



Strengthening Internal Procedures for Reducing Corruption Risks in the Federal Anti-Monopoly Service of Russia

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Objective

To reduce corruption risks within FAS by:

- a) supporting the development of a well-defined sanctions methodology and decision-making procedures intended to minimize individual officials' discretion;
- b) and assisting FAS in establishing stronger internal controls mechanisms, and increasing transparency to prevent, detect, and enforce instances of corruption among its staff



Sources

- 1) Regulations and other internal documents of the UK Office of Fair Trading and the UK Department of BERR
- 2) Recorded interviews with key officials of the UK OFT
- 3) Current FAS practices and rules
- 4) FAS staff surveys
- 5) Relevant RF legislation



Structure

Component 1: Development of a methodology and decision-making procedures for setting sanctions

Component 2: Security of information and business process re-engineering to minimize corruption risks

Component 3: Measures to strengthen internal institutional integrity framework



Expected outputs

Component 1:

1. 'Back to the Office Report' outlining the UK OFT model of setting sanctions and applying leniency;
2. Recommendations for adopting a methodology on setting sanctions and for revising decision making procedures to reduce discretion and strengthen accountability.

Component 2:

1. Recommendations and guidelines on improving the protection of sensitive information for reducing risks of corruption and arbitrary behavior (handling of case files; transmission and storage of classified documents);
2. Recommendations for risk mitigation when hiring external consultants based on review of the OFT rules of employment for temporary staff.

Component 3:

1. Draft regulations on internal integrity investigations; disciplinary mechanisms; conflicts of interest; and/or criteria for allowing FAS employees to take up employment in the private after leaving the service;
2. Recommendations on rules regarding contacts of FAS officials with representatives of economic actors under investigation;
3. Draft Institutional Integrity Strategy based on analysis of the previous FAS practice and relevant documents of the UK Office of Fair Trading and the UK Department of BERR.



Expected Outcomes

The proposed Action Plan is expected to contribute to **increased consistency, transparency and predictability in FAS decisions**, notably in the enforcement of anti-monopoly legislation

On the other hand, the proposed activity does not aim to reduce corruption in other institutions of the Russian public administration, though it is hoped that good practices adopted by FAS may be replicated



Indicators for Component 1:

*The adoption of a more precise **sanctions methodology** and the review of relevant procedures will reduce opportunities for corruption and lead to more consistent and predictable levels of sanctions. In turn, this may be expected to result in market operators' and other stakeholders' increased confidence in FAS.*

Proposed indicators include:

1. FAS statistics on the share of decisions on sanctions complying with the methodological guidelines;
2. increase in the share of FAS decisions on sanctions made by a panel;
3. reduction in the share of FAS decisions on sanctions resulting in appeals;
4. stakeholder surveys organized by FAS indicate perceptions of increased consistency in FAS decisions.



Indicators for Components 2 and 3:

*The review of **working processes, procedures, and control mechanisms** to reduce corruption risks is expected to result in FAS officials' increased awareness of their responsibilities and confidence in the institutional integrity framework as well as in the increased credibility of FAS integrity among stakeholders.*

Proposed indicators for these components include:

1. FAS staff surveys regarding awareness and confidence in the effectiveness of internal processes for protecting security of information and reducing other corruptions risks;
2. reduced proportion of investigations dropped without clear justification (monitored by FAS case tracking database).