

Asset declaration in the Republic of Slovenia

Alma Sedlar
Deputy Chief Commissioner

The Commission for the Prevention of the Corruption
Dunajska 56, Ljubljana
t +386 1 400 57 10
f +386 1 478 84 72
www.kpk-rs.si

The IAD Legal Framework in Slovenia

The legal framework of IAD in Slovenia is regulated by the Integrity and Prevention of Corruption Act of 2010, which has replaced the 2004 Prevention of Corruption Act

The new law brought major changes to the anticorruption framework that address IAD

Significant changes of the new act from 2010:

- developed an electronic form for the reporting of data on assets
- established electronic record (base) of the assets declarations
- extended the list of persons with obligations
- implemented fines

The law governing asset declaration

- Integrity and prevention of corruption act (was adopted in 2010)
- **Articles 41 – 45: V. DECLARATION AND SUPERVISION OF ASSETS OF OFFICIALS**
- **Article 41:** Obligation to declare assets
- **Article 42** Data on assets
- **Article 43** Obligation to provide information on any change in assets
- **Article 44** Invitation to submit data on assets
- **Article 45** Disproportionate increase in assets
- **Article 77:** Sanctions for noncompliance with the anticorruption law

PERSONS WITH OBLIGATIONS TO DECLARE ASSETS

- Professional officials
- Non-professional mayors and deputy mayors
- High-ranking civil servants
- Managers
- Persons responsible for public procurement
- Civil servants of the National Review Commission for Reviewing Public Procurement Award Procedures

PERSONS WITH OBLIGATIONS TO DECLARE ASSETS

- The citizens of the Republic of Slovenia who hold office in the EU institutions, other EU bodies and other international institutions (appointed or elected by the Government of the Republic of Slovenia or the National Assembly)

DATA REQUIRED ON ASSETS DECLARATION

- Personal name
- Personal identification number (EMŠO)
- Permanent residency
- Tax ID number
- Information on the office or work
- Information on the last position held before taking the office
- Any other office held or activities performed

DATA REQUIRED ON AD - INFORMATION ON ...

- Ownership or stakes, shares, management rights in the company, private institute or any other private activity
- On stakes, shares, and rights that the entities referred to in the preceding events in another company, institute or private activity

DATA REQUIRED ON AD - INFORMATION ON ...

- Taxable income under the law governing personal income tax
- Immovable property with all the land register information on land plots
- Financial assets deposited in banks, savings banks and savings and loan undertakings - the total value of which in an individual account exceeds EUR 10,000

DATA REQUIRED ON AD - INFORMATION ON ...

- The total value of cash if it exceeds EUR 10,000
- Types and values of securities if at the time of the declaration of assets their total value exceeded EUR 10,000
- Debts, obligations or assumed guarantees and loans given, the value of which exceeds EUR 10,000
- Movable property the value of which exceeds EUR 10,000
- Any other information referring to assets the person with obligations wishes to provide

WHEN TO DECLARE ASSETS?

- **Within one month after entering or leaving office and one year after leaving office.**
- Persons responsible for public procurement and civil servants of the National Review Commission **shall declare assets by 31st January for the previous year.**

WHEN TO DECLARE CHANGES?

- On 31st January for the previous year
- The person shall report any changes of the office, activity or ownership and all changes if the assets exceed 10,000 EUR in the previous year

AN ELECTRONIC SUBMISSION (ELECTRONIC FORM)

- Any changes in the assets shall be reported **in electronic form** on the Commission's website.
(The hard copy is still needed).
- The form also includes the possibility of stating **the reason** for the increase in assets.

WHO SUBMITS LISTS OF PERSONS LIABLE TO DECLARE ASSETS

- 1. The bodies** that employ persons with obligations
- 2. Contracting authorities** that operate that work in accordance with regulations on public procurement
- 3. Government and National Assembly** for Slovenian citizens who hold office in EU institutions and other international institutions (from the Government or National Assembly)

WHEN TO SUBMIT LISTS OF PERSONS?

- **Within 30 days of any change** occurring
- List of persons responsible for public procurement shall be submitted to the Commission once a year by 31st December (if they participated in a public procurement procedure)

HOW TO SUBMIT LISTS OF PERSONS?

- Lists of persons have to be submitted **in electronic form** (on the Commission's website). *The hard copy is still needed.*

THE LISTS OF PERSONS HAVE TO INCLUDE ...

- Important personal data - name, personal registration number, tax ID number, office or position, permanent address and in the case of officials with limited term of office and high-ranking civil servants, the date of taking or ceasing to hold office or position

DATA VERIFICATION

- The Commission may obtain any necessary information **from the official records and competent authority** to verify the accuracy of the statements of the person with obligations
- If the Commission finds any inconsistencies between the information, **it may request the person with obligations to enclose relevant evidence (in 15 days).**

THE CONTENT VERIFICATION PROCES CONSISTS OF

- A comparison between the information on the form and information from official databases
- Information provided in declaration forms is checked against: tax records, land registries, vehicle registries, livestock records, and corporate records of ownership and shares. The verification process normally lasts three to four months.

SUPERVISION

- **Regular periodic monitoring** (each year we select a category of persons obliged to report)
- **Irregular monitoring** (initiated on the basis of the report, media releases, or if there is another way to obtain information from which arises the suspicion that the person did not declare all of his assets)

INVITATION TO SUBMIT DATA ON ACCESS

- If the Commission finds that the person with obligations has not provided his asset declaration, the Commission **invites the responsible person** to submit the data required within the limited period of time (15 – 30 days).

SANCTIONS

- A fine between 400 EUR and 1,200 EUR shall be imposed on individual who:
 - **fails to provide** the necessary data in the declaration of assets or fails to report assets;
 - **provides false data** in the declaration of assets
- 400 EUR to 4,000 EUR shall be imposed on a **responsible person of a body or contracting authority** which **fails to submit a list** of persons with obligations to the Commission

REDUCE OF SALARY

- If the person fails to submit required data, the Commission has the authority to decide that this person's salary or salary compensation should be reduced by 10 % each month (to the minimum salary level) - instead of the termination of office.

FAILURE TO EXPLAIN INCREASED ASSETS

- If a person fails to explain the increased assets, the CPC **shall notify the body** where the person holds office or the body responsible, or any other competent authorities
- The body **may initiate a procedure for the termination of the term of office** or dismissal
- The bodies shall notify the CPC of their decisions **within 3 months**

COOPERATION WITH OTHER BODIES

- If the CPC suspects the assets have increased considerably and there is a risk that the person has hidden or appropriated it, the CPC may call on the State Prosecutor's Office to take all the necessary steps **to temporarily stop the transactions and secure the money to be seized**

COOPERATION WITH OTHER BODIES

- The State Prosecutor's Office or other bodies shall inform the Commission in writing of the measures taken in this regard by no later than **within 72 hours.**

COOPERATION WITH OTHER BODIES

- The agencies involved in enforcing the IAD system include the State Prosecutor's Office, the police, agency inspectorates, the National Bureau of Investigation, and the Office for the Prevention of Money Laundering.

PUBLIC AVAILABILITY OF DATA

- Only data on assets obtained during the period of holding a public office or performing an activity and **within one year after the termination of the office or activity is available to the public**
- 24 months after the termination of the office or activity data is no longer available to the public

CPC SHALL PUBLISH ON ITS WEBSITE:

- **Data on income and assets obtained during the period of holding a public office or performance of an activity and within one year after the termination of the office or activity**
- **The data shall be published in a manner that facilitates a comparison**

EXCEPTIONS

- The law excludes from the public disclosure requirement the assets or income acquired prior to taking office

LESSONS LEARNT

- Too many people liable to asset declaration?
- Data about important changes of assets shall be published
- Control over assets of other family members
- Ensure checking bank accounts abroad

BEST PRACTICES

- online asset declaration system (electronic e-forms for declaring of assets and reporting changes in assets)
- Possibility of publishing the data
- Interagency collaboration that allows for extensive content verification

BEST PRACTICES

- online submission of report about violations,
- yearly random checks for fully inspection of assets declarations,
- organized many seminars.