ugulava of the misuse of public funds in the Tbiliservice case and sentenced him to four and a half years in prison. Prosecutors alleged that, in 2011-12, he embezzled state money to fund the United National Movement's election campaign efforts. The former mayor was acquitted on separate charges of embezzlement and misuse of public funds, although additional charges of money laundering and embezzlement remained pending trial at year's end. In December the former head of the pardoning commission accused two members of the commission, who also were Georgia Dream coalition members of parliament, of taking bribes from prisoners seeking pardons and of exerting undue influence on other members of the commission. At year's end the Prosecutor General's Office was investigating the case.

Financial Disclosure: The law requires public officials to submit yearly declarations of their financial incomes and property for tax inspection, which were posted online. The Bureau of Declarations receives financial declarations, and the Prosecutor General's Office investigates government corruption cases.

In a July report, Transparency International noted that the disclosure requirement did not extend to a significant number of local government members or advisers to ministers. It also criticized the information required in asset declarations for lack of detail and for the absence of a mechanism to verify submitted information.

Public Access to Information: While the law provides for public access to government meetings and documents, the government sometimes did not provide access to persons or organizations that requested information. The freedom of information law restricts third-party access to information on cases involving the government in international courts. In a December report, the Institute for Development of Freedom of Information (IDFI) reported that, between January and November, it sent 8,297 requests for information to 307 public institutions. During this period the institutions responded to 86 percent of IDFI's requests, providing complete responses to 48 percent of the requests. Eight institutions completely ignored IDFI's requests, violating the requirements of the law.

Germany

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented the law effectively. There were some reports of government

corruption.

Corruption: In July the Cottbus Administrative Court sentenced a manager to three years' imprisonment for corruption and bribery. He had awarded a contract for installing water pipes at the Berlin-Brandenburg Airport in exchange for restaurant meals, hotel stays, and building supplies for his own house. Two other managers involved received suspended sentences.

Financial Disclosure: Members of state and federal parliaments are subject to financial disclosure laws that require them to publish their earnings from outside employment. They must disclose outside regular employment and earnings greater than 1,000 euros (\$1,100) in a month in 10 different income categories, with the highest category being for income above 250,000 euros (\$275,000) per month. Disclosures are available to the public via the Bundestag website and in the *Official Handbook of the Bundestag*. Sanctions for noncompliance can range from an administrative fine to as much as one-half of a parliamentarian's annual salary. Appointed officials are subject to the public disclosure rules for civil servants, who must disclose outside activity and earnings. If the remuneration exceeds certain limits, which vary by grade, the civil servant must transfer the excess to the employing agency.

Public Access to Information: Federal law provides for public access to government information, but there are numerous exceptions, and fees for records searches could be as much as 500 euros (\$550), payable in advance. Of the 16 federal states, 11 also have freedom-of-information laws. There is an appeals process.

Greece

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, but the government did not always implement the law effectively, and officials sometimes engaged in corrupt practices with impunity. NGOs and other observers expressed concern over perceived high levels of official corruption. Permanent and ad hoc government entities charged with combating corruption were understaffed and underfinanced.

A December 2014 law does not allow high ranking officials, including the prime minister; ministers, alternate, and deputy ministers; parliament deputies; European Parliament members; general and special secretaries; regional governors and vice governors; and mayors and deputy mayors to benefit from more lenient sentences in cases involving official bribes.

On March 19, parliament passed legislation that abolished the post of national coordinator for combatting corruption, replacing it with a General Secretariat for Combatting Corruption (GSCC). The GSCC is responsible for developing and implementing a national anticorruption strategy, with an emphasis on coordination between anticorruption bodies within various ministries. A minister of state for combatting corruption was appointed to the cabinet following elections in January and given oversight of government efforts to combat corruption and economic crimes. The minister drafted coordinated plans of action and monitored their implementation, and was given operational control of the Economic Crime division of the Hellenic Police, the Financial and Economic Crime Unit, the ministries' internal control units, and the Health and Welfare Services' inspection body. In the new cabinet announced following September 20 national elections, the cabinet post of minister of state for combatting corruption was abolished, and those duties were assigned to the alternate minister for combatting corruption in the Ministry of Justice.

Legislation passed May 11 provides a wider range of disciplinary sanctions against government employees accused of misconduct or breach of duty, while eliminating the immediate suspension of an accused employee prior to the completion of legal proceedings. If found guilty, offenders could be deprived of wages for up to 12 months and forced to relinquish their right to regain a senior post for a period of one to five years. Certain offenders could also be fined from 3,000 to 100,000 euros (\$3,300 to \$110,000).

Corruption: The government intensified efforts to combat tax evasion by increasing inspections and cross-checks among various authorities; however, media alleged instances of complicity by tax officials in tax evasion by individuals and businesses. Reports of official and police corruption continued. The police bureau of internal affairs conducted investigations and took numerous disciplinary measures, including dismissal and suspension, against officers involved in corruption. On January 18, the Ministry of Administrative Reform announced 133 government officials were dismissed during the last four months of 2014 on various criminal and administrative grounds, including solicitation of bribes, inaccurate statements of wealth acquisition, and other reasons.

On March 24, a special court in Athens sentenced a former finance minister involved in the mismanagement of a list of more than 2,000 citizens with foreign bank accounts to one year of prison, suspended for three years. He was convicted of a misdemeanor for tampering with an official document and was acquitted on the charge of breach of faith.

Financial Disclosure: The law requires income and asset disclosure by appointed and elected officials, including nonpublic sector employees, such as journalists and heads of government-funded NGOs. Several different agencies are mandated to monitor and verify disclosures, including the General Inspectorate for Public Administration, the police internal affairs bureau, the Piraeus appeals prosecutor, and an independent permanent parliamentary committee. Declarations were made publicly available. The law provides for administrative and criminal sanctions for noncompliance. Penalties range from two to 10 years' imprisonment and fines of from 10,000 to one million euros (\$11,000 to \$1.1 million).

In December an Athens appeals court sentenced a former finance minister and his wife to four years in prison, a 10,000-euro (\$11,000) fine, and 20,000 euros (\$22,000) each in damages for failing to declare 1.3 million euros (\$1.4 million) in their 2009 tax returns. The prison sentence is convertible to a payment of 10 euros (\$11) per day.

The General Secretariat for Public Revenues' internal affairs department and other competent authorities found discrepancies between the declared income and actual assets of some government employees following inspection of their wealth statements. Those cases were referred to the Ministry of Justice for further action.

Public Access to Information: The law provides for the right to access government-held information, with the exception of cases pertaining to national security or privacy. NGOs and media observers noted that bureaucratic delays sometimes hindered access to information.

Hungary

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials. The European Commission and NGOs contended that the government did not implement the law effectively, and officials often engaged in corrupt practices with impunity. The same observers noted that authorities were consistently reluctant to investigate corruption allegations in a

transparent, public manner. There were numerous reports of government corruption during the year.

Corruption: Transparency International Hungary (TI-H) and K-Monitor reported that the economy was “dominated by cronyism and state capitalism.” According to these anticorruption NGOs, the situation amounted to “state capture,” characterized by “the opaque symbiosis between an extensive and expansive government and powerful business groups, who may easily out-compete public interest.” The NGOs reported a number of examples indicating “the government’s intention to grant privileges to certain economic actors by legal means.” TI-H noted that there was no designated anticorruption agency and that agencies with anticorruption duties, such as the prosecution service, the State Audit Office, the police, or the tax administration, often failed to take action against corruption.

On July 22, the Council of Europe’s GRECO released a report that characterized as worrisome the fact that judges, prosecutors, and members of parliament enjoyed almost complete immunity from prosecution unless they were “caught in the act” of committing corruption (see section 1.e, Denial of Fair Public Trial).

At the beginning of the year, three brokerage companies--BudaCash, Hungaria Securities, and Quaestor--collapsed as it was revealed they had issued unsecured bonds and falsified financial reports, which led to the Central Bank revoking their licenses. Quaestor, the biggest of the three brokerages, issued 150 billion forints (\$538 million) of fictitious bonds, causing losses to tens of thousands of small investors. Opposition parties strongly criticized the government because the Hungarian National Trading House, a state agency controlled by the Ministry of Foreign Affairs and Trade, withdrew government funds held at Quaestor the day before its failure was made public, suggesting it acted on privileged information. Foreign Minister Peter Szijjarto’s close relationship with Quaestor chief executive officer Csaba Tarsoly contributed to suspicions of insider trading. On April 17, parliament passed a law to compensate the victims of Quaestor’s fraudulent bonds, shifting the more than 200 billion forint (\$717 million) cost of the bailout to other banks. On November 17, however, the Constitutional Court annulled the bailout, ruling that it discriminated against investors in the other failed brokerages and thus violated the constitution. The public criticized the Central Bank for failing to exercise its regulatory responsibilities and for waiting weeks to withdraw Quaestor’s license after the fraud became apparent. Additionally, police waited weeks after the scandal erupted to arrest Tarsoly. Critics argued that these delays allowed Tarsoly to destroy evidence of fraud and documents implicating government officials.

Financial Disclosure: The law requires members of parliament, the most senior government officials, the president of the Curia and his deputies, and the prosecutor general to publish asset declarations on a regular basis. Data on asset declarations of cabinet members’ spouses are not made public. In addition the vast majority of public-sector employees, including law enforcement and army officers, judges, prosecutors, civil servants, and public servants, are obliged to submit asset declarations, but their declarations are not publicly accessible. NGOs continued to contend the regulation was not adequate because there was no effective method to detect and sanction violators.

Public Access to Information: The constitution and law provide both citizens and foreigners the right to access information held by public bodies. The law provides that the bodies controlling such information may restrict access to protect what they determine to be legitimate public interests, as defined by law. The legal list of exceptions includes information on national security, prevention and prosecution of crimes, protecting nature and the environment, national financial matters, foreign affairs, active legal procedures, and intellectual property. Access is sought through freedom of information requests submitted in oral or written form. Public bodies are required to disclose information within 15 days of receiving a request. In cases in which a significant amount of data is requested, the public body is entitled to extend the deadline for disclosure by an additional 15 days. Citizens may not submit requests for an “overarching, invoice-based,” or “itemized” audit

of the “management of a public authority.” Requesters may appeal denials in court within 30 days or initiate the procedure of the National Authority for Data Protection and Freedom of Information (NAIH). The law punishes the offense of illicit use of public information with imprisonment for up to three years.

On February 13, the Constitutional Court ruled that the lack of a legal remedy if an authority classifies data as secret and makes it off-limits to the public violates the constitution. The Constitutional Court ordered parliament to rectify the situation by the end of May. In response to the ruling, on July 6, the parliament amended the law to enhance existing classification supervision duties of the NAIH, effective October 1, but it did not grant individuals the right to challenge classification at court. In addition the new law permits the government to determine and charge “labor input costs associated with completing the information request.” The amendment permits such charges if providing the information would require “a disproportionate use of the labor resources required to fulfill the basic functions” of the state organ controlling the information. The new regulation leaves it entirely to the data-controlling body to determine what labor input is necessary and what constitutes a disproportionate use of labor resources. The amount of these charges is not communicated in advance to the requesting party. The new law also provides that data in a copyrighted work may be examined (and notes made thereof) but may not be copied, and access may be denied if the government finds that the disclosure of the requested data would endanger future government decision making.

Domestic and international NGOs criticized the new regulations on access to public information, noting that they give state institutions with data management responsibilities excessive latitude to reject requests for public information and to levy arbitrary charges on requesters.

As of October the NAIH received 510 freedom of information petitions, 253 of which resulted in investigations that identified an infringement.

Iceland

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented the law effectively.

Financial Disclosure: Most public officials were not subject to financial disclosure laws. The law requires members of parliament and government ministers who are not members of parliament to report their financial interests publicly on parliament’s website and to update this information within one month of receiving new information. As of the beginning of November, not every member had done so. There are no criminal or administrative sanctions for noncompliance.

Public Access to Information: The law provides for public access to government information, and the government provided effective access for citizens and noncitizens, including foreign media.

Ireland

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented the laws effectively. There were no reports of government corruption during the year.

Financial Disclosure: Elected and appointed officials, as well as civil servants at the higher grades, are required to furnish a statement, in writing, to the Standards in Public Office Commission of their interests, the interests of their spouse, civil partner, or child that could materially influence the person in the performance of official functions. The commission verifies the disclosures. The financial disclosures of elected officials are made public. There are criminal and administrative sanctions for noncompliance.

Public Access to Information: The law provides for public access to government information and requires government agencies to publish information on their activities and make such information available to citizens, noncitizens, and foreign media upon request. Authorities generally granted freedom of information requests and provided mechanisms for appealing denials.

Legislation was enacted in 2014 extending the public's right to government information from all public bodies unless they are specifically exempt, in whole or in part, and from nonpublic bodies that are significantly funded by the state. The Garda, the National Treasury Management Agency Group, the Central Bank of Ireland, the industrial relations bodies, the Insolvency Service of Ireland, and the various ombudsmen enjoy partial exemption from these requirements on grounds that release of certain forms of information would affect their ability to perform core functions or in the interests of the security or financial position of the country.

Italy

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials. The government usually implemented these laws effectively, but officials sometimes engaged in corrupt practices with impunity. There were incidents of government corruption during the year.

Corruption: The Financial Police announced that in 2014 approximately 2.6 billion euros (\$2.9 billion) of public funds were lost due to corruption by public officials and that fraud accounted for the loss of an additional 1.3 billion euros (\$1.4 billion). Authorities found irregularities in public contracts worth 1.8 billion euros (\$2 billion). Between January and June, the Court of Audits charged 4,835 public officials employed in the public health sector with tax evasion or corruption.

In June judges in Rome responsible for preliminary criminal investigations ordered the arrest of 44 local officials and public employees. The officials detained included a former chairman of the Rome municipal council, Mirko Coratti, who was implicated in a case of corruption in the management of some reception centers for migrants in Rome.

Financial Disclosure: The law requires members of parliament to disclose their assets and incomes. The two chambers created a publicly accessible bulletin on each of their websites containing information on each parliamentarian, but only if the parliamentarian agrees to posting the information online. The law stipulates that the presidents of the two chambers order noncompliant members to submit the statements in 15 days but provides for no other sanctions. Ministers' disclosures must be posted online. The Ministry of Simplification and Public Administration encouraged adherence to voluntary guidelines for financial disclosure by the leaderships of all ministries below the ministers.

Public Access to Information: The law gives citizens the right to access government

documents and to be informed of administrative processes. With some exceptions related to security, the government and local authorities respected this right for citizens, noncitizens, and the foreign press. The law was effectively implemented, but typically there were long delays in responding to requests.

Kosovo

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, but the government did not implement the law effectively, and corruption remained a serious problem. A lack of effective judicial oversight and general weakness in the rule of law contributed to the problem.

Corruption: The Kosovo Anticorruption Agency (ACA) and the Office of the Auditor General shared responsibility for combating government corruption. As of August the ACA received more than 160 reports alleging corruption, 120 of which concerned conflict of interest. Of those it reviewed, the ACA referred 70 cases for prosecution and forwarded four cases against 12 persons to police. The ACA closed 80 cases from 2015 and previous years for lack of evidence.

Convictions on corruption charges continued to represent a small proportion of those investigated and charged. The EULEX prosecutor embedded in the Special Prosecutor's Office filed an amended indictment on September 28, combining earlier corruption indictments from 2012 and 2014 against several individuals. They included the president of the Initiative for Kosovo political party and former minister of transportation, Fatmir Limaj, and Limaj's bodyguard Shpetim Telaku; former procurement chief in the Ministry of Transportation, Nexhat Krasniqi; Tali company owner, Florim Zuka; and former cabinet chief to the minister of trade and industry, Endrit Shala. The defendants were accused of participating in organized crime, abusing their official positions or authority, misusing economic authorizations, accepting bribes, and other corruption-related charges.

During the year the Office of the Auditor General (OAG) audited the President's Office, most ministries, and the assembly. It reviewed fiscal management and accountability in the central government and municipal administrations. Its investigations revealed several violations of the law governing public procurement and rules governing public finance.

Financial Disclosure: The law obliges all senior public officials and their family members to declare their property and the origins of their property annually. Senior officials must also report changes in their property holdings when assuming or terminating their service in a public function. The ACA administers this data, verifies disclosures, and publishes disclosures on its website. During the year, based on a random sampling, the agency reported that 98.4 percent of officials declared their property and finances. Authorities may fine officials charged with minor breaches of the requirement or prohibit them from exercising public functions for up to one year. The ACA referred all charges against those who had not filed to prosecutors.

Public Access to Information: The law provides for public access to government information, but authorities did not effectively implement the law. Civil society organizations, which filed the majority of information requests, reported that government institutions rarely provided requested information or acknowledged the existence of particular documents they requested.

Courts rarely accepted lawsuits against institutions that ignored document requests, and civil society organizations regarded this lack of consequences as an impediment to the

law's effectiveness. Officials reportedly sometimes denied document requests on grounds that the documents contained classified or secret information but would not give the requester the name of the institution that classified the documents or the case number.

Latvia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, but the government did not implement the law effectively. Officials sometimes engaged in corrupt practices, and polling data consistently showed that the public believed that corruption was widespread and that officials often were not held to account. According to a survey released in May, 55 percent of the country's business representatives believed corruption and bribery were widespread.

The Bureau to Prevent and Combat Corruption (KNAB) is the primary body responsible for fighting corruption. Government officials and NGO representatives expressed concern that a continuing public dispute among KNAB's senior officials had a negative impact on the institution's ability to fulfill its mandate.

Corruption: Although NGOs have expressed concern that prosecutions and convictions of state officials were declining, official data did not support this contention. Through December, KNAB recommended 14 criminal cases, involving 26 persons, for prosecution. New cases numbered 27 during the year, compared with 25 in 2014. The courts convicted 21 persons for corruption through December, in comparison with 20 in 2014. In June the Zemgale District Court convicted former judge Ziedonis Strazds of misusing his authority by employing fictitious personnel in his office from 1995 to 2012 to collect their paychecks. The court sentenced him to three years' imprisonment.

In August authorities arrested Ugis Magonis, chief executive officer of the national railroad company "Latvijas Dzelzceļš," on allegations that he accepted a 500,000 euro (\$550,000) bribe. After remaining in jail for two months, Magonis posted bail and remained free pending trial. The case remained under investigation at year's end.

Financial Disclosure: The law requires public officials to file income declarations annually, and authorities investigated irregularities in the declarations. Declarations were public and there were penalties for noncompliance.

In September the Latvian State Revenue Service requested permission from parliament to penalize Minister of Health Guntis Belevics for failing to report a one million euro (\$1.10 million) loan on his official tax return, which was made public as part of his annual income declaration. In October the parliament supported fining him for tax fraud.

KNAB is responsible for overseeing the activities of public officials and implementing conflict-of-interest laws. In the first six months of the year, KNAB fined 56 persons a total of 5,500 euros (\$6,050), and reprimanded a number of others, for conflicts of interest. Most violations involved failure to provide the required income declarations or observe restrictions on outside employment and commercial activities. In 25 cases the declared incomes of public officials or their relatives were found to be inconsistent with their lifestyles, which triggered audits by the State Revenue Service.

Public Access to Information: The law provides for public access to government information, and the government generally provided citizens, noncitizens, and foreign media with the information they requested.

NGOs, including the Latvian Center for Human Rights, criticized attempts by the State

Language Center to restrict dissemination of printed information by state institutions in languages other than Latvian, including Russian and English. For example, the State Language Center restricted distribution of Russian-language flyers in hospitals that included medical information for patients. Other restricted documents included Russian-language municipal newspapers and information on public safety, the census, and English-language signs by tourism agencies.

Liechtenstein

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. There were no reports of government corruption during the year.

Financial Disclosure: Public officials are not subject to comprehensive financial disclosure laws.

Public Access to Information: The law requires the government to inform the public of its activities, and government information was freely available to all persons living in the country, including domestic and foreign media.

Lithuania

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, but the government did not implement the law effectively, and officials at times engaged in corrupt practices with impunity. There were isolated reports of government corruption.

Corruption: Investigations of alleged corruption by public officials and politicians continued. On March 23, the parliament waived the immunity of Member of Parliament Rimas Antanas Rucys, paving the way for his prosecution for allegedly receiving bribes from a domestic television producer. NGOs, such as the domestic chapter of Transparency International, considered health-sector corruption, including at state-supported institutions, a pervasive problem. A recent study by Transparency International described shortcomings in the transparency of defense procurement.

Financial Disclosure: The law requires appointed and elected officials to declare their assets and incomes. The declarations were available to the public. There were administrative sanctions for noncompliance.

Public Access to Information: The law provides for public access to government information, and government institutions generally provided access. Applicants could appeal denials to the parliamentary ombudsman. In the first eight months of the year, the Office of the Parliamentary Ombudsman received 46 complaints of delay by government offices in providing information. In the same period, it ruled on 13 cases, found nine of them to be valid, and recommended disciplinary action against the officials involved. The ombudsman's office rejected 21 complaints because they were not within the competence of the ombudsman. It referred these complaints to the agencies with jurisdiction. Although the ombudsman's recommendations were not binding, the ombudsman's office reported that authorities took disciplinary action in all cases.

Luxembourg

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. There were isolated reports of government corruption during the year, which the government prosecuted.

Financial Disclosure: By executive order, cabinet members must disclose any company assets, in the form of shares or otherwise, that they own. The order requires that future ministers submit the information before they assume office. The declarations are made public via the government's internet website. There are no criminal or administrative sanctions for noncompliance, and no particular agency has a mandate to monitor the disclosures.

Public Access to Information: While the country does not have a law providing public access to government information, the government granted the public access to such information and placed considerable amounts of government data on official websites.

Macedonia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, although there were reports that officials engaged in corruption with impunity.

Corruption: During the year there were credible reports that the government interfered in high-profile cases involving abuse of office or misused official positions to intimidate key opposition leaders. Police and judicial corruption also remained problems. The European Commission Senior Experts Group's June report found "apparent direct involvement of senior government and party officials in illegal activities," including corruption.

During the year the Public Prosecution Office opened investigations against high-level government officials for illegal wiretapping, violation of privacy, and allegations of corruption, based on criminal complaints filed by the opposition SDSM party. The Public Prosecution Office had 17 prosecutors reviewing 24 criminal complaints filed by SDSM, although it did not file criminal charges against any of the alleged suspects during the year. In November, the Public Prosecution Office turned over materials related to those cases to the Special Prosecutor. On December 4, the Special Prosecutor announced that she accepted jurisdiction over 22 of the 24 cases filed by SDSM and was reviewing and prioritizing which cases to prosecute at year's end.

On March 10, the Ministry of Interior pressed charges against opposition leader Zoran Zaev for allegedly soliciting a 200,000 euro (\$220,000) bribe from a Strumica businessman. Zaev called the charges politically motivated and filed a criminal complaint against the businessman for allegedly spreading false and malicious accusations. On June 4, the Public Prosecution Office indicted Zaev on bribery charges. On July 1, at Zaev's request, the Basic Court Skopje 1 held a public hearing to review the indictment. On November 18, the Basic Court Skopje 1 confirmed the bribery indictment against Zaev, and the case was scheduled for trial in January 2016.

Between April 22 and May 21 the court convicted seven (six active and one retired) misdemeanor judges arrested in October 2014 for failing to process fines against defendants in misdemeanor cases. They received suspended sentences after pleading guilty. The prosecution dropped charges against five other accused judges and an administrative staff member for lack of evidence. The start of the trial before the Basic Court Skopje 1 against another 13 defendants--three retired judges and 10 administrative staff members--was postponed twice for defendants' health reasons. On December 1, the Supreme Court recused the Basic Court Skopje 1 from trying the case on the basis of possible conflict of interest and transferred the trial to the Bitola Basic Court.

Financial Disclosure: The anticorruption law requires appointed and elected officials and their close family to disclose their income and assets and provides penalties for noncompliance. The public could view the disclosure declarations on the website of the SCPC. Absence of a registry of elected and appointed officials continued to hamper effective control of assets and monitoring of conflicts of interest.

During the first six months of the year the SCPC referred two cases to the Public Prosecution Office for misuse of public funds. In one case, the SCPC initiated a procedure for removal of a public official. The SCPC received and checked 535 conflict of interest statements by public officials and determined that a conflict of interest existed in 53 cases. The resolution of these cases remained pending at year's end.

Public Access to Information: Although the law provides for public access to government information, citizens' and the media's access to the government's financial and public procurement dealings remained limited. The government addressed public access to information in the Open Government Partnership Action Plan, adopted by the government in 2014. Numerous members of civil society and media outlets complained that the government often ignored requests for information under the freedom of information law.

Malta

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. There were isolated reports of government corruption during the year.

Corruption: The police and the Permanent Commission against Corruption were responsible for combating official corruption and had pending cases at year's end. They do not publish information about cases or findings.

In July a judicial inquiry concluded three police officers belonging to the same family, including the former acting commissioner of police, were involved in dubious business deals and had breached the police code of ethics and the public service management code. As a result, the commissioner of police ordered all police officers to declare any commercial interests.

Financial Disclosure: Government officials are subject to financial disclosure laws, and declarations are available to the public. Courts can compel disclosure from officials not complying with this regulation.

Public Access to Information: The law establishes the right to request information held by public authorities with a few exceptions, such as national security or internal court working documents. When access to documents is refused, the law provides a complaint and appeal mechanism that can ultimately lead to the courts of appeal for resolution. The government has also established separate procedures to provide members of the press

information to help them “fulfill their public tasks.”

Moldova

Section 4. Corruption and Lack of Transparency in Government

Corruption remained the country’s most serious problem. While the law provides criminal penalties for official corruption, the government failed to implement these laws effectively. There was widespread corruption within the judiciary and other state structures. In most cases prosecution for corruption was limited to low-level public officials. On October 15, however, authorities stripped the leader of one of the largest political parties, parliamentary faction head, and former prime minister Vladimir Filat of parliamentary immunity and detained on suspicion of passive corruption and influence-peddling. Some considered the case to be politically motivated due to the timing and procedures followed for the investigation and pre-trial detention.

Corruption: In its *State of Corruption* report this year, Transparency International noted that despite a high number of recently adopted anticorruption laws, bribery rates remained high in the country, and most of the new regulations remained largely ineffective due to the lack of clear sanctions for noncompliance or limited political will to enforce them. The report stated that the decision by the Constitutional Court to limit considerably the applicability of the Law on Professional Integrity Testing was a step back in the country’s anticorruption efforts. Observers also reported ineffective checks on government power, impunity of government officials, and government interference in the delivery of justice as reasons for high levels of corruption.

A statement made by Transparency International-Moldova noted that several corruption scandals and the lack of official reaction to them resulted in public disapproval of the government and large-scale protests. The term “a captured state” was widely used by local and international experts to define the scope of corruption in the country during the year. A study released in December by Transparency International-Moldova estimated that the total level of bribes during the year surpassed 1.24 billion lei (\$63 million). Individual households paid most bribes in the healthcare sector, police, and educational institutions. Businesses paid most bribes in tax offices and in courts.

In a joint public appeal sent to parliament and government on September 29, a number of prominent civil society organizations voiced concern over the inefficient investigation of corruption offenses.

In an international conference on fighting corruption in September, the National Anticorruption Center (NAC) director stated that the NAC was doing its utmost in fighting corruption but that political factors and the judiciary were hindering a number of NAC initiatives. Of approximately 500 persons criminally investigated for corruption offenses annually, only 50 persons received prison sentences in the previous few years.

Also in April, NAC officers detained the former minister of health and 15 other senior health officials suspected of tampering with public tenders on procurement of medical equipment and consumables in favor of two leading companies, in exchange for 5 to 10 percent of the profits. Authorities charged the suspects with corruption and abuse of authority. During the investigation the number of suspects in the case increased to 30. In November authorities sent the case to court, and it was pending trial at year’s end.

In May, NAC officers detained the head of the Contravention Procedures Section of the Chisinau Customs Office for requesting a bribe of \$600 not to issue a citation to a representative of a transportation company for lacking proper documentation.

In April a prosecutor from Ocnita was sentenced to four years' imprisonment and received a five-year ban from holding office within law enforcement. In 2014 the prosecutor was caught in the act of receiving a bribe of 400 euros (\$440) for adopting a favorable decision in a misdemeanor case.

NAC investigated 448 cases of corruption and connected offenses in 2014. As in past years, investigation registered most corruption offenses in the judiciary (134 cases), local-level public administration (76 cases), state enterprises (68 cases), law offices (22 cases), public health (16 cases), education (16 cases), and tax offices (14 cases). NAC investigated judges, prosecutors, a former minister of internal affairs, former regulatory institution heads, mayors, penitentiary directors, police officers, lawyers, and other public officials. Courts issued 133 sentences for corruption and connected offenses in 2014. No high-level public official served a detention term for corruption during the year.

As of December the case involving 42 customs officials charged with corruption was pending in court. All defendants remained free while under investigation.

The Internal Protection and Anticorruption Division in the Ministry of Internal Affairs registered 84 cases of passive corruption involving 74 ministry employees in 2014. Most corruption offenses involved employees of the Police Inspectorate (76 cases), followed by the Border Police (four cases), the Bureau for Migration and Asylum (two cases), and the ministry's healthcare services (two cases). The division sent 19 cases to court and terminated another 19 for lack of conclusive evidence. In 2014 the courts issued three sentences, including a three-year suspended sentence, and two administrative sanctions for passive corruption. The Ministry of Internal Affairs dismissed 27 employees and issued reprimands to three employees for various offenses in 2014. The Anticorruption Division also reported 21 cases of influence peddling, 37 cases of abuse of power, and 51 cases of excess of power.

Financial Disclosure: A number of laws require financial disclosure by public officials, including state officials, judges, prosecutors, civil servants, and officials holding leadership positions. By law all public officials must make public their income statements within 20 days of their appointment and before March 31 of each calendar year for the duration of their term in office, but the government enforced this requirement inconsistently.

The National Integrity Commission, an independent body tasked with auditing the income statements and conflicts of interest of public officials, initiated 354 investigations in 2014. The commission found 54 violations in income and property statements, 50 instances of conflict of interest, and 18 cases of incompatibility. It referred 57 cases to the General Prosecutor's Office and 56 cases to the NAC. The commission investigated five members of parliament, two members of the legislature of the Gagauz Autonomous Unit, 39 judges, 12 prosecutors, 19 ministers and deputy ministers, seven district chairmen and deputy-chairmen, 42 mayors and deputy mayors, 28 state enterprises heads, 55 employees of the Ministry of Internal Affairs, as well as employees of the NAC, Customs Service, and Department of Penitentiary Institutions. A number of government officials, including the speaker of parliament, suggested a reform or closure of the National Integrity Commission due to lack of effectiveness and no convictions of public officials since the founding of the institution in 2013.

Public Access to Information: The law provides for free public access to official information. The law contains a narrow list of grounds for nondisclosure, including when information constitutes a state secret, a commercial secret, personally identifiable information, operative criminal investigation data, or the results of scientific and technical research. Authorities have 15 days to present the requested information. Authorities may extend this timeline by five days when the request refers to a large volume of data or additional consultations are necessary for the release of information. Depending on the information requested, institutions may charge processing fees for copying, translating,

and delivering. Requesters may legally challenge denials of access to information. The courts established criminal and administrative sanctions for noncompliance.

Monaco

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. Officials sometimes engaged in corrupt practices with impunity.

Corruption: There were sporadic allegations of governmental corruption during the year but no formal proceedings against government officials for corrupt practices.

Financial Disclosure: Appointed and elected officials are not subject to financial disclosure laws.

Public Access to Information: The law provides for public access to government information, and the government effectively implemented the law.

Montenegro

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, but the government did not implement the law effectively, and corruption remained a serious problem. There was evidence that some government officials engaged in corrupt practices with impunity. The public viewed corruption as endemic in the government and elsewhere in the public sector and at both local and national levels. This was particularly the case in the areas of health, higher education, the judiciary, customs, political parties, police, urban planning, the construction industry, and employment.

Agencies tasked with fighting corruption acknowledged that cooperation and information sharing among them was inadequate; their capacity improved but remained limited. Politicization, poor salaries, and lack of motivation and training of public servants provided fertile ground for corruption.

On March 22, the Ministry of Interior established a special unit of 10 inspectors to fight corruption and organized crime. As of December the authorities did not appoint the head of this team.

On June 26, the parliament elected five individuals, including the vocal anticorruption civil society activist, Vanja Calovic from MANS, as members of the Anticorruption Agency Council. On October 2, the Agency Council appointed as director of the Anticorruption Agency a retired police officer, Sreten Radonjic, who was former assistant minister and head of the police criminal department.

Corruption: Most citizen reports of corruption to the Administration for the Anticorruption Initiative involved public administration, private sector, and the judiciary. Human rights observers alleged the government interfered in legal proceedings involving officials' misuse of government resources as well as abuse of their official positions to employ party followers. There were numerous allegations that membership in the ruling coalition parties was a prerequisite for employment in public administration.

During the year Special Prosecutor Milivoje Katnic initiated a number of high-level corruption cases. For example, on August 13, police arrested 13 local officials of the Budva municipality, including the incumbent mayor of Budva, Lazar Radjenovic, former mayor Rajko Kuljaca, former deputy mayor Dragan Marovic, City Manager Milena Marovic-Bogdanovic, and Aleksandar Ticic, an adviser to the prime minister, on suspicion of embezzling several million euros from the Budva municipal budget. The embezzlement was allegedly connected to several large-scale construction projects in Budva. Six officials of the Budva municipality remained in detention. On December 17, police arrested Svetozar Marovic, a high-ranking official of the ruling DPS, on suspicion of involvement in corruption and an organized crime group that embezzled millions of dollars from the Budva municipal budget. Many of Marovic's family members, including his son, daughter, brother, and aunt, were arrested earlier on similar charges. The press repeatedly reported that Marovic was behind a network of local officials and businessmen from Budva connected through various corrupt enterprises.

On November 16, the Special Prosecutor's Office opened an investigation of former directors of Crnogorski Telekom, Oleg Obradovic, and Miodrag Ivanovic who are accused of being involved in a 7.3 million euro (\$8 million) corruption scheme during the 2005 sale of the state-owned telecom.

NGOs and corruption watchdogs alleged that officials often rigged valuable public tenders to benefit companies close to the ruling parties. MANS reported that in 2014, 59 state institutions and local governments violated the legal requirement that direct transactions that bypass the formal procurement process not exceed 10 percent of the annual value of procurement. The state auditor general reported violations by many state agencies but did not file any criminal charges. Some NGOs alleged that certain legal entities were not properly audited because of their connections to the ruling elite. On May 1, the authorities began implementation of a new law on public procurement that provided for monitoring tender implementation and publishing the related documentation.

Corruption watchdogs contended that excessive discretion granted to officials in the disposition of public property encouraged corruption. The media extensively covered the continued misappropriation of funds by the Commission for the Allocation of Funds from Games of Chance and the Minority Fund.

There are criminal asset forfeiture laws, but judges implemented them seldom and ineffectively, and evidentiary standards for seizing assets were very high. On October 23, the parliament adopted a new law that expanded possibilities for the freezing, seizure, and confiscation of illicit proceeds and authorized the creation of multidisciplinary financial investigation teams.

Police corruption and inappropriate government influence on police behavior remained problems.

Financial Disclosure: Government officials were subject to financial and asset disclosure laws and had to report any increases in value of personal property by more than 5,000 euros (\$5,500). Most complied with the requirements in a timely fashion. Officials must report any gift exceeding 50 euros (\$55) to the Commission for the Prevention of Conflicts of Interest (CPCI). Violations of the obligation to file and disclose are subject to administrative or misdemeanor sanctions. Inadequate administrative and financial resources limited the CPCI's oversight activities.

According to the CPCI, 635 officials subject to an income disclosure requirement inaccurately reported their income during the first eight months of the year. During the same period, the courts imposed lenient financial penalties on 304 officials for failing to report their income in a timely manner, providing false statements on public official asset disclosure forms, or illegally retaining membership on more than one board of directors. The CPCI refused to disclose to the media the names of the officials it fined, citing a

decision of the Agency for Protection of Personal Data that prohibited the disclosures without the express consent of the persons concerned. NGOs criticized nondisclosure of names of those fined as evidence of inappropriate political influence on state institutions.

Public Access to Information: The law provides for public access to government records, but officials did not always provide such access, particularly to information about the privatization of publicly owned assets. The law imposes restrictions related to confidentiality and personal data protection. Fines for government agencies that fail to comply with the law on access to information range from 500 to 2,000 euros (\$550 to \$2,200).

Some ministries responded to information requests, while others at times publicly criticized the requests. The NGO Center for Democratic Transition (CDT), which monitored the transparency of government institutions, reported in July that, in contrast to the previous year, prosecutors' offices at all levels became some of the most transparent institutions in the country. According to the CDT, prosecutors published 99 percent of all information as required by the law.

Some NGOs reported that officials frequently failed to respond to their requests for government-held information or responded only after considerable delay. According to the Agency for Protection of Personal Data, state institutions often excused their refusal to provide information that might reveal corruption or illegal activities by claiming that release would compromise confidentiality and state interests and involve the release of personally identifiable information.

Persons whose request for information is denied can appeal to the Agency for Protection of Personal Data, which generally sided with the appellant. In 2014 the Agency addressed 1,750 such appeals and found that 1,332 denials were improper. Many government bodies reversed their initial denials. During 2015, however, government bodies often failed to reverse their initial denials in such cases. The agency criticized the Interior Ministry for not investigating in these cases.

The CDT alleged that the Agency for Protection of Personal Data did not have sufficient capacity to monitor the agencies failing to respond to information requests. The level of access did not differ for noncitizens or the foreign or domestic press.

When government information was available, individuals could generally access it free of charge, but there were specific cases in which processing fees were required to cover the cost of service for the institution providing the information.

Netherlands

Section 4. Corruption and Lack of Transparency in Government

The laws provide criminal penalties for corruption by officials, and the government generally implemented the laws effectively. There were isolated reports of government corruption during the year.

Corruption: In July the Public Prosecutor's Office announced it was pressing charges against four employees of the Ministry of Defense and two from the police force on allegations of bribery in procuring vehicles.

Several investigations of government corruption in the Dutch Caribbean continued at year's end. In Sint Maarten and Curacao, former ministers, current and former members of parliament, and other public figures were publicly accused of corruption, illegal activities, ties to human trafficking and forced prostitution, and other abuses of power. Official

sources indicated serious investigations continued into allegations and suspicions of public corruption.

In March a court in Sint Maarten convicted a government official for taking bribes from a brothel owner. The court sentenced the official to 18 months' imprisonment (six months suspended) and two years' probation for bribery.

Financial Disclosure: The law does not require income and asset disclosure by officials. For most senior government positions, each ministry has its own regulations governing conflicts of interest.

Public Access to Information: The law provides for public access to government information, and authorities generally implemented it effectively. Persons and organizations seeking information could appeal refusals to the regular courts. Disputes occasionally arose in court over the scope of the government's right to withhold information in the public interest.

Norway

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. There were no reports of government or police corruption.

Financial Disclosure: By law income and asset information from the tax forms of all citizens, including public officials, must be made public each year. Failure to declare properly may result in up to two years in prison. Each year officials must declare income, assets, liabilities, and holdings in public companies.

Public Access to Information: The law provides for public access to nearly all government information except for classified national security information, and the government provided access to both citizens and noncitizens, including foreign media. The government generally provided information in a timely manner.

Poland

Section 4. Corruption and Lack of Transparency in Government

Although the law provides criminal penalties for corruption by officials, corruption was a problem. The government did not always implement the law effectively, and officials sometimes engaged in corrupt practices with impunity. There were some reports of government corruption during the year.

Corruption: On January 29, the court sentenced two businessmen to two years' imprisonment (suspended for a period of four years, provided they do not commit a crime again) and fines for serving as intermediaries in transferring bribe money to the former mayor of Tarnow, Ryszard Scigala. Scigala's trial remained pending at the end of the year.

Financial Disclosure: Various laws oblige elected and appointed public officials to submit financial statements about their financial assets, real property, stocks, and bonds. According to the Stefan Batory Foundation, an NGO, CBA verification was ineffective, because the agency was able to screen less than 1 percent of all financial disclosure

statements filed by politicians and high-level government officials. With the exception of certain situations provided for by law, the regulations protect information included in financial statements as “restricted access” information that may be made public only with the written permission of the provider. Different laws provide for different penalties for nondisclosure.

In November 2014 a Warsaw local court found former transportation minister Slawomir Nowak guilty of failing to list a watch worth an estimated 17,000 zloty (\$4,300) in several financial disclosures he filed when he was in government. The judge ordered Nowak to pay a fine of 20,000 zloty (\$5,000) and legal costs of 4,500 zloty (\$1,140). On May 27, the Warsaw district court rejected Nowak’s appeal but lowered his punishment and suspended its implementation.

Public Access to Information: The constitution and law provide for public access to government information, and the government generally provided such access to citizens and noncitizens, including foreign media.

Portugal

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. There were reports of corruption in the executive or legislative branches of the central government during the year.

Corruption: The media reported corruption involving central and local government officials. On November 17, former interior minister Miguel Macedo was charged by public prosecutors on three counts of abuse of power in political office and one of corruption. Three other former public officials were also charged: Manuel Palos, former head of the SEF; Antonio Figueiredo, former head of the Registries and Notaries Institute; and Maria Antonia Anes, former secretary general for justice.

Financial Disclosure: The law requires appointed and elected officials to disclose their income and assets. The law also mandates the Constitutional Court to monitor and verify disclosures. The court’s declarations are made available to the public, and there are criminal penalties of up to five years’ incarceration or a fine equivalent to 600 days of the person’s income and/or administrative sanctions including removal from office for noncompliance.

Public Access to Information: The constitution and law provide for public access to government information. The government implemented the law effectively.

Romania

Section 4. Corruption and Lack of Transparency in Government

While the law provides criminal penalties for corruption by officials, the government did not implement the law effectively, and officials, including judges, sometimes engaged in corrupt practices with impunity. Bribery was common in the public sector. Immunity from criminal prosecution enjoyed by existing and former cabinet members who were also members of parliament sometimes blocked investigations. According to World Bank indicators, corruption was a problem.

Corruption: The National Anticorruption Directorate (DNA) continued to investigate corruption cases involving political, judicial, and administrative officials at a steady pace throughout the year. The parliament often voted against lifting the immunity of its members for prosecution for corruption. Then prime minister Ponta was indicted in September, on charges of forgery, money laundering, and tax evasion. He resigned his position in November due to various factors. As of September 1, courts issued 197 final convictions to 661 defendants in cases investigated by the DNA, compared with 228 final convictions against 895 defendants in the same period of 2014. Among the defendants convicted were one minister, four members of parliament, and five judges, including one from the High Court of Cassation and Justice. As of September 1, courts ordered the forfeiture of 26.5 million euros (\$29.2 million) as a result of DNA cases. The courts acquitted 64 defendants through September 1. Verdicts in corruption offenses were often inconsistent, with sentences varying widely for similar offenses. Enforcement of court procedures lagged due to procedural problems, especially in regards to asset forfeiture.

On October 30, a fire erupted during a music concert in the Colectiv nightclub in Bucharest, killing 63 persons and injuring 151. Pyrotechnics during the performance ignited polyurethane soundproofing foam covering parts of the building's internal structure. Press reported a delayed and confused emergency service response. Protests began in Bucharest on November 3, with more than 30,000 participants blaming the fire on widespread corruption and some carrying banners saying, "Corruption kills." Demonstrators called for the resignation of Prime Minister Victor Ponta, Interior Minister Gabriel Oprea, and Bucharest Sector Mayor Cristian Popescu Piedone, who was responsible for granting an operating license to the club without a fire department permit. The Ponta government resigned on November 4. Despite the resignation protests continued in Bucharest and other cities, gradually declining in numbers through November 8.

Conflicts of interest, disrespect for standards of ethical conduct, and improbity in public office in general remained problems in all three branches of government. Corruption was widespread in public procurement. Bribery was common in the public sector, especially in health care. Individual executive agencies were slow in enforcing sanctions, and agencies' own inspection bodies were generally inactive.

Through September 21, the DNA sent to parliament 10 requests for pretrial detention, including for six members of parliament and one Constitutional Court judge. Parliament approved seven requests and denied two, while one member resigned from parliament. The DNA asked parliament to lift immunity eight times to investigate current and former members, including the then sitting prime minister. The parliament approved six requests and denied two, including the one involving the sitting prime minister.

The law provides for asset forfeiture, but judges and prosecutors did not order confiscation regularly and authorities' ability to track assets remained below par. The National Agency for Fiscal Administration (ANAF) was charged with confiscating, managing, and liquidating assets acquired from criminals but was understaffed and lacked resources. Preseizure planning between police, prosecutors, and ANAF and parallel investigations--investigating the financial situation of a suspect simultaneously with the criminal investigation--did not occur in either cases of corruption or organized crime. In November the government enacted legislation to establish a new asset management agency, which had not been set up by year's end.

Financial Disclosure: The law empowers the National Integrity Agency (ANI) to administer and audit financial disclosure statements for all public officials and to monitor conflicts of interest. The law stipulates that the agency may identify "significant discrepancies" between an official's income and his assets, defined as more than 45,000 lei (\$10,800), and allows for seizure and forfeiture of unjustified assets. The mechanism for confiscation of "unjustified assets" was cumbersome. Between January and September, ANI identified 27 cases of "significant discrepancies" totaling more than 5.4 million euros (\$5.9 million). The 27 officials included one senator, five mayors, two local councilors, three

magistrates, and 16 senior public servants.

Public Access to Information: Although the law provides for public access to government information related to official decision making, human rights NGOs and the media reported that the government applied the law inadequately and inconsistently. The government and parliament wrote and passed laws in a nontransparent manner, and the government continued to pass a large number of emergency ordinances without parliamentary scrutiny, increasing its legislative powers. Procedures for releasing information were arduous and varied greatly by public institution. Many agencies did not make public their annual performance reports as required by law. NGOs and journalists continued regularly to sue in court to gain access to official government information.

The government often did not observe the law requiring transparency in governmental decision making. The Department for Online Service and Design in the prime minister's office is responsible for coordinating the implementation of the Open Government Partnership (OGP) action plan for the country in coordination with NGOs. The OGP process was somewhat successful in increasing the amount of open data and in teaching citizens how to use the data.

Although intelligence services transferred the majority of the files of the communist-era Securitate intelligence service to the National College for the Study of the Securitate Archives, the powers of the college remained limited because the law does not permit it to issue binding verdicts on individuals' past records as Securitate collaborators.

Russia

Section 4. Official Corruption and Lack of Transparency in Government

The law provides criminal penalties for official corruption, but the government acknowledged difficulty enforcing the law effectively, and officials often engaged in corrupt practices with impunity. The *Global Competitiveness Report 2014-15* compiled by the World Economic Forum cited corruption as the most problematic, high-risk factor for doing business in the country. In March the government passed a law reducing fines for receiving a bribe (from 25 times the size of the bribe down to 10 times) and for providing a bribe (from 15 times the size of the bribe down to five times).

Corruption was widespread throughout the executive branch, including within the security sector and migration management agencies, as well as the legislative and judicial branches at all levels of government. Its manifestations included bribery of officials, misuse of budgetary resources, theft of government property, kickbacks in the procurement process, extortion, and improper use of official position to secure personal profits. While there were prosecutions for bribery, a general lack of enforcement remained a problem. Official corruption continued to be rampant in numerous areas, including education, military conscription, health care, commerce, housing, social welfare, law enforcement, and the judicial system. According to the Organization for Economic Cooperation and Development's 2013 Economic Survey of the country, cases against law enforcement officers accounted for a quarter of all corruption court cases in 2012, and 90 percent of entrepreneurs reported having encountered corruption at least once. The survey noted that "bribery in some regions is so widespread that local firms are reported to consider it a convenient alternative to legal and administrative compliance." According to the Ministry of Internal Affairs, the average bribe for all purposes during the year was approximately 208,000 rubles (\$3,200). According to a September report in the Russian daily newspaper *Izvestiya*, corruption increased 6.5 percent during the year, with an especially heavy concentration of cases in Pskov, the Jewish Autonomous Oblast, Chelyabinsk, Mordovia,

and Bashkortostan.

Corruption: Prosecutors charged high-level officials, including two regional governors, with corruption during the year. Media speculated that the removal from post of the governors of Sakhalin and Komi on charges of fraud and belonging to a criminal organization might reflect a new anticorruption campaign but also noted that corruption cases frequently were used for political reasons rather than part of an effort to root out corruption.

The areas of government spending that ranked highest in corruption were public procurement, media, national defense, and public utilities. The federal Investigative Committee estimated annual damages of 40 billion rubles (\$615 million) caused by corruption, although independent estimates put the figure much higher. On May 29, Investigative Committee spokesperson Vladimir Markin announced the committee opened more than 25,000 cases involving corruption in 2014. Of these, 40 percent were for bribery and included cases against 12 federal legislators and 435 local legislators. The Federal Security Service stated in February that five billion rubles (\$77 million) of defense spending was lost to corruption in 2014. The country's prosecutor general announced in July that 7.5 billion rubles (\$115 million) had been stolen during construction of the Far East Cosmodrome.

In apparent retaliation for his work exposing corruption, in August the Federal Tax Service inspected the office of anticorruption blogger and opposition leader Aleksey Navalny's Fund to Fight Corruption after he issued a report in August estimating the value of presidential spokesperson Dmitry Peskov's wristwatch at more than 40 million rubles (\$615,000), well beyond his official means. A few weeks later, the fund publicly accused Peskov of honeymooning on a yacht that cost 350,000 euros (\$385,000) per week. In September tax authorities accused the fund of tax fraud.

Financial Disclosure: The law prohibits state officials and heads of state-owned enterprises from owning financial assets or bank accounts abroad. The law also requires politicians to file extensive declarations of all foreign real estate they own and civil servants to declare any large expenditure involving land, vehicles, and securities, as well as their incomes. These laws were unevenly enforced, and investigative bodies rarely acted upon media reports of undeclared assets held overseas and other alleged violations.

The law requires government officials to submit financial statements, restricts their employment at entities where they had prior connections, and requires reporting of actual or possible corrupt activity. The information that officials provided often did not reflect their true income or that of close family members.

Public Access to Information: The law authorizes public access to government information unless it is confidential or classified as a state secret. The law requires placement of information regarding activities of federal executive agencies on the internet. According to the watchdog site Infometer, government agencies frequently failed to implement the law. Federal agencies published on the internet only 40 percent of the required information, while regional governments published approximately 50 percent. Courts, despite the presumption of openness, denied citizens' requests for information on the grounds that the data requested did not directly affect their interests.

San Marino

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government

generally implemented the law effectively.

Corruption: On October 17, authorities arrested Gabriele Gatti, who served multiple times as foreign affairs minister, on charges of criminal association, corruption, vote buying, and bribery. On October 19, San Marino Federal Court began a trial involving a number of politicians charged with using a dedicated bank account to withdraw money that allegedly came from and was used for illegal activities.

Financial Disclosure: There is no specific financial disclosure requirement for public officials. The law requires all candidates running for an elected office to disclose their income from the previous year as well as any assets or investments in companies.

Public Access to Information: The law provides for public access to government information, and the government effectively implemented the law by providing such information to the public through the Ministry of Interior's website, the parliament's website, and the official bulletin's website.

Serbia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials. There was a widespread public perception that the government did not implement the law systematically, and that officials sometimes engaged in corrupt practices with impunity. EU experts noted continuing problems with the overuse of the vague "abuse of office" charge for alleged private sector corruption schemes. Despite the government's publicly stated commitment to fight corruption, the Anticorruption Council and Transparency Serbia, a prominent NGO, continued to point to lack of governmental transparency and risk from corruption.

The Organized Crime Prosecutor's Office (OCPO) prosecutes cases of high-level corruption in the Belgrade Higher Court for Organized Crime; other corruption cases are tried in the country's regular court system. The Ministry of Interior generally handled internal corruption cases within the ministry and turns over the results of the investigation to the appropriate prosecutor's office. In April the government unveiled its 2015-16 Financial Fraud Investigation Strategy and Action Plan. Experts commented that this was the government's principal tool in addressing corruption from a law enforcement perspective.

The Anticorruption Agency (ACA) is an autonomous and independent oversight body accountable to parliament. Its main tasks include supervising the implementation of the national strategy for combating corruption and its related action plan; resolving conflict of interest cases; controlling political party financing; international cooperation in the fight against corruption; and preventing corruption in cooperation with the government, media, NGOs, and the general public. Although the ACA actively engaged with other state institutions and civil society organizations and received technical assistance from various donors, it failed to perform some of its functions and establish its authority. Because of legislative loopholes, the ACA also was unable to react in a number of cases of clear public-private conflict of interest. According to the director of the ACA, during the year there were 6 1/2 times the number of requests for investigations compared to 2014. The ACA was understaffed and under-resourced. The follow-up on its findings and recommendations by other state institutions and officials was very limited. The ACA filed 27 criminal reports against officials. These officials were suspected of not having reported or having falsely reported their assets to the agency with the intention of concealing them.

Corruption: During the year criminal justice and law enforcement authorities initiated a

number of high-level anticorruption cases. In June authorities arrested 29 border police officers and nine customs officers for bribery and smuggling-related offenses. The Internal Control Department of the Ministry of Interior, in cooperation with the OCPO and Hungarian law enforcement, handled the investigation. Law enforcement authorities and OCPO participated in an investigation with several other European countries that led to 69 arrests in June of individuals accused of smuggling drugs. Based on information obtained in the investigation, a Belgrade High Court judge was arrested in July and charged with accepting bribes in exchange for influencing a criminal trial before the Supreme Court.

Financial Disclosure: The law requires income and asset disclosure by appointed or elected officials. Under the law, the ACA oversees the filing of these disclosures and verifies their completeness and accuracy. Declarations are publicly available on the ACA website and upon request. Failure to file or to disclose income and assets fully are subject to administrative and/or criminal sanctions. Disclosures cover assets of officials, spouses, and dependent children. Significant changes to assets or income must be reported annually. Officials also must file a disclosure form immediately after leaving office and must inform the ACA of any significant changes to their assets for two years after leaving office.

The ACA continued to initiate administrative and criminal proceedings against several former and current government officials who failed to file or incorrectly filed asset disclosure forms. During the year it initiated 217 requests for misdemeanor proceedings; a majority of the cases were for failing to report assets. The ACA also filed 15 criminal reports, which is a formal referral of a case to the prosecutor's office, against individuals alleged to have failed to report with an intention to hide assets.

Public Access to Information: The government has not fully implemented the access to information law and generally did not provide access to government information. The law provides for public access to information of "legitimate public importance"--with many exceptions--and establishes an independent commissioner for information of public importance, selected by parliament, to handle appeals when government agencies reject requests for information.

The majority of complaints filed during the year involving access to public information referred to instances of government bodies failing to respond to freedom of information requests. While the commissioner's staff had adequate office space, 60 percent of staff positions prescribed by law were unfilled. The number of cases in which public authorities invoked confidentiality of information without proper legal basis increased, but there were fewer cases in which public authorities qualified freedom of information requests as an abuse of the right to obtain information. The commissioner criticized ministries and state organs for not adopting by-laws to implement their legal obligations.

In June the Whistleblower Protection Law, adopted by the parliament in December 2014, took effect. The government sponsored a public outreach campaign and a series of training events for judges and prosecutors who were affected by the new law.

Slovakia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials. The government did not always implement the law effectively, however, and some officials engaged in corrupt practices with impunity. High-level officials were rarely prosecuted for corruption, despite a series of high-profile corruption cases involving government officials. There were also concerns, particularly in the business sector, about private sector influence over judicial

decisions, and some NGO governance experts reported court proceedings had become a contest between vested interests and persons with connections to the judicial powers. The World Bank's Worldwide Governance Indicators reflected that corruption remained a problem, while Eurobarometer polling from 2014 found that 90 percent of citizens believed corruption was widespread. In February, Transparency International released a survey showing that 95 percent of citizens believed that bribery or corruption existed in the health-care sector, with 64 percent describing it as widespread and 22 percent admitting to paying bribes themselves.

Corruption: On June 18, the Supreme Court sentenced Martin Novotny, a former advisor to then prime minister Iveta Radicova, and Igor Liska, a former ambassador to Kenya, to 18- and 15-month prison sentences, respectively, and fines of 15,000 euros (\$16,500) each. Novotny and Liska were charged with receiving a 30,000 euros (\$33,000) bribe from a businessperson in 2011 and for arranging a subsidy of 300,000 euros (\$330,000) from the Government Office for completing the reconstruction of a biathlon course.

On June 15, 40 opposition lawmakers convened an extraordinary session of parliament to focus on Special Prosecutor Kovacik's activities in investigating the 2011 Gorilla scandal. The scandal involved leaked wiretap files that allegedly implicated politicians, officials, and business executives from the Penta financial conglomerate discussing kickbacks in return for procurement and privatization contracts. The lawmakers proposed a resolution that would require the parliament to investigate the case and express concern over Kovacik's interference in its timely investigation, but the proposal was rejected by members of parliament from the ruling Smer party. As of September, there had been no prosecutions resulting from the case.

In August, after almost seven years, police concluded the investigation into five individuals, including two former ministers of construction and regional development, and recommended that the Prosecution Service initiate indictments against the individuals for public procurement fraud. The case involved a public tender for services worth 100 million euros (\$110 million) that was advertised on only one notice board at the Ministry of Construction and Regional Development. Only one consortium was aware of the tender and took part in it.

In some cases officials who were dismissed for suspected corruption were later reappointed to new positions. In February former ministry service office director Martin Sencak, who was earlier dismissed for suspected corruption after signing overpriced contracts for catering at major hospitals, was appointed to the position of the deputy chairman of the Health-Care Supervisory Authority. Observers criticized Sencak's new appointment, arguing that it was done without a proper selection process.

During the year the government adopted a new anticorruption action plan, which focuses on improving the efficiency of the judiciary, increasing transparency and predictability in the legislative process, and fighting corruption as a means of attracting additional foreign investment. Observers complained that, while the plan included some noteworthy elements, such as a new analytical center for the Ministry of Interior's Anticorruption Police, it was hastily prepared without adequate consultation with experts and civil society.

According to the *Basel AML Index 2015 Report* issued by the Basel Institute on Governance in August, the country was lagging in the fight against money laundering.

Financial Disclosure: The law requires income and asset disclosure by appointed and elected officials and mandates a parliamentary conflict of interest committee to monitor and verify such disclosures. The government made a general summary of the declarations publicly available, and there were penalties for noncompliance. Concerned NGOs observed that the declaration forms did not clearly identify the value of the assets, liabilities, and interests declared.

Public Access to Information: The public had good access to government information, and authorities implemented related laws effectively. In isolated cases authorities refused to disclose contracts by state-owned companies or public institutions, leading watchdog NGOs to file court complaints. The list of exceptions to public disclosure requirements was short, time limits for providing information were brief, and fees for processing information were low. A mechanism for appeals, including judicial review, was available.

NGOs and business associations complained about the lack of predictability and transparency in the legislative process. According to an analysis of the Slovak Business Alliance, nearly half of the 713 proposed amendments to bills during the current parliamentary term were made public either on the same day parliament was going to vote on them or only one day in advance, giving the public little time to analyze and comment on the amendments.

Slovenia

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal and civil penalties for corruption, conflicts of interest, and illegal lobbying by officials. The government did not implement the law effectively, and officials sometimes engaged in corrupt practices with impunity. According to World Bank indicators, corruption continued to be a problem. Although the criminal justice system continued its efforts to detect, investigate, prosecute, and adjudicate high-level corruption cases, the law lacks proper enforcement mechanisms, and the criminal justice system lacks resources.

Corruption: On February 26, the Supreme Court repealed on procedural grounds a report from 2013 accusing then prime minister Jansa and the mayor of Ljubljana, Zoran Jankovic, of financial wrongdoing and failure to disclose financial assets. In June the Commission for the Prevention of Corruption (CPC) repeated the investigation of Jansa and submitted a new report.

On April 23, the Constitutional Court repealed the guilty verdicts in a separate case for bribery against Jansa and two codefendants and ordered a retrial. Subsequently, the Ljubljana local court determined that the statute of limitations had passed and dismissed the cases.

Corruption in higher education was suspected when “Supervizor,” a public funds tracking website, revealed that prominent professors received more than 600,000 euros (\$660,000) in fees (in addition to regular salaries) from the academic departments where they were employed. Minister of Education Stanka Setnikar Cankar stepped down after this information became public.

During the year the CPC received new reports and claims of corruption and issued legal opinions, explanations, and answers to public and private sector entities. It also completed proceedings on reports of suspicions of corrupt practices and other violations of the law. It initiated misdemeanor procedures for violations of the law and continued to offer guidance regarding possible corruption, integrity, lobbying, and conflict of interest. It undertook other measures, such as filing charges, issuing civil and administrative fines, principled opinions, and it requested annulment of business transactions. Media reports suggested that internal infighting hindered the effectiveness of the CPC.

Financial Disclosure: The highest-level officials in the government, parliament, and judiciary, or approximately 5,000 of the country’s 80,000 public employees, are subject to financial disclosure laws. There are administrative sanctions if these provisions are not

respected. The government does not make this information available to the public, but it can become public record in other procedures (i.e., criminal, tax cases, etc.). The CPC can issue advisory opinions regarding prosecution.

Public Access to Information: The law provides for public access to all government information, and the government provided such access to both citizens and noncitizens, including foreign media. While the law provides for release of information without charge, the government allows state bodies to charge for information to cover the cost of materials and labor. This resulted in a deterioration of access to public information since media and citizens received bills of as much as 1,500 euros (\$1,650) to obtain documents.

Spain

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively, although prosecutions and convictions for corruption were rare compared to the complaints filed.

Corruption: According to the Attorney General's Office, in 2014 there were 17 guilty sentences, 35 new criminal cases were opened (compared with 55 in 2013), and there were 340 allegations of corruption.

The constitution provides for an ombudsman who investigates claims of police abuse. From January to August 17, the national ombudsman filed 896 ex officio judicial complaints, more than double the number of complaints filed in 2014. In 2014 the Office of the Ombudsman processed 23,186 complaints, a slight increase from the 22,692 complaints filed in 2013. The Anti-Corruption Prosecutor's Office and the Court of Auditors handled investigations and prosecutions of corruption cases, while the office of the Secretary of State for Public Administration was responsible for policy development. They collaborated effectively with civil society, operated effectively and independently, and received sufficient resources.

During the first six months of the year, security forces arrested 201 persons in anticorruption operations.

On April 16, police searched the home and office of former International Monetary Fund managing director Rodrigo Rato, who also served as the country's minister of economy and vice president in the government of Jose Maria Aznar. The government accused Rato of money laundering, tax evasion, and fraud stemming from repatriation of capital to the country during a fiscal amnesty in 2012 which permitted evaders to regularize their undeclared assets with a one-off payment of 10 percent of their value. The tax office identified Rato's as one of 705 suspicious cases and turned the case over to the Ministry of Economy's Service for the Prevention of Money Laundering for further investigation. Rato was also involved in a case that began nearly three years ago to examine whether former Bankia managers misstated earnings before listing the bank on the Spanish stock market.

Financial Disclosure: Public officials are subject to financial disclosure laws and are required to publish their income and assets on publicly available websites each year. There are sanctions for noncompliance. The Ministry of Finance and Public Administration is responsible for managing and enforcing the law regarding conflicts of interest.

Public Access to Information: The law mandates public access to government information. The government implemented the law effectively.

Sweden

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented these laws effectively. There were isolated reports of government corruption during the year.

Corruption: A special unit in the office of the Swedish Prosecution Authority prosecutes cases involving corruption. Fifteen investigations initiated by the unit over the past 12 years resulted in convictions during the year.

Financial Disclosure: The law requires public officials and political parties to disclose income and assets. The declarations are available to the public, and there are criminal and administrative sanctions for noncompliance.

Public Access to Information: The constitution and law provide for public access to government information, and the government generally granted such access to citizens and noncitizens, including foreign media.

Switzerland

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government generally implemented the law effectively. There were isolated reports of government corruption during the year.

Corruption: In its second interim report, the Group of States against Corruption referred to the government's progress on fighting corruption as "overall unsatisfactory." The report reprimanded the government's continued lack of statutory regulations on political party financing. In September parliament passed legislation making bribery in the private sector a criminal offense. Federal police and public prosecutors also adopted an anonymous whistleblower hotline for members of the public to report suspicious activities to state authorities.

In March authorities dismissed, without notice, an employee of the State Secretariat for Economic Affairs (SECO) for accepting money and gifts worth thousands of Swiss francs in exchange for granting inflated and favorable business contracts to select information technology companies over the course of several years. The case received considerable media attention. The employee reportedly granted one company a six million Swiss franc (\$6 million) contract in 2013. In February police arrested a SECO executive in connection with the case but released him shortly thereafter without charge. The Office of the Attorney General ordered the pretrial detention of one business manager connected to the case and continued investigations of two other individuals; these investigations were pending as of November.

Financial Disclosure: Members of the Federal Assembly must disclose annually their financial interests, professional activities, supervisory board or executive body memberships, and activities as consultants or paid experts. Investigating and prosecuting government corruption is a federal responsibility. A majority of cantons required members of cantonal parliaments to disclose their financial interests.

Public Access to Information: The constitution requires the government to inform the public about its activities, and government information was available to all persons living in the country, including foreign media. A transparency law provides for public access to government documents. Authorities enforced the law, and access to public information was readily available.

Turkey

Section 4. Corruption and Lack of Transparency in Government

While the law provides criminal penalties for official corruption, the government did not implement the law effectively, and some officials engaged in corrupt practices with impunity. The EU progress report noted the country had not made progress in limiting the immunity of members of parliament and senior public officials in corruption-related cases or in establishing objective criteria for lifting their immunity.

Corruption: There was no established pattern of or mechanism for investigating, indicting, and convicting individuals accused of corruption, and there were concerns about the impartiality of the judiciary in the handling of anticorruption cases.

A major corruption scandal allegedly involving then prime minister Erdogan, his children, and close political advisors and business associates wound down in 2014 after the prosecution decided against pursuing cases against government officials. The scandal originally broke in 2013 and was fueled by the leak of dozens of alleged wiretap recordings in February and March 2014. By the end of 2014, most cases opened against government officials accused of corrupt dealings had been closed. During the year prosecutors instead indicted four prosecutors and one judge who had conducted the initial investigation.

On June 16, the Ankara Fifth Criminal Court of Peace announced it would file a summary proceeding against Kemal Kilicdaroglu, leader of the CHP, for disclosing audio recordings purportedly showing that President Erdogan ordered his son, Bilal, to dispose of large amounts of cash. The original recordings were released anonymously on the internet in early 2014 in conjunction with the 2013 corruption allegations connecting the Erdogan family and other high-ranking members of the AKP and their business contacts to corrupt business and political practices. Kilicdaroglu played the recordings during a CHP meeting in February 2014. This was the second attempt to prosecute Kilicdaroglu on these charges, following a case filed by President Erdogan in 2014, which the prosecutor's office at that time decided not to pursue.

The International Transparency Association of Turkey (ITA) alleged that the governing party, the AKP, used public funds inappropriately during the June 7 election. The ITA filed complaints with the Supreme Election Board, but received no response. The ITA also noted that the decision not to pursue prosecutions of government officials in connection with the 2013 corruption scandal-related allegations created a situation of impunity and negatively impacted the fight against corruption.

The ITA also reported that the corruption perception index in the country in 2014 fell five points. According to the ITA, a survey conducted in April showed the public believed the government was unsuccessful in fighting corruption.

Financial Disclosure: The law requires certain high-level government officials to provide a full financial disclosure, including a list of physical property, every five years. Officials generally complied with this requirement. The Prime Ministry's Inspection Board, which advises the Corruption Investigations Committee, is responsible for investigating major

corruption cases. Nearly every state agency had its own inspector corps responsible for investigating internal corruption. Parliament can establish investigative commissions to examine corruption allegations concerning cabinet ministers or the prime minister, but that mechanism was ineffective. A majority may vote to send such cases to the courts for further action. There was no coordination with civil society on oversight.

Public Access to Information: While the law provides for public access to government information, the government occasionally rejected applications on national security grounds. The law restricts access to information pertaining to state secrets, as well as information concerning the privacy of individuals and intellectual property. The law requires institutions to provide requested information within 15 or 30 working days, depending on the volume of the request. If the government needs additional time, the applicant must be informed of the extension and the underlying rationale within 15 working days. Processing fees, which observers considered reasonable, are waived if the information can be obtained and provided via e-mail. Officials and other civil servants who negligently, recklessly, or deliberately obstruct the law are subject to disciplinary sanctions.

Denials of requests for information are subject to appeal. Within 15 days from the date of official notification, an applicant whose request for information was rejected may appeal to the Board of Review of Access to Information, which then has 30 days to render a decision. Following the board's decision, individuals may also appeal for judicial review in an administrative court.

Ukraine

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption, although authorities did not effectively implement the law, and some officials engaged in corrupt practices with impunity. While the number of reports of government corruption was low, it remained pervasive at all levels in the executive, legislative, and judicial branches of government and in society. During the year the country made some progress on establishing anticorruption institutions mandated in 2014 legislation and appointed a special anticorruption prosecutor, but these newly established institutions had yet to become fully functioning by year's end, sparking widespread public criticism.

Corruption: While the government publicized several attempts to combat corruption, it remained a serious problem for citizens and businesses alike. While authorities tried a large number of corruption cases, they were almost exclusively minor violations. Despite reports of cases initiated against high-level officials, authorities did not bring any such cases to trial or formally lay charges. For example, on January 29, the State Financial Monitoring Service blocked \$1.5 billion (36 billion hryvnias) in accounts linked to officials in former president Yanukovich's regime; however, prosecutions of these officials remained delayed. The government has received significant criticism for its lack of progress in bringing these cases to court, or in some cases allowing the alleged perpetrators to travel to Russia.

Members of the Verkhovna Rada are immune from prosecution. Judges may not be arrested or detained before courts convict them, unless the Verkhovna Rada rescinds their immunity.

On January 25, a 2014 anticorruption law took effect that provides for the formation of two new governmental bodies, the National Agency for Prevention of Corruption and the National Anticorruption Bureau. The National Agency for Prevention of Corruption (the

National Agency) is responsible for implementing the development of national anticorruption policies, monitoring national compliance with anticorruption legislation, and verification of asset declarations of high officials. The 2016 budget, however, contained provisions that delayed the requirement for public officials to declare assets until the start of 2017.

The selection process for the National Agency or the Prevention of Corruption continued at the end of the year. The law designates the National Anticorruption Bureau as the lead investigator of allegations of corruption by senior government officials at all levels, including the president, members of the Cabinet of Ministers, members of the Verkhovna Rada, and local governors. Many observers criticized the government for the lengthy process of constituting the bureau. On December 1, authorities appointed Nazar Kolodnitskiy as lead anticorruption prosecutor, which observers called a step towards establishing the bureau's capacity to prosecute high-level corruption.

On December 9, the president signed the law on National Agency of Ukraine for Detection and Management of Assets Obtained through Corruption and Other Crimes, regulating asset confiscation and recovery procedures. The law intends to create a single-source for the detection, investigation, and management of assets derived from corruption and other crimes. The government tasked the agency to search for illegally gained assets and to manage the assets after their seizure. The law envisions the agency maintaining its operations from the proceeds of asset management. The public council and the commission for external control would supervise the agency in a manner similar to the National Anticorruption Bureau of Ukraine. The law requires these entities to publish an annual report on the work of the agency's work.

On April 26, a law came into effect requiring companies to have internal compliance programs. The law applies to almost all companies that participate in public tenders and to state-owned enterprises that are above a specified size. The law requires companies to appoint a compliance officer who reports to shareholders and also has responsibility for implementing company compliance programs. The law also encourages companies to: define the responsibilities of shareholders and employees with respect to anticorruption compliance, establish procedures for reporting misconduct and protecting whistleblowers, develop programs to raise employee awareness of anticorruption efforts, establish mechanisms for holding employees liable for violations, and include compliance provisions in contracts with third parties.

Implementation of a 2014 law on lustration resulted in dismissal of large numbers of state officials in some institutions during the year, in particular 42 percent of the employees of the State Fiscal Service (SFS) central office and 15 percent of regional SFS offices in October.

Financial Disclosure: The law mandates the filing of income and expenditure declarations by public officials and a special review process, allows for public access to declarations, and sets penalties for either not filing or for filing a false declaration. Previously, regulations required public servants to file income declarations, but there was no mechanism for review or penalties for filing false declarations.

By law the National Agency on Corruption Prevention is responsible for reviewing financial declarations and monitoring the income and expenditures of high-level officials, but the process of declaration verification has not started and will only begin after the National Agency of Corruption Prevention is operational.

The country made several steps to enable asset declaration verification by the public. In particular, during the year the government opened the Real Estate Registry, the Land Cadaster, and the Registry of Vehicle owners for public access, enabling public verification of property declarations of government officials.

Public Access to Information: The constitution and law require authorities to provide

government information upon request, unless it pertains to national security. By law officials must respond to regular requests within five days and within 20 days to requests for large amounts of data. Requesters can appeal denials within agencies and ultimately to the court system. Instructions for filing information requests are now a common and conspicuous component of government websites. The implementation and training of officials on the regulations on public access to information requirements remained inadequate.

Ukraine - Ukraine (Crimea)

Section 4. Corruption and Lack of Transparency in Government

There were no known requirements for Russian occupation authorities or their agents to file, verify, or make public any income or asset disclosure statements, nor is there a mechanism to provide for public access to information about their activities.

There were multiple reports during the year of rampant corruption among Crimean “officials,” including reports of embezzlement of Russian state funds allocated to support the occupation. For example, in June the FSB opened corruption cases against three prominent officials: Andrei Skrynnik, the peninsula’s “minister of industrial policies”; Nikolai Kochanov, the region’s “tax inspection chief”; and Dmitri Petrov, the “port chief of Yalta.”

United Kingdom

Section 4. Corruption and Lack of Transparency in Government

The law provides criminal penalties for corruption by officials, and the government implemented the law effectively. In the UK there were no reports of government corruption during the year.

Corruption: In July documents from the Bermuda Supreme Court leaked to online radio station MAGIC included an affidavit filed on July 2 by Allied Trust and Allied Development Partners Ltd. on behalf of would-be waterfront developer Michael MacLean. MacLean alleged that former premier Member of Parliament (MP) Craig Cannonier, former attorney general MP Mark Pettingill, and Minister of Home Affairs Senator Michael Fahy offered to endorse his lease plans in exchange for bribes for 1 million-5 million Bermudian dollars (BD\$), equivalent to \$1 million -5 million, each. Premier Dunkley and the accused vehemently denied the allegations. The BPS investigated, but there were no charges at the end of the year.

Financial Disclosure: All MPs are required to disclose their financial interests. The *Register of Members’ Interests* is available online and updated regularly. These public disclosures include paid employment, property ownership, shareholdings in public or private companies, and other interests that “might reasonably be thought to influence” the member in any way. The Scottish Parliament, the National Assembly for Wales, the Northern Ireland Assembly, and the Bermudian Parliament have similar codes of conduct for members. Under the ministerial code issued by the Prime Minister’s Office, ministers must follow standards of conduct, including the disclosure of gifts and travel. The UK publishes the names, grades, job titles, and annual pay rates for most civil servants with salaries greater than 150,000 pounds (\$225,000). Government departments publish the

business expenses of and hospitality received by their most senior officials.

Public Access to Information: The law provides for public access to information, and authorities routinely granted access to citizens and noncitizens, including foreign media. Authorities implemented the law effectively.

In Scotland the law gives everyone the right to ask for any information held by a Scottish public authority. The Scottish Information Commissioner is responsible for enforcing and promoting this legislation and implemented the law effectively. The commissioner sometimes responded to requests late.

Bermuda began implementing public access to information legislation on April 1. The government responded to, or was in the process of responding to, 75 requests as of the middle of December.