

CENTRE FOR PUBLIC POLICY  
**PROVIDUS**

## **Final report**

For the project *Monitoring of Anti-corruption Law Making in  
Latvia*

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I General information.....	3
II Implementation of the project .....	4
1. Draft Law on Political Parties.....	5
A. General events regarding the draft Law on Political Parties.....	5
B. Activities of Providus regarding the draft Law on Political Parties – until the second reading .....	5
C. Activities of Providus regarding the draft Law on Political Parties – after the second reading .....	8
D. Assessment: impact, sustainability and lessons learned .....	9
2. Amendments to Law on the prevention of Conflict of Interests.....	10
A. General events regarding the amendments to the Law on the prevention of Conflict of Interests.....	11
B. Activities of Providus regarding the amendments to the Law on the prevention of Conflict of Interests .....	11
C. Assessment: impact, sustainability and lessons learned .....	15
3. Draft Law on Pre-Election Agitation.....	18
A. General events regarding the Law on Pre-election Agitation .....	18
B. Activities of Providus regarding the Law on Pre-election Agitation.....	19
C. Assessment: impact, sustainability and lessons learned .....	23
III Provisional information on project expenditure .....	26
ANNEX 1 - List of opinions, articles and discussions within the framework of the project	
ANNEX 2 - Providus initial proposals to draft law on Political parties	

## I General information

According to the project proposal submitted by the Centre for Public Policy PROVIDUS (Providus) to The Partnership for Transparency Fund (PTF), Providus requested financial support of the PTF for its proposal to help ensure that new legislation then under consideration in Latvia, when adopted, contains the most effective measures to prevent corruption.

In particular – the new legislation under consideration was a draft Law on Political Parties, draft Law on Pre-election Agitation, amendments to the Law on the Prevention of Conflict of Interest.

For the Law on Political Parties the principal aims were: to prevent parties from circumventing legal restrictions, which apply to the financing of parties, to ensure adequate internal democratic procedures, which would allow grassroots members to hold the leaders of their parties accountable, and to impose sufficient requirements for the transparency of parties vis-à-vis the broader public, e.g. open general meetings of party members. For the Law on Pre-election Agitation, it was important to make sure that agitation rules, to the extent possible, prevent parties and candidates from being able to circumvent statutory limits on campaign expenditure. As for the amendments to the Law on the Prevention of Conflict of Interest, a number of loopholes had been identified during the implementation of this law, which required relevant amendments.

To achieve this objective, Providus proposed to engage an individual to carry out the following tasks:

- Analyze particular relevant provisions in the above draft laws;
- Monitor the preparation and adoption process of these drafts in the Government and Parliament;
- Prepare and submit concrete proposals to the Government and Parliament;
- Participate in person at the deliberations over the draft legislation;
- Publish articles and/or organize public debates on particular aspects of draft laws to raise public awareness and mobilize expert opinions on the issues in question.

The duration of this project was agreed to be one year from the time of project approval, which was the estimated period, during which the Parliament was expected to complete the review of the relevant pieces of draft legislation. As mentioned in the project proposal - the plan and actual sequence of particular activities was expected to depend on the legislative process for each particular piece of legislation.

In mid-January 2005 Providus posted a job vacancy announcement for a position of a half-time policy analyst on the web site [www.politika.lv](http://www.politika.lv) as well as circulated the announcement in several higher education establishments in Latvia. All in all 9 candidates submitted job applications of whom two were invited for an interview. The final selection chose Ms. Iveta Kazoka who is a graduate of political science BA program and a student of law at the University of Latvia. She was employed as a policy analyst for the implementation of the project. Five other policy analysts, employed by Providus, devoted their time and shared their experience for this project.

In total, - within the framework of the project – Providus prepared 5 conclusions (opinions) for the draft laws under consideration that were sent to policy-makers, 8 articles were published and 3 roundtables/seminars organized (see them listed in Annex 1).

In accordance with the conditions that the grant was accorded to Providus, Providus now submits a final report summarising the implementation of the project and its outcome and assessing its impact on reducing corruption in Latvia, its likely sustainability and the lessons learned. Full certified accounting of expenditures under this project will be provided no later than April 15, 2006.

## **II Implementation of the project**

## **1. Draft Law on Political Parties**

### **A. General events regarding the draft Law on Political Parties**

- The draft Law on Political parties was adopted by Parliament in the first reading on 10.02.2005
- The *Parliamentary Subcommittee for Drafting Laws Regulating NGOs of the Public Administration and Local Government* was working on the draft law from April 2005 to November 2005. Principal issues of disagreement were:
  - The proposal by the Fatherland And Freedom/LNNK parliamentary group to increase the required number of party constitutors from 200 to 500 constitutors.;
  - The proposal by New Era parliamentary group to prohibit participation in elections for those parties and party unions registered less than a year before elections;
  - Various proposals on the subject of required Latvian citizenship for members of political parties.
- The draft Law on Political parties was adopted by Parliament in the second reading on 01.12 2005.
- The Parliamentary Subcommittee for Drafting Laws Regulating NGOs of the Public Administration and Local Government committee started the process of preparing the draft law for the third (final) reading on January 2006. The deliberations are still on-going and it is likely that Parliament will vote on this law by the end of spring 2006.

### **B. Activities of Providus regarding the draft Law on Political Parties – until the second reading**

In March 2005, analysis done by Providus policy analysts showed that the Law on Political parties:

- did not contain measures to prevent parties from circumventing legal restrictions, which apply to the financing of political parties,
- did not provide for adequate internal democratic procedures which would allow grassroots members to participate and contribute to the most important matters decided by political party,
- did not impose sufficient requirements for the transparency of parties both vis-à-vis the grassroots members and the broader public,
- did not provide for sufficient supervision over compliance with party financial requirements.

On March 18 2005, Providus submitted to the responsible committee (Public Administration and Local Government Committee) 28 concrete proposals for necessary changes to the draft law. These proposals were elaborated by various Peovidus employees both during the stage while the draft law was still being processed in the Cabinet of Ministers and after it was already adopted in the first reading by Parliament. Proposals were accompanied by extensive background information as to the necessity and justification of changes to the draft law. Those

were sent to all parliamentary factions and all the members of parliament working in Public Administration and Local Government Committee.

As Providus employees had previously been involved in advocacy activities in parliamentary committees, existing contacts with members of parliaments facilitated possibilities to meet the members of Parliament in person in order to explain to them the opinions of Providus. These activities as well as constructive co-operation with parliamentary committees in the past allowed Providus to convince the members of parliament to consider the proposals and to permit Providus representatives to participate at the deliberations of proposals.

A policy brief was prepared by Providus, outlining the most important proposals and aims of the new Law on Political Parties. Copies of this policy brief were submitted to the Public Administration and Local Government committee.

In April 2005, parliamentary subcommittee for Drafting Laws Regulating NGOs of the Public Administration and Local Government Committee started to review the draft law article by article. Deliberations took place until June 2005 and then resumed in September, 2005. Deliberations proceeded at a slow pace that was dictated by politically sensitive subject matter of this draft law – less than half of the draft law had been reviewed until close of the spring session on June 23. Providus representatives were present in each meeting of this subcommittee. Providus policy analysts participated in the discussions of the subcommittee, mostly to explain the necessity of their submitted proposals, but also to make comments on those, submitted by members of parliaments and parliamentary groups. Some new proposals had been elaborated by Providus both on the spot and in-between the meetings.

In 01.12.2005 the draft law was accepted in the second reading. Please see annexed the information on Providus initial proposals (ANNEX 2) .

Several of the most important Providus' proposals accepted in the second reading were the following:

- To provide for an obligation for political parties, when conducting their economic activities, to refrain from any action which could, in a direct or indirect way, be intended to circumvent the existing restrictions on party financing;
- To oblige the political parties to conduct their economic activities in a transparent way and in their own name;
- To define the aim of the draft law in such a way as to include the principle of internal democracy;
- To oblige political parties to make their candidate selection procedures (for local, national and EU elections) transparent and accessible to both their members and broader public;
- To strengthen internal financial audit requirements by providing for both internal (by internal audit commission) and external audit (by certified auditor) of party economic activities;
- To refrain from political party internal conflicts of interest by prohibiting to a person be simultaneously the member of political party board and the auditing commission;

- To prohibit political parties from directly performing state administration functions;
- To enlarge the rights of party members in comparison with the previous wording of the article;
- To list the most important powers of the principal party representative institution (*so-called party members' meetings or party congresses*) in this law, including the right to adopt and make amendments to party statutes and political programme and to elect party institutions and officials;
- To diminish the term of office of the executive institution (board) from 5 to 2 years and to introduce a secret ballot as a general principle of its election;
- To provide for an article which underlines the necessity for political parties to develop an extensive territorial structure, so that party members have an opportunity to participate in party deliberations close to their residence.

Several of Providus proposals were not adopted. Most important of which concern the increase of the rights of grassroots members (for example, their right to appeal in court those party decisions, that were adopted in contravention of procedures stipulated in law or party statutes), specific proposals concerning party economic activities (such as prohibition for political parties to create enterprises or to hold shares in companies partly owned by the state or municipalities), suggestion to make the meetings of party board accessible to other party members, and proposals regarding general party decision-making (such as obligation for all party institutions – for example, auditing commission – to comply with elementary democratic decision-making procedures, such as – adoption of a decision by at least a majority of the members present).

Two of Providus proposals proved to be particularly controversial during the deliberations: that of the restriction on party economic activities and that of candidate selection procedures for elections.

*Proposals concerning the economic activities of political parties*

Unlike most of the members of subcommittee, Providus believed that the very general legal rule that was included in the draft law was insufficient to prevent parties from circumventing legal restrictions, which apply to the financing of political parties under the pretext of economic activities. Due to strong objections of Providus towards the existing regulation, in spring 2005 the subcommittee decided to postpone deciding on this issue and resume deliberations later. In autumn 2005 the members of subcommittee still refrained from including a detail regulation regarding these matters, but agreed on a broad, good faith norm to refrain from any action which could, in a direct or indirect way, be intended to circumvent the existing restrictions on party financing. Additionally, the existing restrictions on party economic activities (such as requirement for these activities to be no-profit) were increased.

*Proposals concerning candidate selection procedures for elections*

Likewise, Providus identified one major, yet unacknowledged problem concerning political parties of Latvia: that of the lack of democratic procedures regarding

selection of party candidates for elections. In order to explore this problem, Providus organized informal meetings with representatives of Latvian political parties. They were asked about their parties' experience in this area and their own assessment of the democratic or undemocratic nature of candidate selection procedures. In addition, Providus learned about their sentiments towards Providus proposals for the draft law in this area. Some alerting trends emerged from these discussions: for some parties the candidate-selection process is controlled by a narrow group of party elite, and there might have been cases when the place in party list has been bought.

As it became clear that this is an issue of particular sensibility to Latvian political parties and none was willing to accept any regulation regarding candidate selection procedures, an article for Latvian largest daily newspaper "Diena" was written. It was published not long before this question was to be discussed in Saeima. Even though the subcommittee rejected Providus' proposal to insert a new chapter in the draft law with a detailed regulation for candidate selection procedures, it was agreed in principle that this question would be re-assessed after the draft law is adopted in the second reading.

### **C. Activities of Providus regarding the draft Law on Political Parties – after the second reading**

After the draft law was adopted in the second reading, Providus submitted some more proposals for the third reading. They concerned 3 subject matters:

- 1) To specify the principle of internal democracy and:
  - i. To give the rights to party members to decide on election candidate nomination procedures;
  - ii. To provide that party decisions can be reviewed by a court if they are adopted in violation of procedures established by law or party statutes (such a procedure is provided by law for NGO's and enterprises, so there is no reason why party members shouldn't enjoy this right)
- 2) To provide that in the board of party unions there should be at least one member from each party that the party union consists of.
- 3) To provide that status of party unions is dependent on their constitor parties, in order to prevent political parties from endlessly seceding from one party union and joining the others in order to escape the responsibility for their wrong-doings and misleading the voters as to which parties are responsible for electoral promises of the party union.

Providus policy analysts continued to participate in the deliberations of parliamentary subcommittee for Drafting Laws Regulating NGOs of the Public Administration during January-March 2006. The work on this draft law is ongoing at the time of writing this report – at the moment it seems that Providus proposals regarding party unions will not be adopted, but the subcommittee has accepted the proposal on candidate selection procedures.

## **D. Assessment: impact, sustainability and lessons learned**

Overall, the Political party law monitoring proved to be the most successful component of the project: Providus was involved in nearly all the parliamentary deliberations on this law and many of its suggestions were accepted.

Still there is a need to be cautious because it is not yet certain whether and when it will be adopted in the third reading. It should presumably be the end of spring-beginning of summer 2006, but that may change because of upcoming elections. If it is adopted with more or less the same text it has at the moment, this law would certainly be substantially clearer than the existing regulation of political parties'. What is even more important – it wouldn't contain any corruption-stimulating norms, but, instead, would include some anti-corruption measures and increase the standard of party members' rights.

The contribution from non-governmental sector was particularly valuable because of the need to obtain an impartial opinion from someone outside party politics. That was unlikely to come from the political parties themselves because of their real or perceived interest in fitting the general framework of party activities to their political needs.

### As to the impact

Overall, if we put aside concerns about the ultimate faith of this law, the project met its targets. There are no norms in the draft law (adopted in the 2<sup>nd</sup> reading) that would rise a particular concern from the anti-corruption point of view. Providus policy analysts actively participated in deliberations over the law, commented on various proposals by political parties, by individual parliamentarians or by line ministries, and many of Providus proposals were transposed into law.

The most important suggestions from corruption prevention standpoint were the following:

- To provide for an obligation for political parties, when conducting their economic activities, to refrain from any action which could, in a direct or indirect way, be intended to circumvent the existing restrictions on party financing;
- To oblige the political parties to conduct their economic activities in a transparent way and in their own name;
- To strengthen internal financial audit requirements by providing for both internal (by internal audit commission) and external audit (by certified auditor) of party economic activities;
- To refrain from political party internal conflicts of interest by prohibiting to a person be simultaneously the member of political party board and the auditing commission;

If these norms remain when the law is adopted in the third reading (and they are almost certain to stay in this law), then those parties that would want to circumvent the detailed restriction on party financing would face additional difficulties. Nevertheless, there still are some problems – for example, the

parliamentary commission was unwilling to solve issues with party owned shares or companies created by parties.

The impact is no less with respect to Providus' proposals regarding internal party democracy. Several of the most important Providus' proposals accepted in the 2<sup>nd</sup> reading or provisionally approved by parliamentary committee (during deliberations for the 3<sup>rd</sup> reading) concern the standard of internal democracy which should allow party members to influence major party decisions and hold party leaders accountable if they would want to engage in corrupt activities.

What is more tangible: Providus brought into daylight the problem of secret and undemocratic (in some cases – corrupt) candidate selection procedures in Latvian political parties. Since then mass media focus more than they did before on how the parties are nominating their candidates. Principle of party internal democracy has also come into fashion – parties are starting to publicly evaluate themselves and others by the standard of internal democracy, that undoubtedly motivate them to expand the existing standard of rights given to party members.

#### As to the sustainability

Providus policy analysts will continue to attend deliberations at the parliamentary committee until the law is prepared for the third reading. There is still some danger that some questionable norms may be introduced into the law or some anti-corruption norms erased (such as – presumption that the political party board is liable for fulfilling the political party's obligations under law; restrictions on reorganization of a party).

If the law is adopted approximately as it is right now, then the level of sustainability for this project will be high – because this would likely be one of those “sensitive” laws that politicians tend to refrain from amending.

For Providus as a non-governmental organization the knowledge obtained as a result of this project (for instance – knowledge on the political party regulation and practice in other countries; knowledge on legislative aim and deliberations behind each of the norms of the Political party law ) will be much needed in future.

#### As to the lessons learned

- 1) Providus policy analysts learned much about the process of deliberation and decision-making procedures in Latvian parliament - what they depend upon, which proposals are realistic and which are not, how to present ideas so that they are not rejected under a pre-text of technical considerations;
- 2) There is virtually no research on inner workings of political parties which caused problems while working on this law.. Also it turned out that there is virtually no information on party economic activities (for example – rent, sale of party newspapers, souvenirs etc.); that probably identifies a need for a more detailed regulation in Party financing law or some additional research.
- 3) The legislative process in Latvia proved to be slower than envisaged.

## **2. Amendments to the Law on the prevention of Conflict of Interests**

## **A. General events regarding the amendments to the Law on the prevention of Conflict of Interests**

- In July 2004 amendments to the Law on the Prevention of Conflict of Interest (as elaborated by Corruption Prevention and Combating Bureau) were announced at the meeting of state secretaries in order to coordinate opinions. These amendments contained mostly technical amendments, but there were several substantial ones as well :
  - To provide for additional groups of people who are to considered *relatives of a state official* under this law;
  - To provide that this law applies to companies controlled by the state;
  - To extend the business activity restrictions to those state officials that were not covered before;
  - To transform the existing regulation on taking gifts for state officials;
  - To decrease the value of business transactions that have to be declared;
  - Etc.
- These amendments did not pass the harmonization stage. There was no agreement on issues regarding 1) gifts for state officials, 2) increase in the list of people who could be considered relatives of state officials under this law – for example, brothers-in-law, sisters-in-law; 3) the need to define “business relations subject to declaration”; 4) whether members of public services regulators are state officials; 5) the decrease in value for business transactions that state officials should declare.

The other reason for rejecting these amendments were more of a technical nature – an unwritten rule of legislative technique provides that if amendments to law constitute more than 1/3 of its text, then a new law shall be written instead.
- In autumn 2005 a parliamentary commission worked on 2 draft amendment laws to the *Law on the Prevention of Conflicts of Interest*. Initially they concerned solely the employees of secret services. When preparing the draft law for the second reading, new topics were suddenly introduced: members of state procurement commissions and members of commissions that supervise the distribution of EU funds (they were declared state officials). When the draft law was in a pre-third reading stage some suspicious proposals were submitted but subsequently recalled. The amendments were adopted on December, 2005;
- Meanwhile, since the beginning of summer 2005, the Corruption Prevention and Combating Bureau has worked on a new *Law on the Prevention of Conflicts of Interest* which until now has not been finished and the draft law has not been made available.

## **B. Activities of Providus regarding the amendments to the Law on the prevention of Conflict of Interests**

Providus policy analysts monitored attentively the progress of various amendments to the Law on the prevention of Conflict of Interests, but not much happened during the year.

When the destiny of the broad amendments to the law (of 2004) was still unclear, Providus policy analysts discussed a possible Providus position regarding conflicts of interest policy. Two policy analysts who had considerable previous experience regarding the conflicts of interest issues shared their expertise and outlook as to the principal problems in this area and what may be done to improve both the legislation and the practice of conflict of interest prevention. Based on these discussion and on a careful examination of both Latvian and foreign conflict of interests legislation and practice, a draft report on the state of conflict-of-interests policy was prepared . It was intended to look both at the broad picture (whether the Latvian conflict-of-interest policy is in need of some broad reforms) and also to deal with specific shortcomings of the Law on the prevention of Conflict of Interests. The following considerations emerged from the research:

- Lack of thought-out conflicts of interest policy, in particular concerning the lack of common understanding of what constitutes conflict of interest and how and where it should be regulated – for example, experts tend to label as conflict of interests something other than does the Corruption Prevention and Combating Bureau (the Bureau tends to understand conflicts of interest in a significantly more narrow way);
- The existing approach – to regulate all conflict of interests situation in law (instead of code of ethics) - has proved inefficient. A reform of conflict of interest regulation should be considered. That would potentially lead to law regulating just the most important and sinister conflict of interest situations; the detailed regulation and specific situations being left for codes of ethics;
- Inefficiencies in supervision of the Law on the prevention of Conflict of Interests. This law divides this responsibility between Corruption Prevention and Combating Bureau and heads of state institutions. But it says almost nothing about the cooperation between the two (so that the Bureau is informed about the specific cases, while the heads of state institutions know how to recognize a conflict of interests for their employees) and it has turned out that this shortcoming is an important one;
- Insufficient training to state officials in matters of conflict of interest;
- The extraordinary rigidity of the law that has to be complied with irrespectively of whether there is a real conflict of interests situation or not (or even if in a certain case a restriction may seem absurd). That inevitably causes an impression of artificiality for the detailed restrictions listed in the law. Probably, a possibility to grant waivers would be necessary to address this issue;
- No protection for whistle blowers who inform about conflicts of interests;
- Penalties for breaking the conflicts of interest law are not well thought out. For example, there are no such penalties as: to prohibit to the culpable person to conclude contracts with the state for a defined time period; to provide that a contract that has been concluded when in conflict of interests should be considered void; no penalties for those who had incited a state official to act when in conflict of interests situation;
- No analysis on what do the defining terms of conflict of interest (as established by the Law on the prevention of Conflict of Interests) mean. That is important in order to understand how far-reaching the existing

restrictions really are (ie. do they extend to those conflicts of interest where the state official has no financial interest but just a personal one?);

- The existing law doesn't provide for any other way of solving the conflicts of interest issues than informing the head of institution who decides whether there is a problem or not. If a conflict of interest is recognized (which in itself is difficult because of the problems listed above), the head of institution has a duty to assign the task in question to someone else. There are no exceptions to this rule, even if such an approach may prove impossible (e.g. there is no one else who could do the task; the nature of conflict of interest is insignificant and the costs of re-assignment would be disproportionate to the gains of such action);
- The detailed restrictions on holding more than one office (both in public and private sector) are illogical. They do not cover some situations where conflict of interest may arise, meanwhile they do cover many cases where a conflict of interest is possible at best theoretically. Therefore, they seem artificial to those concerned and are in need of revision (the specific restrictions in need of revision are identified in the draft report);
- Insufficient post-employment regulation – there is almost nothing to prevent a state official from “changing sides” (except for specific instances)
- No regulation (or prohibition) of business relations between a state official and his or her superior.
- The restrictions on gift taking are fundamentally flawed. The *Law on the Prevention of Conflict of Interest* would consider as a gift those benefits that are available to all – for example bank discounts.
- Virtually no regulation concerning the use of state property and personnel for private needs (in particular for party political needs).

These conclusion were provisionally set aside so that they could be used whenever there would have been some progress in respect to the new amendments to the *Law on the Prevention of Conflict of Interest*.

In order to find out *Corruption Prevention and Combating Bureau's* intentions towards the Law on the prevention of Conflict of Interests, Providus met with the head of the department for Conflicts of Interest Prevention. She explained that Bureau has been working on a new Conflict of Interest law which would replace the existing one. Providus inquired about the possibilities to cooperate with the Bureau in this domain and two possible topics emerged: 1) Providus could be helpful in focusing media attention on the unwillingness of public prosecutors to initiate criminal prosecutions regarding the cases of conflicts of interest violations; 2) Providus could explore the not yet regulated area of **political** conflicts of interest.

As the access to information in pre-trial phase of criminal cases is restricted, Providus chose to focus on political conflicts of interest. A paper was prepared about the experience of other countries in regulating these types of conflicts. Some preliminary recommendations to policy-makers were elaborated as well. Afterwards Providus organized a round-table in order to discuss the paper and proposals. Representatives from the state institutions - such as *Corruption Prevention and Combating Bureau, State Chancellerie* and *Civil Service Council* -

along with Latvia's most notable public sector experts were present in this discussion. Views of these participants were collected, preliminary proposals reconsidered and on the basis of this discussion an in-depth article was prepared.

It was published in the second semiannual edition of *Corruption °C. Report on Corruption and Anticorruption Policy in Latvia. 2005*. (available in Latvian here: [http://www.politika.lv/polit\\_real/files/lv/korupcijaC\\_2005\\_2.pdf](http://www.politika.lv/polit_real/files/lv/korupcijaC_2005_2.pdf); it will soon be available in english at the web-site [www.policy.lv](http://www.policy.lv)).

The article dealt with various facets of so-called political conflicts of interests, that is – those conflicts of interest where one of the interests involved is the interest of a public official as member or supporter of a political organization. This demanded an answer to the question of whether and in which cases public officials may use their official status to gain advantage for a political party? For example, whether and in which cases public officials may, within the realm of their competence, make decisions that serve the interests of party sponsors or other party members, or use public resources to strengthen a party as an organisation and improve its chances of reelection? It is the interests of political parties that are behind the decisions of public officials to involve government or local government employees in election campaigns, spend public resources in the interests of parties (or their sponsors), or dispense public sector jobs with political advantages in mind.

The article was based also on cases that had received media publicity in Latvia in the past few years. The purpose of this article was to take an overall look at the problem of political conflicts of interests – theoretical and practical situations typical for political conflict-of-interest situations in Latvia – and to outline conceivable ways of resolving the problems. For example, a political conflict of interest would arise if when taking part in making of the decision, a public official is confronted with the economic interests of his own party's sponsor or a member of another party. Or another example - public officials who are party members or supporters will find themselves in a political conflict-of-interest situation if candidates for a government job include members of their own party or a competing party. Also situations are possible in which an elected public official, when introducing or voting for a bill, may not be guided by his party's program or personal views on what would be best for society, but by the interests of a party sponsor.

A number of measures was proposed in order to reduce the risks of political conflicts of interest and the damage that these can cause. Among them:

- Considering reform of the current party and campaign financing system and converting fully or partly to a government-financed system . That was motivated by the observation that political conflict-of-interest situations in which public officials are confronted with the interest of a party sponsor cannot be looked at separately from structural aspects, such as party financing systems. Political parties have an objective need of money, not only for the maintenance of party organizations, but also for election campaigns. It is therefore impossible to fully eliminate the risk that attempts will be made to link donations with concrete promises

- Measures should be considered to reduce opportunities to influence personnel policy in public agencies and to strengthen the political neutrality of public employees. Some of these could be:
  - To increase the proportion of jobs that are subject to professionalism criteria in public sector personnel policy;
  - To set at least minimum professional standards for jobs connected with political agreements.
  - To apply the principle of political neutrality to all public administration employees.
- Some kind of institution should be established to deal with ethics questions either only in direct administration agencies or in the whole public sector.
- It would be important to assess the level of regulation required for each of the situations that incorporate a high risk of political conflicts of interest. Some of the situations that were identified require new regulatory enactments because, although these situations are fairly widespread in Latvia and generally regarded as undesirable or even corruptive, existing laws either do not regulate them at all or do so very inadequately. This particularly applies to:
  - regulations on the use of government or local government resources for election campaigns;
  - the prohibition to link party donations to concrete demands (for example, introduction of a bill, appointment of a specific person, deliberate failure to carry out an audit, etc.).

The principal theses of the article were set and discussed before broader public during presentation of the second semiannual edition of Corruption °C. Report on Corruption and Anticorruption Policy in Latvia. 2005. The main ideas and conclusions of the article later appeared in largest Latvian Internet portals (as a republished information from news agencies).

Additionally, in 18.10.2005 an article by a Providus policy analyst was published on the public policy web-site [www.politika.lv](http://www.politika.lv) (It can be found in Latvian here: <http://www.politika.lv/?id=112025&lang=lv>). It dealt with a watershed in conflict of interest case law : a court had established that the broadly formulated principle found in *Law on the Prevention of Conflict of Interest* – that state official shall not be involved in matters where his or her impartiality may be questioned- is mandatory. Ie. a state official may be punished if he disregards this obligation .

### **C. Assessment: impact, sustainability and lessons learned**

Overall, it has to be said that the initial project idea to monitor and elaborate proposals to the extensive amendments to the Law on the prevention of Conflict of Interests submitted by Corruption Prevention and Combating Bureau partly failed to materialize. That was because there was no progress regarding those amendments – they were re-called from State Chancellerie, and during the time-frame concerned the Bureau didn't come up with a new draft law.

Meanwhile, within the framework of the project, Providus chose to carry out other, more future oriented activities connected with conflicts of interest.

#### As to the impact

The impact of the project is evident in the case of political conflicts of interest (cases where state officials abuse their office in the interests of their parties) . It was an altogether new issue for Latvia, but one that was much needed. It contributed to not-yet explored topics of when a donation to a political party might be considered a bribe; when it is permitted for state officials to act in the interests of their sponsors and when it should be considered corrupt and many others. Hopefully, this topic will initiate new, more specific research about evidences of political conflict of interests situations in Latvia.

#### As to the sustainability

The results of the research done within the framework of this project will have a long-term impact. More specifically, Providus has – within the framework of the project - prepared a solid argumentation regarding the existing conflict of interest policy and identified specific loopholes. Therefore, when the new draft law on conflicts of interest finally appears, Providus will have no problem in submitting its own proposals. Providus will probably stand for the thorough reform of the conflicts of interest policy, for reconsideration of almost all the norms of existing law in order to make the conflicts of interest policy more efficient and clearer to those it concerns. Additionally, Providus will try to obtain the new Conflicts of Interest law currently being prepared by the *Corruption Prevention and Combating Bureau*, evaluate it and elaborate Providus' proposals before it enters the Cabinet of Ministers consideration phase.

The theme of political conflicts of interest is also likely to be sustainable and initiate new research and discussions regarding the proper behaviour of public officials. Recommendations that were included in the article published about political conflicts of interest and discussed both among experts and larger public will be useful for various advocacy activities in future.

#### As to the lessons learned

There is at least one major lesson learnt in the course of monitoring the progress of amendments to *Law on the Prevention of Conflict of Interest*. The shortcoming regarding the procedural matters of legislative process in Latvia should be brought into light and eliminated. There were at least 2 major structural defects identified: 1) tremendous difficulties for politically charged anti-corruption laws to pass all the harmonization procedures in Cabinet of Ministers stage. If there is no political will to move forward the draft law, there is a high possibility that the draft law will not pass all the harmonization stages (this is what happened with amendments to *Law on the Prevention of Conflict of Interest*). Furthermore the motives given for blocking the law are unlikely to be the real ones. Solution to this problem needs to be found (probably it would consist in not requiring draft laws coming from *Corruption Prevention and Combating Bureau* to pass all the harmonization stages);

2) the legislative process in the parliament is not sufficiently transparent, furthermore it is handy for last-minute corrupt initiatives. Providus faced this problem when monitoring the progress of amendments to *Law on the Prevention of Conflict of Interest*, that – in the first reading – provided for assignment of status of state officials for members of secret services. Only the existing contacts allowed Providus to learn about various proposals for the second reading and ascertain that they did not contain corrupt initiatives. Those proposals are made available to larger public (ie.published in parliamentary internet site) AFTER they have been reviewed by the appropriate committee, just 2 days before the deliberations in parliament. Because of that Providus almost missed some suspicious proposals for the third reading that would potentially cause conflict of interest problems, but fortunately the committee voted against them and they were later recalled. Solution to the problem of suspicious last minute 3<sup>rd</sup> reading proposals that has no connection to deliberations in previous readings (rather typical in Latvian legislative practice) needs to be found. Otherwise, there still will be a fast and easy way for corrupt initiatives, besides it would make the first two readings pointless.

### 3. Law on Pre-election Agitation

#### A. General events regarding the Law on Pre-election Agitation

- The draft law on Pre-election Agitation was first submitted to parliament in 2003. In the first half of 2005 it was still in the pre-first reading stage in parliament. The responsible committee for this draft law was Public Administration and Local Government Committee.
- Because of the negative publicity that the draft law on Pre-Election Agitation received from mass media (principal question of concern – freedom of speech), on April 2005 the Public Administration and Local Government Committee decided to form a working group to draft an alternative law. The committee chose to restrict participation to one representative from each parliamentary group and 2 representatives from Corruption Prevention and Combating Bureau. The meetings of the group were closed – their dates were not publicly announced and names of parliamentary groups' representatives were not disclosed. No outside expert was invited to attend the deliberations of this group.
- On June 21, during a regular sitting of Public Administration and Local Government Committee, the head of the *working group on drafting the alternative law on Pre-electoral Agitation* unexpectedly made a suggestion to submit the draft law to the first reading. This suggestion was approved with a narrow majority (at least one of the partner parliamentary groups voted against, considering that the alternative law is not ready and will receive bad publicity again).
- Draft law on Pre-electoral Agitation was adopted in Saeima in the first reading on September 8. A date was set to submit proposals. In total approximately 200 proposals were submitted. A first meeting of Public Administration and Local Government Committee took place in October, 2005. It was the only sitting to take place. Due to the extremely negative reaction of media towards this law and lack of political will to push it forward, deliberations on this law were stopped.
- In October-December a member of the Public Administration and Local Government Committee volunteered to coordinate this law with both media and politicians. Even though it was done successfully regarding the audio-visual media, it wasn't enough to make it ready in time (before the start of regulated period). So the work on this law stopped fully in January 2006.
- In the last days of December 2005, Corruption Prevention and Combating Bureau came up with a new initiative – to amend the Political Party financing law, in order to provide penalties for overspending the allowed electoral expenses. This initiative met with resistance and, in the end, due probably to the pressure by media, was approved in Cabinet of Ministers on March 7, 2006. The future of this law is highly unclear, because of:
  - The highly politicized nature of this law and a risk, that – if it is to be opened – there could be some last-minute proposals with a purpose to remove the restrictions on party finances (such as prohibition of corporate donations, statutory ceilings on party expenses);
  - An identical project was already submitted to Saeima by an opposition party, but it was rejected;

- One of the coalition parties has submitted the same proposal for another law;
- There is another law under consideration of parliament – where it is proposed to prohibit political advertising. Some political parties want to link both of these laws (if political advertising would be prohibited, then the need for statutory limits on pre-election expenses would be less).
- There is no universal agreement with the penalty proposed – which is linked to the amount overspent by the party.
- In January 2006 an unexpected proposal emerged from two of coalition parties intended to prohibit political advertising 3 months before elections. For this initiative the existing law *On Pre-electoral Agitation before the Saeima and European Parliament elections* (this is the law that the *Pre-electoral Agitation law* was intended to be replaced) had to be amended. Despite a very strong resistance both from the media and some political parties (primary motivation: one can not change the rules of the game in the course of this game; freedom of speech issues), it has endured 2 readings (first reading was on 15.02.2006; the second reading - 09.03.2006). The outcome of these activities are hard to predict – it seems that the supporters of this initiative are starting to back off.

## **B. Activities of Providus regarding the Law on Pre-election Agitation**

As described in project application submitted by Providus to PTD, the principal aim of Providus activities in this area were intended to ensure that agitation rules, to the extent possible, prevent parties and candidates from being able to circumvent statutory limits on campaign expenditure.

As not much happened regarding the progress of the law on Pre-electoral Agitation during the first half of 2005, Providus was working out the lessons learned from the municipal elections which took place on March 2005. Even though several parties had greatly exceeded the statutory spending limits (one of the parties overspent the limits approximately 3 times by spending about 270 000 lats), the maximum penalty that could be applied to a party was 5000 lats. Therefore an in-depth article was published on the public policy website [www.politika.lv](http://www.politika.lv) outlining proposals on how to prevent and punish political parties from ignoring the statutory limits on campaign expenditure. (the article is available in Latvian here: <http://www.politika.lv/index.php?id=111098&lang=lv>).

For example, the following suggestions were offered:

- 1) to link the sum of financial penalty with the amount overspent – parties would have to pay to the State Treasury the amount overspent at elections (or – if the malicious intent could be proved – 3 times the amount overspent);
- 2) to establish personal liability for wrongdoings – at present, just the parties as legal entities may be punished, not those party officials who made the decision;
- 3) to consider the introduction of criminal sanctions for this offense (if there is a malicious intent);
- 4) to consider the introduction of electoral sanctions – for example, voiding of deputy mandates, interdiction to take part in elections for several years, etc.

During the April-June 2006 a parliamentary working group worked on the alternative Pre-Electoral Agitation law (alternative in relation to the one submitted in 2003). No outside experts were invited to participate, nevertheless, Providus elaborated proposals for this draft law and formulated its position towards some of the most controversial issues. Even though these proposals were meant to be submitted only when the draft law passes the first-reading stage in parliament, Providus used the opportunity to discuss them with representatives of Corruption Prevention and Combating Bureau who participated in the meetings of the working group. Providus policy analysts were also able to keep track of deliberations in the working group. Right away it became clear that there is a cause of concern regarding the political will of members of parliament to adopt this law – politicians seemed to be unwilling to change the rules now in force and be subject to additional criticism by mass media regarding freedom of speech. In June, 2005 Providus obtained a copy of the new alternative draft law. Its analysis showed that the working group had made no more than 8 amendments (mostly technical) and solved none of the issues the previous draft law was criticized for.

On May/June Providus policy analysts were invited by the largest parliamentary group in Parliament to discuss the lessons learned from the March municipal elections where some of the political parties exceeded statutory limits on campaign expenditure. This parliamentary group was determined to elaborate its own legislative proposals on punishing political parties for ignoring the statutory limits. Providus policy analysts both in present and later by e-mail acquainted the politicians with written analysis as to what amendments and new regulations need to be introduced in order for the statutory limits to function effectively (not just introduction of preventive sanctions, but also, for instance, the need to regulate third-party campaigning, individual candidate campaigns, allocation of responsibility for the breaches within parties etc.) The representatives of this parliamentary group were also informed about relevant foreign experience in legislating on limits on campaign expenditure (particularly, the experience of France, Canada and UK proved to be important). Taking into account that a member of this parliamentary group headed the *working group on drafting the alternative law on pre-electoral agitation*, Providus policy analysts emphasized the need to urgently get this draft law past the first reading in order to adopt it before the elections to Parliament in 2006.

Additionally in the beginning of June a Providus policy analyst published an article on the public policy website [www.politika.lv](http://www.politika.lv) (it is available in Latvian on this website: <http://www.politika.lv/index.php?id=111439&lang=lv>) which contained the assessment of March municipal elections and reiterated the need for the new Pre-election Agitation law. This article was sent to the head of the *working group on drafting the alternative law on Pre-electoral Agitation*.

In September, 2005, when the draft law on Pre-electoral Agitation was accepted in the first reading, Providus organized a discussion regarding this law. Parliamentarians, media representatives and relevant state agencies (such as Central Electoral Commission, National Radio and Television Council and Corruption Prevention and Combating Bureau) took part and expressed their opinions on the draft law.

During meetings with parliamentarians, it was agreed in principle that Providus policy analysts would be present during the preparation of this law for the second reading (in the committee deliberations).

Providus elaborated more than 30 proposals for this law. Several of the proposals that directly or indirectly concern political party financing were the following:

- Providus proposed a more detailed provisions on third-party financed electoral advertisements (by setting the maximum amount a third-party may spend on electoral advertising during one election period; the requirement to prove, if necessary, legality of his or her income; requirement that the third party should not be financially linked with the party etc.);
- Prohibition of so-called individual campaigns for candidates if they are not approved by the party (this was motivated by the consideration that Latvia has a proportional list system of elections, where electorate vote for party lists, not individual campaigns – the municipal elections of 2006 that the existing regulation about individual campaigns is controversial; it is uncertain whether they are allowed (and so the party has an opportunity to spend more than the law allows through agency of its candidates who wage individual campaigns) or not.
- An obligation for mass media outlets to apply equal rates and conditions for political party advertisements, so that political parties can not overspend statutory limits by later maintaining that they managed to get very high discounts from media.
- More stringent requirements regarding the use of state property for party electioneering purposes – ie. general prohibition unless otherwise specified by the law;
- A more realistic supervision/control framework over the breaches of this law;
- Protection from so-called “hidden advertising”, when mass media journalists are paid for their articles or broadcasts in order to show a party in good (or bad) light and they do not inform the audience about the payment;
- More flexible procedures to divide state-sponsored election broadcasts among parties.
- Requirements that the opinion surveys, published before elections, contain all relevant information (such as the name of a person/organization paying for this survey, dates of the survey, margin of error) that would allow the voters assess its credibility.

These proposals were sent to the Public Administration and Local Government Committee. A Providus policy analyst took part the first and only meeting of Public Administration and Local Government Committee that was convoked to prepare this law for the second reading. Due to the extremely negative reaction of media towards this law and lack of political will to push it forward, deliberations on this law were stopped.

By reacting to the widely-held view that this draft law excessively restricts media's freedom of speech, a policy brief was drafted (it was published here:

<http://www.politika.lv/index.php?id=112137&lang=lv>) in connection with the need to balance the importance of editorial independence and citizens' rights to fair and equal elections. The policy brief proposed some policy options regarding the need to differentiate the regulation with respect to public broadcasters, private broadcasters and the press.

During October-December one parliamentary deputy volunteered to harmonize the draft Law on Pre-electoral Agitation with media, parliamentary factions and NGO's. She transposed into the draft many of suggestions that were submitted for this law. Among them, there were several Providus proposals. Providus policy analysts were asked about their opinion on the most important shortcoming of the consolidated law, which was then partly taken into account. A Providus policy analyst was present when the draft law was successfully coordinated with a representative of Latvian audio-visual media. Unfortunately, it all ended with nothing, as the law had to be adopted no later than January 2006, which was not possible because of the lack of political will.

A lot of things connected with electoral campaigns' regulation happened in January-March, 2006. First of all, Corruption Prevention and Combating Bureau came up with a new initiative to amend the Political Party financing law, in order to provide penalties for overspending the allowed electoral expenses. The proposed penalty corresponded with the one recommended by Providus previously, that is – to provide for a monetary penalty whose amount would be directly linked to the sum that a party has overspent. Providus was asked to comment on the necessity of this law – which was dubious because of the politically charged nature of this particular law and unclear position of political parties' regarding whether they agree with Bureau's proposal. There was a highly realistic risk that, by "opening" this law, there could be attempts by political parties to get rid of the most stringent restrictions (such as statutory spending limits) and it was absolutely not certain how many votes such attempts would gather. Providus recommended to keep this idea, but to inscribe it, for the time being, in a different law: such as the Criminal Law or Law on Administrative Offenses. One of Latvian political parties did indeed submit this proposal for the second reading of Law on Administrative Offenses. It is not yet known if it was accepted or not.

The second initiative was even more unexpected: two coalition parties came up with a suggestion to prohibit political advertising 3 months before the elections. This initiative had a parliamentary majority (as it was supported by opposition). The proposal was to amend the existing law "On pre-electoral agitation before the elections to Saeima and European Parliament" by providing that there should be no political advertising and agitation in media 3 months before elections and by prohibiting political advertising on billboards. This proposal was unprecedented and sweeping in its formulations that caused obvious freedom of speech issues.

Providus prepared an opinion on this law that was sent to the parliamentary commission responsible for this law and all the parliamentary factions. In this opinion Providus stated its position towards these issues (that prohibition of political advertising would be justified solely in audio visual media and there could be no legitimate prohibition of political agitation), and towards some of the other problems that have to be solved (such as the problem of advertisements paid by third parties, hidden advertising, use of state resources for party electioneering purposes, need for

appropriate penalties for breaches of this law). Providus called upon politicians to deal with these (and other) issues in the amendments to the law as well. In addition, a Providus policy analyst wrote an article about this initiative, which was based on the opinion sent to policy-makers (it can be found here - <http://www.politika.lv/index.php?id=112576&lang=lv>).

When the hotly disputed draft law was accepted in the first reading, Providus wrote yet another opinion, by recommending 4 specific proposals for the most flagrant ideas contained in the draft, as well as some suggestions of more general nature reiterating the need to solve other issues as well. A Providus analyst took part in a sitting of the parliamentary committee, where committee agreed with the Providus' assessment that political agitation and advertising should not be prohibited in press. Additionally, the committee agreed with a proposal (by an opposition deputy) to prohibit individual campaigns, but refused to consider other issues. On March 9 the draft law was adopted in the second reading, but it is not yet known what its destiny will be.

Two of Providus policy analysts wrote an article about this draft law in the largest Latvian newspaper "Diena" which was published on March 9, 2005, the day of the voting.

### **C. Assessment: impact, sustainability and lessons learned**

Overall this component of the project can be evaluated as successful. Providus attentively monitored the progress of various draft law and gave its own contribution to all the legislative initiatives in this domain. Due to the politically charged nature of these initiatives, their progress proved to be either very slow (for the new Pre-Election Agitation law) or almost unbelievably quick (for proposed amendments to the "old" agitation law in January 2006). Until the beginning of 2006 the unwillingness of politicians to tackle these problems was very pronounced. Afterwards politicians got more interested, but not in long-term solutions to problems; just the ones deemed important for upcoming elections. In these circumstances Providus tried to constantly and consistently remind politicians and to inform the society on problems still unsolved. The participation of Providus was even more important because of the specific nature of election campaigning issues: those being matters where both politicians and media have their own interests and agenda. So Providus offered a "third voice" by trying to elevate the discussion above particular interests. This was done by referring to foreign practice and to various recommendations of authoritative international organizations in the area of election campaign financing.

#### As to the impact

One of the most important impact of activities within the framework of this project is the certainty, that is almost universally shared at the moment, that there is a need for new law on pre-electoral agitation. It was not nearly as self-evident at the start of the project when one of the most fundamental arguments against the new law was that the existing one is good enough. Providus has demonstrated in various publications and public discussions the short-comings of the existing regulation and enumerated the issues in need of new regulation. So at the moment it is more a question of **when** the work on new law will continue.

The second important achievement concerns those Providus proposals that were transposed into the updated draft law on Pre-Electoral Agitation that will probably serve as basis whenever the work on this draft law resumes (most likely after elections 2006). For example, a stricter regulation on the usage of state resources for party political needs.

The third area where Providus activities had a tangible impact: proposals about stricter penalties for those parties that have exceeded the allowed election expenditure limits. Corruption Prevention and Combating Bureau submitted an initiative (that has passed the Cabinet of Ministers consideration phase in the beginning of March), that was among those Providus had advocated for.

#### As to the sustainability

It is certain that the work done within the framework of this project will be sustainable. Providus identified various problems of existing election campaign regulation and tried to use all opportunities to tell about them. Unfortunately, most politicians weren't good listeners because of the proximity of elections and their more immediate political interests in revising law of election campaigns. But it is clear that those problems identified by Providus will have to be solved, although most likely after the elections of October 2006. During the course of the project Providus' policy analysts have acquainted themselves and policy-makers with foreign experience in regulating campaigns and a solid foundation has been built so that there is not anymore total confusion on how to regulate media activities during election.

Providus will continue to be involved in these issues, although right now it is pointless to push for complete re-write of campaign laws. The most important issue, that Providus will be particularly attentive to, is the progress of the new initiative on penalties for parties for exceeding the statutory spending limits. Providus will also try to constantly remind on the shortcomings of existing regulations, so that they are not "forgotten" after elections.

#### As to the lessons learned

There were quite a lot of lessons learned during almost unpredictable turnabouts of various initiatives mentioned before. Among the most interesting/important are the following:

- 1) There is a manifest need for media policy in Latvia. Except for Providus articles, almost no one had researched problematic issues of media behaviour during elections. Moreover, the draft law on Pre-Election Agitation should have been conceptually linked with general laws on media. But those were in process of re-write in parliament and had run into problems no one quite knows how to solve.
- 2) There can be no satisfactory new law on Pre-Electoral Agitation if there is no possibility to harmonize it with the law on Political Organization Financing. This is because part of election regulation is fixed by the Political Organization Financing law (for example, there statutory ceilings on party election expenditures can be found). Yet, it was almost unthinkable to address Political Organization Financing law before elections. It has to be acknowledged that that law has its problems due, probably, to the haste when transposing statutory ceilings on party expenditures into this law. Those problems, too, would have to be solved. So, a complete re-consideration of elections' regulation will be needed after the elections of October, 2006. In particular the following questions are in need to be reconsidered:

- a. Whether the ceilings on election expenditures are an appropriate system for Latvia? Does it not push political parties towards concealing their real expenses? Is it not too difficult to control? Could the same objective be attained by different means? (for example, there is an idea to replace these limits by a limit on the amount of advertising a party can buy during campaign)
  - b. Is 0,20 lats per voter an appropriate amount? Is it not too high/too low?
  - c. 270 days of regulated period – is it excessive or it is not?
  - d. What should appropriate penalties be for overspending?
  - e. What about the third party campaign expenditure, regarding which laws are so vague, that it could in fact be both allowed or prohibited? What should count as third party expenditure? Shall third party expenditures be included in party expenditure limits? Shall there be limits on the amount the third party is allowed to spend in a campaign? What IS a third party? Is a NGO linked with a political party a third party? Can a mass media be called a third party if it campaigns for or against some party?
  - f. Is there a need to regulate the internal procedures of political parties to comply with statutory expenditure ceilings. Should there be a party treasurer that is obliged by law to authorise any other person to incur expenditure or make payments on the party's behalf?
  - g. What exactly should count as campaign expenditure? Should the expenditure incurred before the regulated period on advertisements or other goods that are used during the regulated period count as a campaign expenditure? What about staff employed by the party? In what cases it is a campaign expenditure?
- 3) It is quite impossible to convince politicians on the need to think in long term if the elections are near and their interests are immediate. The best that could be done – to build some preparatory ground for the future when parties' interests cease to be that pressing.

### III Provisional information on project expenditure<sup>1</sup>

Grant amount: \$14081

Table 1. Costs and expenditures of the budget

	Own contribution/ Planned Complete	PTF contribution/ Planned Complete	Own contribution/ Expenditures	PTF contribution/ Expenditures
<b>Policy analyst – Iveta Kazoka</b>		<b>12000</b>		<b>12000</b>
<b>Project Director – Valts Kalnins</b>	<b>1320</b>		<b>1320</b>	
<b>Policy Analyst – Lolita Cigane</b>	<b>1200</b>		<b>1200</b>	
<b>Policy Analyst – Maria Golubeva</b>	<b>1200</b>		<b>1200</b>	
<b>Policy Analyst – Linda Curika</b>	<b>1200</b>		<b>1200</b>	
<b>Policy Analyst – Ilze Rukere</b>	<b>1200</b>		<b>1200</b>	
<b>Advocacy activities</b>		<b>500</b>		<b>500</b>
<b>Administrative expenditures</b>		<b>1581</b>		<b>1581</b>
<b>Total costs/expenditures</b>			<b>3570.00</b>	<b>14081.00</b>

Table 2. Project expenditures

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Iveta Kazoka		919.11	909.09	909.09	862.07	862.06	877.19	860.58	860.58	837.52	844.59	1654.4	1603.72
Project director	110	110	110	110	110	110	110	110	110	110	110	110	
Policy analyst	100	100	100	100	100	100	100	100	100	100	100	100	
Policy analyst	100	100	100	100	100	100	100	100	100	100	100	100	
Policy analyst	100	100	100	100	100	100	100	100	100	100	100	100	
Policy analyst	100	100	100	100	100	100	100	100	100	100	100	100	
Advoc.								166.66	86.54				246.8
Adm. Exp.						63.24	20.96	108.40	306.00	164.81	741.47		176.12

<sup>1</sup> Full certified accounting of expenditures under this project will be provided no later than April 15, 2006.

List of opinions, articles and discussions within the framework of the project:  
Monitoring of Anti-corruption Law Making in Latvia

### Opinions

<b>Date</b>	<b>The relevant law</b>	<b>Sent to</b>
March, 2005	Political party law (proposals for the second reading and arguments for these proposals)	Public Administration and Local Government committee; all parliamentary factions; all members of Public Administration and Local Government committee
September, 2005	Law on Pre-Electoral Agitation (proposals for the second reading and arguments for these proposals)	Public Administration and Local Government committee
December, 2005	Political party law (proposals for the third reading)	Public Administration and Local Government committee
January, 2005	Amendments to law “On Pre-Electoral Agitation Before Elections to Saeima and European Parliament” (opinion on the law before first reading)	Public Administration and Local Government committee; all parliamentary factions
February, 2005	Amendments to law “On Pre-Electoral Agitation Before Elections to Saeima and European Parliament” (proposals for the second reading)	Public Administration and Local Government committee

### Articles

<b>Date</b>	<b>Title</b>	<b>Media</b>
March, 2005	Cik stabili ir priekšvēlēšanu izdevumu griesti? (How stable are the statutory ceilings on party expenses?)	Public policy web-site <a href="http://www.politika.lv">www.politika.lv</a> ; republished in largest Latvian internet portal: <a href="http://www.delfi.lv">www.delfi.lv</a>
June, 2005	Kampaņu pārkāpšana apturēta, reklāmu šovs turpinās (The overheating of political expenses has been stopped, but political advertising goes on ...)	Public policy web-site <a href="http://www.politika.lv">www.politika.lv</a> ; republished in largest Latvian internet portal: <a href="http://www.delfi.lv">www.delfi.lv</a>
October, 2005	Neatzītā problēma – kā top	Largest Latvian daily

	kandidātu saraksti vēlēšanām? (A problem unrecognized: election candidate selection procedures)	newspaper “Diena”, page 2.
October, 2005	Šaubas par amatpersonu nav tukša saskaņa (Doubts about state officials are no prittle- prattle)	Public policy web-site <a href="http://www.politika.lv">www.politika.lv</a>
November, 2005	Masu mediji un taisnīgas vēlēšanas. Politikas kopsavilkums. (Mass media and fair elections. A policy brief)	Public policy web-site <a href="http://www.politika.lv">www.politika.lv</a>
January, 2006	Vēlēšanu kampaņas ierobežojumi – kā neiebraukt grāvjos? (Restrictions on elecion campaigns: how not to run into problems?)	Public policy web-site <a href="http://www.politika.lv">www.politika.lv</a> ; republished in largest Latvian internet portal: <a href="http://www.delfi.lv">www.delfi.lv</a>
February-March, 2006	Politiskie interešu konflikti: jēdziens un risinājumi (Political Conflicts of Interest: Concept and Solutions)	Second semiannum edition of <i>Corruption °C. Report on Corruption and Anticorruption Policy in Latvia. 2005.</i> (available both in latvian and in english)
March, 2006	Priekšvēlēšanu aģitācija: aizliegt to, nezina ko (Pre-electoral agitation: to prohibit who-know- what...)	Largest Latvian daily newspaper “Diena”, page 2.

### Discussions

Date	The event
September 2005	An experts’ round-table on political conflicts of interest. Representatives from the state institutions - such as Corruption Prevention and Combating Bureau, State Chancellerie and Civil Service Council - along with Latvia's most notable public sector experts were present in this discussion.
September 2005	In September 2005, when the draft law on Pre-electoral Agitation was accepted in the first reading, Providus organized a discussion about this law. Parliamentarians, media representatives and relevant state agencies (such as Central Electoral Commission, National Radio and Television Council and Corruption Prevention and Combating Bureau) took part and expressed their opinions on the draft law.

March 2006	Main theses of the article on political conflicts of interest were set forth and discussed during presentation of the second semiannual edition of Corruption °C. Report on Corruption and Anticorruption Policy in Latvia. 2005. The main ideas and conclusions of the article later appeared in largest Latvian Internet portals (as a republished information from news agencies).
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