



**Republic of Macedonia
State Commission for
Prevention of Corruption**

***"Conflict of Interest Prevention,
Tools and Measures"***

**Tirana, Albania
20 – 21 January, 2011**

***Cvetko Mojsoski
Member of SCPC***

***Vladimir Georgiev
State Adviser
SCPC***



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LAW ON PREVENTION OF CONFLICT OF INTERESTS

The State Commission for Prevention of Corruption is competent authority for the implementation of this law

Article 2

The aim of this law is to ensure the prevention of the abuse of public authorizations and duties of Official persons for the purpose of achieving personal gain or gains for related persons to him/her and to ensure the prevention of the possibility for the private interest of an official to jeopardize the public interest

Article 3

“Conflict of interests” shall mean a conflict between the public authorizations and duties and the private interest of an official person, wherein the private interest of the official person has or could have an impact on the performance of his/her public authorities and duties



Official Person

Article 3, Paragraph 2

Official person, within the meaning of this law shall be the President of the Republic of Macedonia, the members of parliament, the mayors, the ambassadors and other persons appointed by the Republic of Macedonia to positions abroad; the persons elected or appointed to and by the Parliament of the Republic of Macedonia and the Government of the Republic of Macedonia, the state administration authorities and other state authorities, the judicial authorities, public enterprises, institutions, other legal entities of the central government and the local authorities, the civil servants and the employees in the state administration authorities and other state authorities, the judicial authorities, public enterprises, institutions, other legal entities of the central government and the local authorities, the counselors in the municipal councils, the counselors in the council of the city of Skopje, as well as persons employed through the agencies for temporary employment with authorizations specified by law

Related Persons

Article 3, Paragraph 1, Line 5

“(Close) Related persons” are persons in wedlock or a non-marital relationship with the Official person, his/her lineal blood relatives and lateral relatives up to the fourth degree, adoptive parent or adoptee, in-laws conclusive with the second degree of relation, as well as any natural person or legal entity with which the Official person has a private interest.

Restrictions (Official persons vs Related persons)

Article 5

(1) In discharging the public authorisations and duties, the Official person must not be steered by personal, family, religious, political or ethnical interests, pressures or promises from his/her superiors.

(2) The Official person must not:

- solicit or accept awards or services in order to vote or not to vote or to influence the adoption of a decision by a body or person so as to gain benefits for him/herself or benefits for Related persons to him/her,

- influence the decision making on public procurements or in any other way to use his/her position in order to influence an adoption of a decision with a view to accomplishing private interests or benefits for him/herself or for Related persons to him/her.

Restrictions (Official persons vs Related Persons)

Article 9

Any Official person that, before he she started to perform public authorizations or before he/she became a civil servant, or before he/she was employed as a person with special duties and authorizations specified by law, owned and managed a commercial company or an institution, shall be obligated, while performing the public authorizations or duties, to entrust the management to a another person or a separate body, with the exception of the persons stipulated in article 3, paragraph 1, line 5 of this law (Related persons)."

Related persons and financial disclosure

- Assets declaration (Law on Prevention of Corruption)
- Statement of Interests (Law on Prevention of Conflict of Interests)
- Who submit?
 - Assets declaration:
 - Elected or appointed officials
 - Civil servants
 - Statement of interests
 - Elected or appointed officials
 - Civil servants
 - Public administration

Assets declarations (Law on Prevention of Corruption)

- ❑ **Obligation to submit an Asset declaration:**
 - ❑ Elected or appointed officials, submit Assets Declarations to the SCPC and the Public Revenue Office, reporting on their property and the property of their household members, and any change of the assets' status (above 20 average monthly salaries – approx. 5000 EUR)
 - ❑ A statement of the Official person certified by a notary for revoking the protection of banking secrecy in regard to all domestic and foreign bank accounts is a part of the Assets Declaration
 - ❑ Civil servants in state authorities, municipal administration and the administration of the city of Skopje, submit Assets Declarations to the authority where they are employed

- ❑ **Amendments to the Law in 2006 introduced publishing of the data of the Assets Declarations of elected/appointed officials on the WEB page of the SCPC**
(December 2010 – 2499 published assets declarations)

Content of the Asset Declaration and deadline for submission

- ❑ **The Asset Declaration contains information about:**
 - real estate
 - movable objects of large value
 - securities
 - claims and debts
 - other assets owned by the Official person or members of his/her household

- ❑ **The asset declaration also indicates the basis for acquiring the assets**

- ❑ **Deadline for submission – 30 days:**
 - from the day of election, appointment or employment
 - for each increase of the assets by more than 20 average monthly salaries
 - after the termination of the function or the employment

Sanctions for failure to submit Asset declaration

- ❑ **Misdemeanor charge before a competent court – envisaged fine 500 – 1000 euros for failure to submit an asset declaration or failure to report changes to the assets**

- ❑ **Instigation of a procedure to investigate the assets – based on:**
 - **failure to submit an asset declaration**
 - **failure to provide data in the asset declaration**
 - **information provided is incomplete or false**
 - **failure to report any increase of the assets**
 - **disproportionate increase of the assets in relation to the regular income**

Procedure for investigating the assets

- ❑ **The procedure is instigated:**
 - upon an initiative from the SCPC
 - ex officio by the Public Revenue Office

- ❑ **Procedure for investigation of the assets is conducted by the Public Revenue Office**

- ❑ **If in the proceeding it is not proved that the property has been obtained, that is, increased as a result of regular incomes, which have been reported and taxed, the PRO will make a decision for the Official person to impose a tax – person income tax levied with a rate of 70%**

STATEMENT OF INTERESTS

Article 20-a

- **The President of the Republic of Macedonia, the members of parliament, the mayors, the ambassadors and other appointed officials of the Republic of Macedonia abroad, the elected and appointed officials in and from the Parliament of the Republic of Macedonia and the Government of the Republic of Macedonia, the state administration authorities and other state authorities, the judicial authorities, the public enterprises, the institutions, other authorities of the central and local governments determined by law shall be obligated to file a statement of interest to the State Commission, within 30 days from the day when they have assumed office**

STATEMENT OF INTERESTS

Article 20-b

The civil servants and the employees in the state administration authorities and other state authorities, the judicial authorities, the public enterprises, institutions and other legal entities of the central and local governments determined by law, as well as persons employed through temporary employment agencies with authority, shall, within 30 days, submit a statement of interests to the authorities where they perform their duties or where they are employed

Content of the Statement of interests

- ❑ **The Statement of interests contains information about:**
 - **public authorization and duty**
 - **another public authorizations and duties**
 - **ownership, partnership, membership of the steering or supervisory boards in companies**
 - **membership in any association of citizens or a foundation**
 - **engagements of (close) related persons**

Sanctions for failure to submit Statement of Interests

- ❑ Misdemeanor charge before a competent court – envisaged fine 1000 – 3000 euros for failure of the Official person to submit a Statement of interests**

Sanctions applied to Related persons

- No direct sanctions

Statement of interests

□ Weaknesses / Challenges

- Not well enough defined provisions for Statement of interests (when to submit, very extensive scope of persons who are obliged to submit the SI, the same persons submit both AD and SI, no clear procedures for checking / verification of data in the SI)

State Commission for Prevention of Corruption

Thank You



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