

**ASSET DECLARATIONS IN MENA
COUNTRIES
ILLICIT ENRICHMENT AND CONFLICTS
OF INTEREST OF PUBLIC OFFICIALS**

Transparency International is the global civil society organisation leading the fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, we raise awareness of the damaging effects of corruption and work with partners in government, business and civil society to develop and implement effective measures to tackle it.

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INTRODUCTION

EXECUTIVE SUMMARY

Four years after unprecedented change rocked the Middle East and North Africa, many Arab governments and their citizens are finishing the chapter on revolution and writing a new one on reconstruction. Among the most important topics fuelling the call for change has been the salience of corruption among public officials, which diverts money from public programmes, has a significantly negative impact on development and has entrenched non-democratic leaders securely in power. The revelation that more than an estimated US\$160 billion¹ in public money was stolen by regime officials in Egypt, Libya, Tunisia and Yemen sounds the alarm for action to end impunity. As the region takes the first steps in building institutions for good governance, asset declaration laws are a key to promoting honest leadership, government accountability and social trust.

Asset declaration laws require public officials to declare all sources of income, as well as assets such as savings accounts and investments. Legally increasing government transparency can reveal graft and conflicts of interest, and they serve as a powerful deterrent to prevent corruption before it starts. Practical experience has shown that implementing a comprehensive asset declaration system helps deny the corrupt the fruits of their actions and, if properly enforced, can be an effective tool in strengthening integrity and accountability.

So far, countries in the Middle East and North Africa (MENA) have not met most of the standards put forth by the United Nations Conference against Corruption (UNCAC). Declaration requirements have fallen significantly short and there remains a large gap between law and practice. The MENA region continues to have the highest trend rate of growth of illicit financial flows in the world, with an average increase of 31.5 per cent every year throughout the decade ending in 2011.²

In order to facilitate greater integrity in the MENA region, Transparency International has commissioned this report as a peer-reviewed Scoping Paper examining current best practices in asset disclosure systems. Original research provides an evidence base for a comparative view of country-level systems via National Reports in Egypt, Lebanon, Libya, Morocco, Palestine, Tunisia and Yemen, as well as a Regional Report covering all the countries listed.

TRANSPARENCY INTERNATIONAL'S ROLE

Transparency International's focus on MENA is part of a global drive to end corruption and promote integrity in government. The global campaign focuses on increasing transparency via declarations of interest and assets to end impunity and make transferring the illicit gains of corrupt officials more difficult. The importance of tracking illicit enrichment and conflicts of interest is only the start of the process of establishing a standard, universal model of declaration of interests and assets. In MENA, we focus first on advocating for the adoption and enforcement of national asset disclosure systems that are robust and legally based.

¹ Transparency International takes "billion" to refer to one thousand million (1,000,000,000).

² D. Kar and B. LeBlanc, *Illicit Financial Flows from Developing Countries: 2002-2011* (Washington: Global Financial Integrity, 2013), p.10. Retrieved from http://iff.gfintegrity.org/iff2013/Illicit_Financial_Flows_from_Developing_Countries_2002-2011-LowRes.pdf

ASSET DISCLOSURE SYSTEMS IN ANTI-CORRUPTION REFORMS

The disclosure of assets is increasingly being seen around the globe as a key tool in combating corruption. Although asset declarations have been utilised as an anti-corruption tool on a larger scale since the 1970s, the topic acquired renewed international focus with the passage of UNCAC, adopted by the UN General Assembly in 2003. UNCAC created an international legal basis for states to require public officials to declare their assets.

Articles 8(5) and 52(5) of UNCAC call on countries to adopt legislation that requires public officials to declare their assets. Together with the convention's provisions on international cooperation, the focus on assets created a genuine basis for governments to identify and track assets, and recover them if they are determined to have been stolen. UNCAC provided an impetus for the international donor community's global anti-corruption efforts in instituting or refining national legislation on asset declarations for politically exposed persons. Furthermore, the African Union, Arab, and inter-American conventions against corruption contain similar provisions on financial declarations by public officials (Article 7, Article 28, and Article III, respectively). The Council of Europe's Group of States against Corruption (GRECO) has been issuing recommendations on asset disclosure systems since 1999, and the Organisation for Economic Co-operation and Development (OECD) and World Bank have contributed to the ongoing process of standard setting by publishing handbooks in 2011 and 2012 (*Asset Declarations for Public Officials: A Tool to Prevent Corruption*³ and *Public Office, Private Interests: Accountability through Income and Asset Disclosure*⁴). In 2013, the Organization of American States published the *Model law on the declaration of interests, income, assets and liabilities of persons performing public functions*.⁵ The Group of 20 leading economies (G20) adopted High Level Principles on Asset Disclosure by Public Officials in Los Cabos in 2012.⁶ Finally, in October 2014, the Western Balkan countries adopted the first international standard on asset declarations.⁷

³ OECD, *Asset Declarations for Public Officials: A Tool to Prevent Corruption* (OECD Publishing, 2011). Retrieved from www.oecd.org/corruption/anti-bribery/47489446.pdf

⁴ The World Bank, *Public Office, Private Interests: Accountability through Income and Asset Disclosure* (Washington D.C.: World Bank, 2012), p.10. Retrieved from www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/03/23/000333037_20120323003424/Rendered/PDF/676270PUB0EPI0067882B09780821394526.pdf

⁵ www.oas.org/juridico/PDFs/model_law_declaration.pdf.

⁶ https://star.worldbank.org/star/sites/star/files/los_cabos_2012_high_level_principles_on_asset_disclosure.pdf

¹³ Regional School of Public Administration, *Western Balkan Recommendation on Disclosure of Finances and Interests by Public Officials*, 08-09 July, 2014. Sixth Meeting of the Ethics and Integrity Network (Vilnius: ReSPA, 2014). Retrieved from <http://respaweb.eu/11/library#respa-publications-and-research-18>.

10 PRINCIPLES FOR AN EFFECTIVE ASSET DISCLOSURE SYSTEM

Consistent with international standards (see previous chapter) and the Preventive Measures for governments outlined in Chapter III of the UNCAC, Transparency International – based on its previous publications in this area – identified 10 principles for an effective asset disclosure system:⁸

I. LEGAL BASIS AND PURPOSE

Asset declarations are an effective tool in preventing corruption as well as an instrument in facilitating the detection, investigation and possible prosecution of corruption and accumulation of illicit wealth of public officials. For this, a sound legal basis is required, and the law should make a clear statement that asset declarations serve dual purposes: to detect both illicit enrichment and conflicts of interest.

II. DECLARATION CONTENT

The information required for detecting illicit enrichment should capture all essential financial flows, including on the incoming side all sources of income, received loans and gifts; on the side of outgoing financial flows this includes immovable assets such as houses, moveable objects such as vehicles, jewellery and fine art, and financial assets such as cash, domestic and foreign bank accounts, stocks or bonds. Most of the information relevant for illicit enrichment will also reveal possible conflicts of interest: information on an outside employment will indicate generated income but also point to potential conflicts of interest; the case of financial assets, such as shares in a company, is similar. However, there are also non-financial interests such as (unremunerated) corporate board memberships, which are only relevant in the context of conflicts of interest.

III. COVERAGE OF OFFICIALS

An effective asset declaration system should cover all public officials at risk for corruption. This includes senior executive office holders (ministers, deputy ministers, commissioners, agency heads); legislators; judges at all court levels; prosecutors; and any civil servant with some decision-making power. This should include not only national-level officials but also those at the sub-national level, where local authorities are entrusted with decision-making. Additionally, the asset declaration should also cover at least members of the immediate family and/or household members, as otherwise public officials can hide illicit income and assets behind them.

IV. SUBMISSION OF DECLARATIONS

Asset declarations should be required when a person first assumes public office, to establish a baseline for any future accumulation of assets during their tenure. Regular, periodic updates should be made. The obligation to report should extend beyond the individual's tenure in post to capture deferred enrichment. As much as possible, submission of declarations should be done online. The online availability of data greatly facilitates automated analysis as well as later publication of the information.

V. VERIFICATION

An effective verification system concerns the verification of submission of declarations, as well as their formal accuracy. As for detecting illicit enrichment, it includes a financial audit. This requires access to state databases as well as to privately held information such as company or banking data. It will also entail on-site inspections of assets in single cases and the possibility to make enquiries of witnesses, if only for voluntary information. All declarations should be subject to submission and formal verification. Declarations subject to a financial audit should be chosen by a random sample

⁸ Transparency International, *Local Governance Integrity: Principles and Standards* (Berlin: Transparency International, 2015), pp.10-16.

as well as by risk criteria.

VI. OVERSIGHT BODY

An oversight body needs to be in place with sufficient resources to control declarations. This includes staff with competency on conflicts of interest as well as financial expertise in detecting hidden cash flows. The oversight body should also have access to publicly available data, or data that private individuals provide on a voluntary basis, and should have the option of (outside) inspections of assets in individual cases. The oversight body also needs up-to-date information technology to support online submission, processing and publishing of the data.

VII. COOPERATION

The oversight body cooperates with tax police and other police units, the prosecution services and financial intelligence units, so that these units can further trace down hidden cash flows, possibly with compulsory measures. Oversight bodies should also be obliged to notify other state bodies on any suspicion of a criminal, administrative or disciplinary offence. For undeclared income, the two most frequent offences are tax evasion and money laundering.

VIII. PUBLIC ACCESS

Experience shows that most successful investigations are triggered by complaints of citizens, NGOs or journalists with knowledge about the true situation of an unfaithful public official. Therefore, asset declarations should be publicly available online. Paper-based access only is too much an obstacle for research. Personal contact details, such as addresses and plate numbers of cars, can be redacted. The oversight body should also publish a regular overview of its activities and information on investigated cases.

IX. SANCTIONS

Failure to produce timely, complete and accurate declarations should at a minimum subject the filer to effective, proportionate and dissuasive sanctions. Criminal sanctions should apply to the most egregious offences – in particular, intentional errors or omissions. Should it turn out that public official was hiding a substantial amount of wealth, the sanction must include forfeiture of the hidden assets.

X. CIVIL SOCIETY

The oversight body should reach out to NGOs and the public at large, and publish regular reports containing inter alia case statistics and an analysis of trends. The internal procedures of the oversight body should be as transparent as possible to the public. Representatives of the public should have the opportunity to participate in, consult on and monitor the work of the oversight body.

ASSET DISCLOSURE: A COMPARISON

While every country in the study has established at least some aspect of a legal basis and purpose for ending illicit enrichment, only Egypt and Yemen have laws that actually enforce illicit enrichment penalties of any kind. Only Egypt has established a legal basis of financial conflicts of interest, and none of the countries in the study have tackled non-financial conflicts of interest. Most of the countries do not even require salary declarations, the most basic form of income disclosure, and none require declarations of gifts. Furthermore, a legal basis for verification, oversight and public access is almost completely lacking in each country. Coupled with a lack of regular disclosure or too large intervals between declarations, there remain large gaps through which public money can flow.⁹ Although the coverage of public officials has been defined in nearly every country, little can be done with regard to asset disclosure without the application of effective verification, enforcement, oversight and sanctioning.

The following table shows were the seven MENA countries reviewed by this study stand:

ASSET DECLARATIONS	EG	LB	LY	MO	PS	TU	YE
1. Legal basis and purpose							
1.1. Illicit enrichment	X	X	X	X	X	X	X
1.2. Conflicts of interest	X	-	-	-	-	-	-
2. Declarations content							
2.1. Incoming financial flows							
2.1.1. Salary	-	-	-	X	-	-	X
2.1.2. Rental income	-	-	-	X	X	-	X
2.1.3. Fees for services	-	-	-	X	X	-	X
2.1.4. Interest, royalties	-	-	-	X	X	-	X
2.1.5. Loans received	X	-	-	X	X	-	?
2.1.6. Debts repaid to the official	-	-	-	-	X	-	?
2.1.7. "Income for free" (gifts, inheritances, etc.)	-	-	-	-	-	-	?
2.2. Outgoing financial flows							
2.2.1. Cash	-	?	-	-	X	X	X

⁹ N. Macfarquhar and M. El-Naggar, "Egypt Prosecutor Sharpens Case Against Mubarak", *The New York Times*, 28 February 2011. Retrieved from www.nytimes.com/2011/03/01/world/middleeast/01egypt.html?pagewanted=all

ASSET DECLARATIONS	EG	LB	LY	MO	PS	TU	YE
2.2.2. Bank deposits	X	?	X	X	X	X	?
2.2.3. Real estate	X	X	X	X	X	X	X
2.2.4. Valuable movables	X	X	-	X	X	X	X
2.2.5. Securities	X	X	-	X	X	X	X
2.2.6. Loans borrowed	-	X	-	X	-	-	-
2.2.7. Loans paid back by official	-	-	-	-	-	-	-
2.2.8. Non-asset expenses	-	-	-	-	-	-	-
2.3. Conflicts of interest (non-financial items)	-	-	-	-	-	-	-
3. Coverage							
3.1. High level officials	X	X	X	X	X	X	X
3.2. Senior level	X	X	X	X	X	X	X
3.3. Non-senior level	X	X	-	X	X	X	X
3.4. Members of Parliament	X	X	X	X	X	X	X
3.5. Judges	-	X	-	X	-	X	X
3.6. Spouses	X	X	-	X	X	X	X
3.7. Minor children	X	X	-	X	X	X	X
4. Submission frequency							
4.1. Assuming office	X	X	X	X	X	X	X
4.2. Annually	-	-	-	-	-	-	-
4.3. Every 2-5 years	X	-	-	X	X	X	X
4.4. Leaving office	X	X	-	X	X	X	X
4.5. Change of assets	-	-	-	-	-	-	-
4.6. Upon request	-	-	-	-	X	-	-
5. Verification							
5.1. Submission	-	X	-	X	-	-	-
5.2. Formal check	-	-	-	-	-	-	-
5.3. Plausibility check	-	-	-	-	-	-	-

ASSET DECLARATIONS	EG	LB	LY	MO	PS	TU	YE
5.4. Financial verification/audit	-	-	-	-	-	-	-
6. Oversight body							
6.1. Central oversight body	-	-	-	-	X	-	X
6.2. Several oversight bodies	X	-	-	X	-	X	-
7. Cooperation with other agencies	-	-	-	-	-	-	-
8. Public access							
8.1. Upon request	-	-	-	-	-	-	-
8.2. Online availability	-	-	-	-	-	-	-
9. Sanctions							
9.1. Late filing	X	-	-	X	X	X	-
9.2. Non-filing	X	X	X	X	-	X	X
9.3. False information	X	X	X	X	X	-	X
9.4. Illicit enrichment	X	-	-	-	-	-	X
10. Active role of civil society	-	-	-	-	-	-	-

NOTE: EG = Egypt, LB = Lebanon, LY = Libya, MO = Morocco, PS = Palestine, TU = Tunisia and YE = Yemen.

LEGAL BASIS AND PURPOSE

It is striking that all countries except Egypt focus their declaration system only on detecting illicit enrichment, leaving aside the important aspect of **conflicts of interest**. Declaration systems should focus on both, and through one declaration: detecting illicit enrichment and conflicts of interest. In several cases, the asset declaration is incomprehensibly hidden in a **myriad** of different **laws**. Ideally, asset declarations should be subject to one comprehensive law, so that everybody – the public at large as well as officials – knows what the obligations are.

DECLARATION CONTENT

Keeping in mind the previous point that declaration systems focus only on detecting illicit enrichment, ironically, the majority of them are not even designed to serve this purpose. All countries except for Morocco and Yemen do not even require any information on the **income** of a public official. This limits the possibility for a verification commission, a law enforcement body or a civil society stakeholder to claim that the income of a public official does not match his/her lifestyle, when there is no information at all on the income. The anomaly also allows public officials to claim he/she received a loan, a gift, an inheritance, lottery winnings, or something similar, to explain his/her lifestyle with a fabricated story.

It is also obvious that most declaration systems lack clarity on what income is or should be. Linguistically, income is defined (in English) as follows: “a gain or recurrent benefit usually measured in money that derives from capital or labour”.¹⁰ Such a concept is too narrow. It would not cover a loan, a gift, an inheritance, lottery winnings, or a gain from selling assets. All of these positions would need to be declared being “**incoming financial flows**”.

On the side of outgoing financial flows, most countries do not require declaration of “**cash**”. As MENA countries are largely cash-based economies, this is most unfortunate: the public official could always explain his/her lifestyle by claiming he/she paid for the lifestyle from a stock of cash he/she kept.

COVERAGE OF OFFICIALS

Often **judges** are not obliged to declare assets, nor are **family members**. This is not in line with internationally accepted principles, as the judiciary is among the most corruption-prone sectors in these (and other) countries;¹¹ at the same time, public officials often use family members to hide their assets.

In general, it is important to either broaden the scope of public officials obliged to declare assets, or to keep the scope wide. An additional benefit of asset declarations that is often overlooked is that they “may provide key evidence in **criminal investigations** triggered by evidence from other sources. For example, allegations of bribery, including anonymous charges or press reports, may lead to an investigation that is inconclusive without additional evidence. Such supplementary evidence may be found in an asset declaration on file and accessible to prosecutors.”¹² Therefore, it is good to have declarations by many public officials on file.

SUBMISSION OF DECLARATIONS

Submission of declarations should ideally be to **one body** only. The submission to a myriad of different entities has produced chaotic results in the past (e.g. Morocco – see country report). An interesting feature is a mechanism in Lebanon, where public officials do not receive their first **salary** if they do not show a stamped certificate confirming that they have submitted their (first) asset declaration. In several countries submission of declarations during office is missing or is required only at intervals that are too large (e.g. five years). International comparisons show that annual declarations are the standard.¹³

It is obvious that gradually, **online** submission of declarations will be needed, at least for senior public officials. This mitigates the red tape and facilitates searching of the data. In some cases, as in Argentina, advanced online systems can automatically process and produce an initial financial analysis of a declaration.¹⁴

¹⁰ www.merriam-webster.com/dictionary/income

¹¹ Transparency International Global Corruption Barometer 2013, p.3: “Among the eight services evaluated, the police and the judiciary are seen as the two most bribery-prone”. Retrieved from www.transparency.org/research/gcb/overview

¹² Tilman Hoppe, *The case for asset declarations in the judiciary*, U4 Brief, May 2014, p.2. Retrieved from www.u4.no/publications/the-case-for-asset-declarations-in-the-judiciary-identifying-illicit-enrichment-and-conflicts-of-interests/downloadasset/3474.

¹³ Stolen Asset Recovery Initiative (StAR), *Public Office, Private Interests* (Washington, D.C.: World Bank, 2012), p.38. Retrieved from <https://openknowledge.worldbank.org/bitstream/handle/10986/13835/774620PUB0EPI00LIC00PUB0DATE0503013.pdf?sequence=1>

¹⁴ StAR, *Income and Asset Disclosure: Case Study Illustrations* (Washington, D.C.: World Bank, 2013), p.7. Retrieved from <http://go.worldbank.org/GRU6AEL8F0>

VERIFICATION

The **complete lack** of a verification mechanism throughout the region is not in line with internationally accepted principles. Declarations are looked into if by accident other evidence turns up against a public official, while no use is made of tens of thousands of declarations. Countries with a GDP lower than most countries in the MENA region have managed to enforce meaningful verification mechanisms and can show a track record of successful cases (e.g. Kosovo).¹⁵

Verification of declarations should usually consist of the following four steps: 1. Submission compliance; 2. Formal check; 3. Plausibility of the declaration (intrinsically); and 4. Financial audit.¹⁶

Depending on the resources, each step could be taken for a different sample of declarations. For instance, submission compliance could be checked on all declarations, and financial audits could be done only on a sample of declarations that are partly selected on a random basis, and partly by risk criteria.¹⁷

OVERSIGHT BODY

Often, the oversight bodies have no competencies or **powers** at all under the law, such as access to databases. If they do, they are not using these powers. For example, in Yemen, the anti-corruption agency in charge has broad legal powers to access data for verification of the declarations' content, but does not yet use these powers in practice. Similarly, so far the various audit institutions in Morocco in charge of verifying declarations only review the submission of declarations, but not their content. Lebanon is an example where the law does not even foresee any oversight body for verifying the content of declarations; thus, the Central Bank receiving the declarations serves only as a passive "deposit box". In any case, a common feature is the lack of sufficient resources for verifications, in particular **staff trained** on the specifics of financial analysis of declarations and on conflicts of interest.

COOPERATION

As the whole verification system is dormant at best throughout the region, there is little if any cooperation with other state bodies that usually would benefit from asset declarations, such as the tax administration or the unit on anti-money laundering. For example, an anti-money laundering unit might have information on a large financial transaction of a public official. As long as the unit has no access to his/her asset declaration, it cannot cross-check whether the financial transaction goes beyond the declared means of the public official and is thus suspicious.

PUBLIC ACCESS

None of the countries covered under the research provides public access to asset declarations. It is clear that all of these countries are more concerned about safeguarding confidentiality of the declarations than doing something meaningful with them. This clearly excessive secrecy significantly

¹⁵ ReSPA/Tilman Hoppe (lead author), *Comparative Study: Income and Asset Declarations in Practice* (Danilovgrad: ReSPA, 2013), pp.86, 145. Retrieved from www.respaweb.eu/11/library#respa-publications-and-research-18

¹⁶ T. Hoppe/V. Kalnins, *Practitioner manual on processing and analysing income and asset declarations of public officials* (Council of Europe: January 2014). Retrieved from www.coe.int/t/DGHL/cooperation/economiccrime/corruption/Projects/EaP-CoE%20Facility/EaP_TP_default_en.asp

¹⁷ StAR, 2013, p.62.

reduces the impact these declarations could have and is a **stark contradiction** to the alleged intention of the governments in the region to fight corruption.

Experience shows that it is often journalists or concerned citizens who scrutinise published asset declarations and trigger investigations by questioning implausible data. If declarations were public, **civil society** scrutiny could make up to a large extent for the absence of other verification mechanisms.

One should keep in mind that an analysis of legal jurisprudence shows that publication of declarations would **not violate** the right of **privacy** of public officials, even under international human rights standards.¹⁸ Therefore, online systems of publishing asset declarations are a standard feature of transition countries wanting to fight corruption in practice. This is not a question of money: Georgia (Caucasus) had a GDP lower than almost all countries in the MENA region when it set up an award-winning system of public declarations (<http://declaration.gov.ge/eng/> – English version of the website).¹⁹

SANCTIONS

Sanctions are often either **absent**, or are outstandingly **weak** compared to the illicit gains an official might accumulate (e.g. Morocco: maximum fine of US\$1,800). Often sanctions for illicit enrichment or for intentionally declaring wrong data are missing. Even if a multitude of sanctions is available, their implementation is missing. In other cases, mechanisms for reporting suspicions are **impediments** rather than incentives (such as the requirement of bank guarantees, no admissibility of substantiated anonymous complaints, etc.).

CIVIL SOCIETY

MENA countries are shutting out from the verification process the **most effective resource** they have: civil society. In general, state institutions do not reach out to citizens, the media, or civil society organisations to participate in the process. They do not even provide any systematic information, such as statistics (except to some extent in Morocco).

¹⁸ ReSPA/Hoppe, 2013, p.209.

¹⁹ See also: World Bank, *Fighting Corruption in Public Services: Chronicling Georgia's Reforms* (Washington, D.C.: World Bank, 2012). Retrieved from <http://documents.worldbank.org/curated/en/2012/01/15647088/fighting-corruption-public-services-chronicling-georgias-reforms>

RECOMMENDATIONS

The international community and regional bodies have developed comprehensive principles and procedures to build effective asset disclosure systems, and many countries have even adopted these as law. The policies help reduce corruption by exposing illegal activity, opening the door to investigation and creating enforcement and monitoring mechanisms. As the data illustrates, the MENA region has fallen behind international standards on asset declaration. The following recommendations are based on the research conducted for this report and seek to provide a regional set of priorities for improving the effectiveness of asset disclosure:

Broaden the scope of information and coverage of officials: Declarations need to show the fullest picture possible of incoming and outgoing financial flows during public officials' time in office, in particular salaries and fees, royalties, gifts, loans, and other incoming cash flows such as inheritances. Without information on the income of officials, no meaningful verification of the declaration is possible. Declarations also need to include information relevant for detecting conflicts of interest, such as second jobs, business relationships and memberships in relevant interest groups. This includes senior executive office holders (ministers, deputy ministers, commissioners, agency heads); legislators; judges at all court levels; prosecutors; and any civil servant with some decision-making power. This should also include family members of public officials at senior levels (spouses and children).

Implement a verification procedure: Countries urgently need to establish meaningful verification mechanisms. Failing this, declarations have no deterrent effect, making illicit enrichment less unattractive and severely weakening the asset declaration framework. A methodology for submission verification, formal verification, and financial audits of declarations needs to be in place based on a legal act. The oversight body should be obliged by law to verify a sample of declarations by public officials. The samples should be chosen randomly, as well as be based on specific risk criteria. Finally, a legitimate verification procedure must follow up on any substantiated anonymous complaints. Until appropriate monitoring mechanisms are in place, existing aspects of a country's asset declaration system are vulnerable to exploitation and loopholes.

Provide access to the public: Asset declaration laws mean nothing if they are not applied, which often requires the watchful oversight of engaged citizens and active civil society organisations. The public is the most important watchdog; therefore, information should be made available through an open web portal that is centralised at each level of government. If a web portal is not available or is underutilised, the information should be widely disseminated through alternative media. Digital information should be published in widely used formats that are non-proprietary, searchable, sortable, platform-independent and machine-readable. On any of these platforms, there should be clear guidelines and explanation for the limited exemptions for non-publication or exclusions. Although the legal framework on access to information is still weak in many countries of the MENA region, there are at least policies in place that should be used to support a wider dissemination of asset declarations, limiting the waiting time between receiving and answering a query on assets.

ANNEX I: METHODOLOGY

The main focus of the country reviews is to compare:

- a) the existing legislative framework against the emerging **international standard**
- b) the existing legislative framework of asset disclosure with its **actual implementation**

The main sources were:

- **desk review** of the legislative and regulatory framework on the respective asset disclosure system.
- **semi-structured interviews** with up to six experts per country drawn from the public sector as well as the private sector, including civil society or academia

Experts for the semi-structured interviews were selected from the following two categories:

- **Key experts**, i.e. practitioners or ex-practitioners in the area of asset disclosure (these included officials in the agency or agencies tasked with managing asset declarations, law enforcement officials, lawyers and accountants, human resources/ministerial staff, experts from tax authorities, and any others with practical experience).
- **Informed experts**, i.e. individuals who are not experts on asset declarations but have an informed opinion on the workings of the public administration and understand how asset declarations could increase transparency and accountability (these included journalists, civil society activists and informed citizens). Interviews with this group were optional depending on the level of information obtained through official interviews.

ANNEX II: NATIONAL BACKGROUND RESEARCH

Tilman Hoppe, Asset Declarations in Egypt: Illicit enrichment and conflicts of interest of public officials. National Overview: Egypt. (October 2014)

Tilman Hoppe, Asset Declarations in Lebanon: Illicit enrichment and conflicts of interest of public officials. National Overview: Lebanon. (October 2014)

Tilman Hoppe, Asset Declarations in Libya: Illicit enrichment and conflicts of interest of public officials. National Overview: Libya. (October 2014)

Tilman Hoppe, Asset Declarations in Morocco: Illicit enrichment and conflicts of interest of public officials. National Overview: Morocco. (October 2014)

Tilman Hoppe, Asset Declarations in Palestine: Illicit enrichment and conflicts of interest of public officials. National Overview: Palestine. (October 2014)

Tilman Hoppe, Asset Declarations in Tunisia: Illicit enrichment and conflicts of interest of public officials. National Overview: Tunisia. (October 2014)

Tilman Hoppe, Asset Declarations in Yemen: Illicit enrichment and conflicts of interest of public officials. National Overview: Yemen. (October 2014)

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