**ANNUAL PERFORMANCE REPORT
OF THE SPECIAL INVESTIGATION SERVICE
OF THE REPUBLIC OF LITHUANIA
2015**

CONTENT

PREFACE

During 2015, seeking to make Lithuania a more transparent country on the European and the global scale, we developed a new long-term National Anti-Corruption Programme for 2015-25, analysed 50 processes in the country to detect corruption risks, made concrete proposals to increase transparency, promoted and provided anti-corruption education for target groups, including the private sector, and implemented other anti-corruption measures. We also actively contributed to Lithuania's priority objective to become a member of the Organisation for Economic Co-operation and Development (OECD). STT received more invitations, more frequently, from other countries and international organizations to share our experience in fighting corruption. This means recognition of our anti-corruption activities as they can be offered as an example to others.

We are constantly learning and improving in our field because we need both theoretical knowledge and practical expertise to continue doing our work and face new challenges. Efforts were made to motivate our staff. Its turnover became the lowest in the past three years. We understand that the key to success is teamwork which helps us achieve better results in preventing and detecting corruption offences, which do the most damage to the state. Our means and methods of fighting systemic corruption were well chosen. As a result, there was an increase of detected and investigated serious corruption crimes, half of all suspects (and the accused) were politicians or high-level officials and the conviction rate in our cases accounted for 85% of all the cases submitted to court.

By increasing public awareness of STT's activities in 2015 we encouraged people to take a civic stand and demonstrate zero tolerance towards corruption. We received more complaints signed by persons, whereas the number of anonymous reports decreased. On the basis of the information received we were able to initiate more pre-trial investigations: their number increased by 56%. Public confidence in STT went up. In 2015, as compared to the previous year, it grew by 11 per cent. The correct choice of anti-corruption policies also resulted in a more favourable position of Lithuania on Transparency International's Corruption Perception Index. During 2015 Lithuania scored 61 points (as compared to 58 points in 2014) and hit the 32nd position among 168 countries covered by the survey.

*We wish that in 2016 the decisions that you make will be only **S**ound, **T**ransparent and **T**rustworthy.*

Saulius Urbanavičius
Director of the Special Investigation Service (STT) of the Republic of Lithuania

STT ROLE

►We are a law enforcement agency acting on a statutory basis, independent from the executive power and accountable to the President and the Seimas (Parliament) of the Republic of Lithuania. We disclose and investigate corruption offences. By developing and implementing corruption prevention measures we maintain a coherent and targeted anti-corruption system of the country.

►Our **mission** is to reduce corruption that threatens human rights and freedoms, the principles of the rule of law and economic development.

►The **vision** of STT is to be a national law enforcement agency enjoying high public trust, effectively disclosing corruption offences, carrying out targeted corruption prevention, educating the public and raising public awareness.

►The **strategic goal** of STT is to reduce corruption in the country.

►**Activities:**

   ♦ Criminal prosecution for corruption offences.
   ♦ Corruption prevention.
   ♦ Anti-corruption education and awareness raising.

►Our **goals:**

   ♦ Quick and thorough disclosure of corruption offences.
   ♦ Detecting and eliminating the reasons for and preconditions of corruption.
   ♦ Building intolerance towards corruption and increasing trust in STT.

►**Current programme** – *detection and investigation of corruption offences and corruption prevention* (01.004) – a continuous and long-term programme which calls for implementation of the tasks set out in the Law on STT – to protect and defend individuals, society and the state from corruption, as well as carry out prevention and detection of corruption. This programme is linked to the National Anti-Corruption Programme of 2015-25 which provides for a streamlined approach to an effective fight against corruption.

STAFF AND BUDGET

►In 2015, STT had 250 employees: 86 per cent officers (statutory civil servants) and 14 per cent contractual employees.

►In 2015, 97 per cent of employees had a higher education degree and the remaining 3 per cent had secondary education. Our team comprised 146 men and 104 women. The average age of the officers was 39 years.

►In 2015, the Service hired 29 employees, 20 of which were statutory public officials with a higher education degree and on average almost 9 years of experience of working in the public sector.
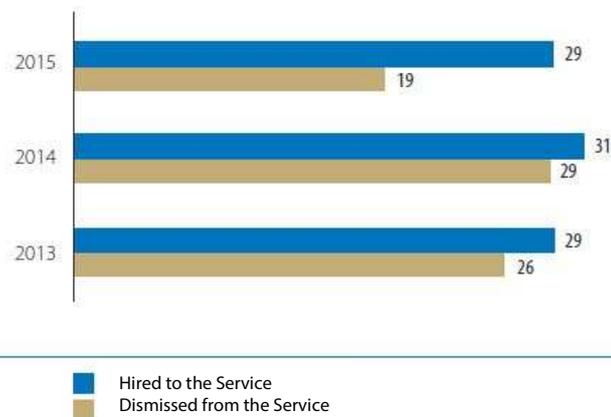
Fig. 1 **Changes in the number of people hired and dismissed from the Service**

►During 2015 the staff turnover was the lowest in the last 3 years and reached 7.4 per cent (as compared to 8.2 per cent in 2012, 8.1 per cent in 2013 and 9.5 per cent in 2014).

►The appropriations for the Service in 2015 constituted EUR 7,343.7 thousand, including EUR 5,722.6 thousand spent on wages , pensions, social security contributions and social benefits; EUR 671.3 thousand used for purchasing goods and services and EUR 1,040.8 thousand used for purchasing fixed assets.
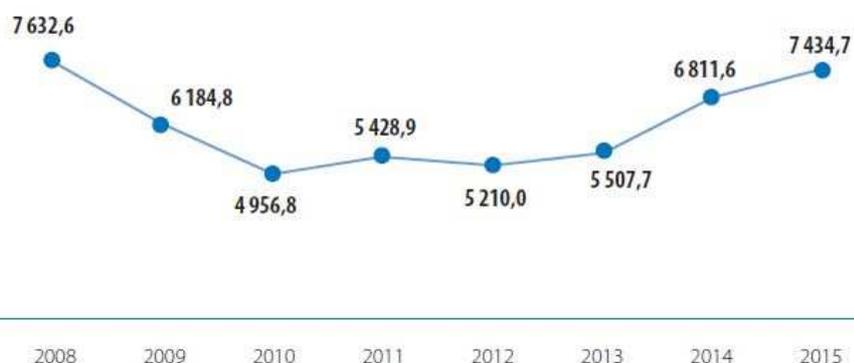
Fig. 2 **Changes of appropriations for STT (EUR thousand)**

►We developed a new qualification upgrading system which meets the specific needs of the Service, which is to have our criminal intelligence officers acquire and improve their professional knowledge and gain special skills.

►A new version of the STT statute (which came into effect on 1 January 2016) provides for a new status of an STT officer[1], establishes a motivating career system with corresponding wages[2], as well as consistent requirements and restrictions applied to STT officers. Better career prospects make the work at STT more attractive.

NATIONAL ANTI-CORRUPTION PROGRAMME 2015-25

►In order to find systemic solutions to eliminating manifestations of corruption, we worked together with the Government to develop a new long-term anti-corruption strategy: the National Anti-corruption Programme 2015-25[3] and an inter-institutional action plan for its implementation during 2015–19[4].

►Reducing the scale of corruption and increasing transparency and openness both in the public as well as the private sector has become our strategic goal. By 2025, the aim is to reduce the number of Lithuanian business persons admitting that they gave a bribe in the last 5 years by 40 per cent.

►The programme defined long-term objectives[5] for fighting corruption and the most important anti-corruption measures; it also stressed the need to implement sectoral and institutional anti-corruption programmes.

►The expected outcome of the programme is the following: by 2025, Lithuania should score at least 70 points on Transparency International's Corruption Perception Index (In 2015, Lithuania scored 61 points).

CORRUPTION PREVENTION

Ensuring impartial and transparent activities of state and municipal institutions is one of the three main work strands of the Service carried out by its Corruption Prevention Department, First Department and field offices. It should be noted that during 2015 we analyzed and provided recommendations regarding transparency of 50 processes carried out in the state.

---

[1] As of 1 January 2016 STT statutory civil servants have become statutory state officers.
[2] Instead of the bonuses for qualification categories, the Service established a service tier system, according to which officers may be subject to six levels of wages, which are directly related to their performance.
[3] The National Anti-Corruption Programme 2015-25 was approved by the Seimas (Parliament) of the Republic of Lithuania on 10 March 2010, Resolution No. XII-1537.
[4] The inter-institutional action plan of the implementation of the National Anti-Corruption Programme 2015-25 for the period of 2015-19 was approved by the Government of the Republic of Lithuania on 17 April 2015, Resolution No. 648.
[5] The programme defined six long-term goals for reducing corruption: increasing efficiency of the administration of the public sector; application of the principle of zero tolerance of impunity; reducing monitoring and administrative costs; ensuring transparent public procurement; eliminating corruption in health care; ensuring zero tolerance towards corruption and encouraging society to be more proactive in fighting corruption.

ANTI-CORRUPTION ASSESSMENT OF DRAFT LEGISLATION AND THE LEGISLATION ALREADY IN FORCE

►In 2015 we focused on a holistic anti-corruption assessment[6] of legal acts or their drafts and we were more proactive in performing them. (see Fig. 3).

►From the anti-corruption perspective we assessed 303 complex and/or relevant legal acts or their drafts, 140 of which included primary legislation and 163 were secondary legal acts or their drafts. Of all the legal acts assessed from the anti-corruption perspective, the legal acts in force constituted 51.2 per cent.

►We provided legislation developers and other interested persons with 657 comments related to anti-corruption. By monitoring their implementation we found that during the reporting period 73 per cent of STT's observations, were fully taken into account and 8 per cent of them were partially taken into account.
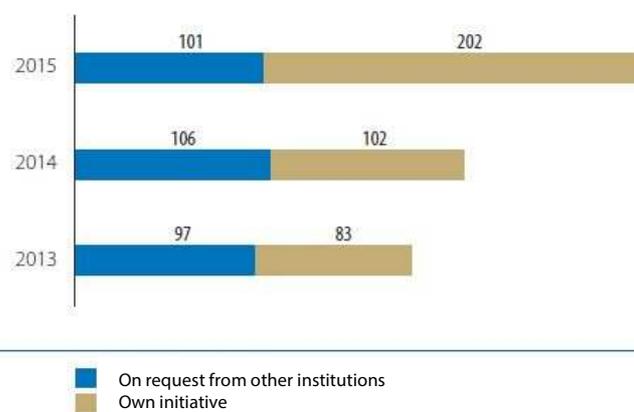

■ On request from other institutions
■ Own initiative

Fig. 3 **Changes in the number of legal acts or their drafts assessed from the anti-corruption perspective**

►The anti-corruption assessment of legal acts or their drafts, which received significant public attention in 2015, includes the following:

♦ After analysing sports funding regulations[7], we found that the system of allocating funds for various projects at the Physical Education and Sports Support Fund Board were allegedly non-transparent, since there were no clear-cut project selection criteria or a defined maximum level of funding. We proposed to publicize the stages of project funding and related information.

♦ After examining how health care institutions comply with the provision of the Law on Pharmacy in force since 2011 which prohibits drug advertisers to visit physicians during patient reception hours,[8] we found that some institutions lack they internal regulations governing the matter. A few institutions stated that there were no such visits. We proposed to introduce a regulation, according to which failure to comply with the procedures established by the health care institution by an employee of a pharmaceutical company would result in a prohibition for a pharmaceutical company to host meetings or promotional events for a certain period of time (e.g. six months).

---

[6] The examples of holistic evaluations include the following: admission to kindergartens, admission to compulsory military service, school children transportation, cemetery maintenance, monitoring of road maintenance licensing, bankruptcy and restructuring certification.
[7] Online access (in Lithuanian only):
http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=1092309&p_org=2494&p_fix=n&p_gov=n
[8] Online access (in Lithuanian only):
http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=1066940&p_org=2494&p_fix=n&p_gov=n

CORRUPTION RISK ANALYSIS

►In 2015 we received 119 findings from different institutions about the level of a probable manifestation of corruption in them. The number of such findings increased by 30 per cent as compared to previous years.

►We conducted 18 corruption risk analyses and assessed 32 corruption-sensitive areas of state or municipal institutions.

►By monitoring the proposals regarding the findings of risk analysis, we found that 87.4 per cent of all the proposals that we made (491) were either fully implemented or are in the process of implementation, and 3.5 per cent of the proposals were implemented partially.

►Corruption risk analyses that received significant public attention in 2015 include the following:

⬧ With regard to state support for the acquisition of orthopaedic technical means, we found [9] that it could be provided inefficiently and non-transparently, because some of the measures included in the list of customised orthopaedic appliances were in fact <u>serial</u> products. In the absence of legal regulation to identify orthopaedic companies that imitated manufacturing of customised orthopaedic appliances state support was abused.

⬧ At the State Territorial Planning and Construction Inspectorate under the Ministry of the Environment we found[10] that inefficient work of construction inspectors could result in losing certain state income. We also found that the employees of the Inspection's territorial divisions inspecting construction completion documents were able to inspect only a small share of the documents and almost never detected violations, while the employees of the Inspection's Central Division conducting repeated inspections detected a number of violations, but were often unable to impose any penalties.

ANTI-CORRUPTION PROGRAMMES

►In 2015 we assessed and submitted proposals regarding 31 anti-corruption programmes, their action plans or draft documents. Proposals submitted included 5 draft sectoral programme for fighting corruption and other institutional programmes initiated by STT (*environmental protection*[11], *public procurement*[12], *health care*[13], *sports*[14], *elections*[15]).

---

[9] Online access (in Lithuanian only): http://www.stt.lt/documents/kra_2015/Ortopedijos_KRA_isvada.docx
[10] Online access (in Lithuanian only): http://www.stt.lt/documents/kra_2015/Satybu_Inspekcija_KRA.docx.docx
[11] Online access (in Lithuanian only):
http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=1075655&p_tr2=2
[12] Online access (in Lithuanian only):
http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=1075147&p_fix=n&p_gov=n
[13] Online access (in Lithuanian only):
http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=1104085&p_tr2=2
[14] Online access (in Lithuanian only):
http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=1086383&p_fix=n&p_gov=n
[15] Online access (in Lithuanian only):
http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=1088244&p_fix=n&p_gov=n

METHODOLOGICAL SUPPORT ON THE ISSUES OF THE IMPLEMENTATION OF CORRUPTION PREVENTION MEASURES

►In 2015 we developed a model of municipal Anti-corruption Commission regulations[16] to harmonize organization, coordination and control of anti-corruption activities in municipalities.

►We provided methodological assistance for 700 public servants about how corruption risks could be identified, a sectoral anti-corruption programme and its action plan prepared. In addition, we performed anti-corruption assessment of draft legislation and providing information about persons.

►In 2015 we started to develop *the Handbook for Creating Anti-corruption Environment in the Private Sector* in order to increase anti-corruption awareness and intolerance to corruption, as well as the ability to identify and manage potential risks of corruption in the private sector.

PROVIDING INFORMATION ABOUT CERTAIN CATEGORIES OF PUBLIC OFFICIALS

►In 2015, we provided information about 6,745 persons, who were intending to work in the state or municipal institutions or companies; European Union or International judicial and other institutions; applied for authorization to work or get access to classified information, obtain a company's reliability certificate or a state award; intended to participate in the privatization of state and (or) municipal property, as well as the activity of banks, credit and payment institutions, etc. (see Fig. 4).

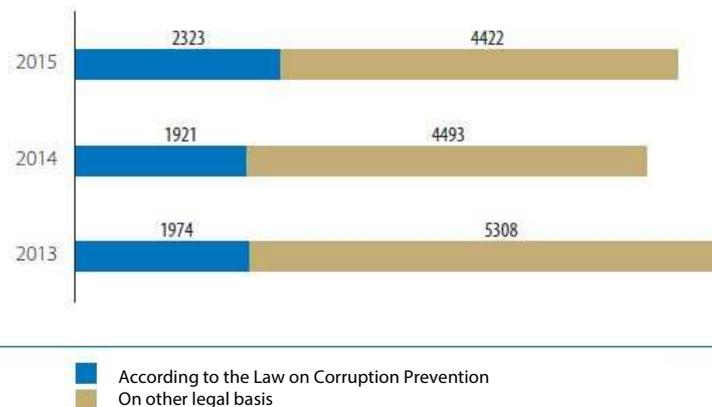►According to the Law on Corruption Prevention in 2015 we provided information about 2,323 persons.

Fig. 4 **Changes in the number of persons, on whom the information was provided**

►The number of persons, regarding whom a written inquiry to STT is mandatory according to the Law on Corruption Prevention, increased by 72 per cent (see Fig. 5). The above-mentioned inquiries were submitted by all municipalities.

---

[16] Online access (in Lithuanian only):
http://www.stt.lt/documents/korupcijos_prevencija_2015/Sav_antikorupcijos_komisijos_nuostatai.docx
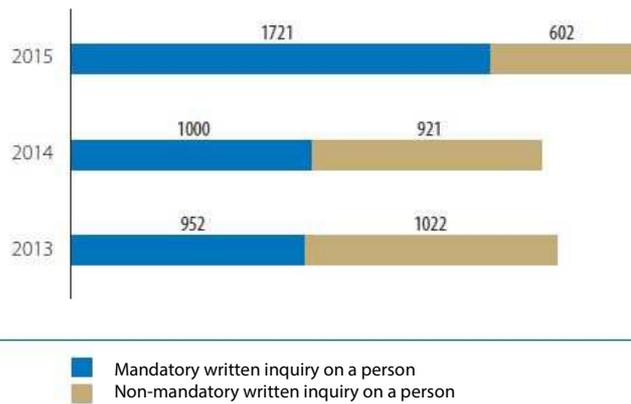
Fig. 5 **Changes in the number of persons, regarding whom information was provided (according to the procedure of information provision)**

►We provided the interested institutions with information regarding 85 persons, seeking to work in the state or municipal institutions or companies, European Union or International judicial and other institutions indicated in Article 9 (2) of the Law on Corruption Prevention.

►The information about the screened persons according to the Law on Corruption Prevention was provided to:

   ⬩ Office of the President of the Republic of Lithuania (information provided about 236 persons);
   ⬩ The Seimas of the Republic of Lithuania (information provided about 6 persons);
   ⬩ The Government of the Republic of Lithuania (13 persons);
   ⬩ Ministries and their subordinate institutions and companies (414 persons);
   ⬩ Municipalities and subordinate institutions and companies (619 persons);
   ⬩ Law enforcement authorities, criminal intelligence and intelligence entities (1035 persons).

►We hope that the Description of the procedure *on the provision of Information about the persons seeking to hold a position in a state or municipal body or a company, as well as persons, whose applications for a position in European Union or International institutions were submitted by the Republic of Lithuania* and the *Handbook for the Development and Implementation of Anti-corruption Environment in Private Sector*, under development by STT, will make the practical implementation of this anti-corruption measure even simpler.

ANTI-CORRUPTION EDUCATION AND RAISING AWARENESS

We implemented anti-corruption education and public awareness-raising in the areas that are most susceptible to corruption, in particular focusing on health care employees and municipal officials.

ANTI-CORRUPTION EDUCATION FOR CIVIL SERVANTS

►In 2015 we organized 143 anti-corruption education seminars and lectures in various public institutions. The anti-corruption lectures were attended by approximately 5,000 officials from various institutions. Most of them were high-level public sector employees.

►As of the second half of 2015 we started showing video lectures on corruption prevention for employees of various institutions. During six months, such distant training for public servants was used by 30 institutions and a total of 818 persons.

ANTI-CORRUPTION EDUCATION OF CHILDREN AND THE YOUTH

►In 2015 we discussed anti-corruption with senior school students from 21 schools and gymnasiums. In addition, we conducted 15 meetings and lectures discussing the issue of corruption with high school students.

Last year, we continued implementing the project *"Who Needs It?!"*. We organized 14 meetings with students and project participants, providing anti-corruption information to about 360 students. In addition, we hosted 10 educational tours at STT attended by 283 students. Besides that, we organized a project on vocational volunteering and delivered lectures on *Anti-corruption efforts and STT activities* at Vilnius' schools.

PRIVATE SECTOR INVOLVEMENT IN PUBLIC ANTI-CORRUPTION EDUCATION

►In 2015 we held anti-corruption lectures for the energy business sector: the employees of AB Lesto, AB Litgrid and AB Lietuvos Dujos.

►On 9 December 2015 we signed a cooperation agreement with a transparent business initiative "Clear Wave". The purpose of this agreement is to promote transparent and responsible Lithuanian business practices and zero tolerance towards corruption among business companies.

INTERNATIONAL ANTI-CORRUPTION DAY

►On 9 December, the International Anti-corruption Day,) in co-operation with members of the Lithuanian parliamentary group *For Lithuania Without Corruption* and representatives of the Lithuanian student parliament, we organized a contest of anti-corruption posters *We are Against Corruption* and selected four best poster authors.

►In co-operation with the Lithuanian Association of Medical Students (LiMSA) we conducted a social campaign at Vilnius University Hospital Santariškių Klinikos, which involved public reading of the so-called *Patient's Oath* which includes a commitment to give your doctor a smile as the only way to thank him or her and refrain from giving bribes. On this occasion we organized a large-scale anti-corruption information campaign on Facebook called "*The best way to thank a doctor is to give him a smile. Don't give bribes. A donation is better.*"

►In Klaipėda we organized a conference on *Cooperation between Public and Private Sectors in Fighting Corruption*, attended by more than 120 municipal leaders and officials of Klaipėda County, as well as representatives of state institutions residing in Klaipėda. The speakers of the conference included representatives of STT, Seimas Anti-Corruption Commission, Baltic Institute of Corporate Governance, Klaipėda University and Lithuanian Business University of Applied Science, Lithuanian Confederation of Industrialists, prosecutor's offices, and lawyers. After the conference we organized a public campaign at Klaipėda's Theatre Square, with a slogan *Give Yourself Clear Conscience for Christmas*.

RAISING PUBLIC AWARENESS

►In 2015 we prepared and distributed 203 press releases about the actions undertaken by STT in anti-corruption.

►Given the fact that according to various sociological surveys Lithuanian residents receive most information about corruption from television, in 2015 we used this medium to provide information about our activity 167 times (as compared to 14 times in 2014).

►We published 67 messages on Facebook. During the year the number of people who liked STT Facebook increased by 3,300 people, i.e. from 1,753 to 5,062 individuals.

CRIMINAL PROSECUTION

By carrying out criminal prosecution in 2015, we sought to reveal serious and systemic corruption crimes, which have the greatest negative impact on the state. They were mostly related to public procurement and the implementation of EU-funded projects in the fields of health care, municipal issues and land management.

ON-GOING PRE-TRIAL INVESTIGATIONS

►In 2015 we started 77 pre-trial investigations (as compared to 66 investigations in 2014). We also received 21 pre-trial investigations from other pre-trial investigation bodies. Out of that number, 8 investigations were initiated on the basis of information gathered by STT. In total, we conducted 170 pre-trial investigations last year.

►During the reporting period the number of investigations, started after receiving complaints or reports from people, increased by 56 per cent. This shows growing public intolerance towards corruption.

►In pre-trial investigations started in 2015 we brought allegations of criminal offences to 161 persons. Out of that number, 50 per cent of all of the suspects were politicians or high-level officials. In 2015 allegations were brought to 3 legal entities.

►65 per cent of 308 offences detected in 2015 were related to public service and public interests. 31 per cent of all of the offences detected by STT in 2015 were serious crimes (which is 4 per cent more than a year ago).

►About 50 per cent of all the pre-trial investigations started by STT in 2015 were related to health care, municipal issues and land lease, sales or the restoration of property rights. 20 per cent of all the pre-trial investigations were started with regard to non-transparent public procurements.

  ◆ *Health care-related pre-trial investigations were started due to:*

  - *Possible corruption in public procurements at the State Enterprise Šiauliai state hospital*
  - *Allegedly illegal activity of the executives and employees of a pharmaceutical company, involving systemic bribery of doctors.*
  - *Allegedly illegal activity of the manager of the State Enterprise Panevėžys State Hospital Department in carrying out public procurement.*

  ◆ *Municipal activity-related pre-trial investigations were started due to:*

  - *Allegedly illegal activity of a member of Kaunas City Municipality Council, a director of a company managed by Kaunas City Municipality and other illegal activity of public servants in organizing public procurement.*
  - *Allegedly illegal activity of the director of the company managed by Druskininkai municipality, related to a possible embezzlement of property by abusing one's position, trying to win the favour of the municipality's leaders and fulfilling their requests.*
  - *Allegedly illegal activity of a director of the company managed by Vilnius City Municipality, involving a company related to the above-mentioned person who illegally acquired real estate on state-owned lands obtained the right to buy or rent this land from the stateon preferential conditions.*

  ◆ *Land management-related pre-trial investigations were started due to:*

  - *Allegedly illegal activity of employees at the territorial department of the National Land Service under the Ministry of Agriculture (hereinafter – NLS) in restoring property rights in relation to more than 150 hectares of land. Allegedly these offences enabled fraudulent acquisition of 37 state-owned land plots, thus making a significant damage to the state.*
  - *Allegedly illegal activity of the head of the NLS territorial department and other public servants, related to renting two land plots in Vilnius City without a legitimate reason. The average market value of this land is EUR 1.1 million.*
  - *Allegedly illegal activity of the head of the NLS territorial department and other public servants in using possibly forged documents to register a building and renting a state-owned land plot of more than 14 000 sq. m. under the building for 54 years.*

COMPLETED PRE-TRIAL INVESTIGATIONS

►In 2015 we completed 65 pre-trial investigations, 32 of which were transferred to court. We applied criminal intelligence means and methods in 69 per cent of the pre-trial investigations transferred to court.

►During reporting period, the number of terminated pre-trial investigations decreased by 47 per cent. 76 per cent of all the terminated pre-trial investigations were not started by STT. They were started in another pre-trial investigation institution and transferred to STT by a prosecutor's office, or they were initiated after receiving a statement or report filed by an individual.

►The average length of pre-trial investigations transferred to court in 2015 was 10 months. 41 per cent of the investigations transferred to court were conducted in less than 9 months.

►In the cases transferred to court in 2015 charges were brought against 71 persons, 48 per cent of whom were politicians or high-level officials. Charges were also brought against 2 legal entities.

►142 of the cases transferred to court involved bringing charges regarding criminal offences. 32 per cent of them were serious crimes. 68 per cent of all criminal offences were related to criminal offences against the public service and the public interest.

►In 2015 the average number of the accused and criminal offences in one investigation transferred to court by STT increased by 22 per cent.

►The most important cases transferred to court by STT in 2015 include the following:

  A former member of the Seimas of the Republic of Lithuania and related persons, as well as criminal offences of the management of AB Panevėžio Energija in conducting public procurement.
  A criminal offence related to the competition for the director's position at Utena Forestry Directorate.
  A case regarding the abuse of the office of the Deputy Director of the National Land Service under the Ministry of Agriculture in signing a peace treaty with a claimant regarding a civil case examined at Vilnius District Court, which obliged the state to pay the claimant LTL 8,284,422 (EUR 2,399,335).
  A case on bribery and abuse of the office of the technical director and other 11 persons from UAB Kauno Vandenys.

COURT DECISIONS IN CASES INVESTIGATED BY STT

►Courts heard 76 cases in which STT carried out pre-trial investigations.

►In 85 per cent of cases the accused were convicted. Out of that number, 4 persons were convicted and released from criminal liability on bail.

►In eleven cases persons were acquitted. 73 per cent of the acquittal decisions were made in the cases of previous years (2007-2012) and the cases based on the pre-trial investigation started on the basis of Article 228 of the Criminal Code (abuse of office).

►In 2015 the cases investigated by STT and heard by courts of all instances regarding corruption criminal offences were concluded in decisions regarding 173 persons, 75 per cent of which were convicted.

►In the cases investigated by STT, courts sentenced 110 persons, 14 of which were politicians, heads or deputy heads of institutions; 18 were managers or deputy managers of companies; 3 judges; 7 lawyers, lawyer assistants or bankruptcy administrators; 12 managers of state agencies and company units; 33 specialists working at public agencies and enterprises; 2 legal entities (including a liquidated company) and 21 other persons.

►In the cases investigated by STT, courts imposed fines on 47 persons (the total amount of fines was EUR 216,142). The largest fine imposed by a court in a case investigated by our agency in 2015 was EUR 18,830. The average court fine in 2015 was EUR 4,599.

►The largest amount of confiscated cash amounted to EUR 57,201, the total amount of confiscated cash was EUR 90,657.

►In 2015, the maximum sentence of imprisonment applied by court in cases investigated by the Service was 48 months (minimum – 2 months).

►Most important court decisions in cases investigated by STT in 2015:

⬥ *A former mayor of Alytus, 2 deputy mayors, director of administration, head of department, 3 municipal employees, director of a private company and deputy director were convicted for abuse of office, forgery of documents and embezzlement of property.*

⬥ *A former deputy mayor of Vilnius Municipality was convicted for trading in influence.*

⬥ *A former governor of Panevėžys County and head of the county governor's administration department were convicted for bribery and abuse of office.*

EXAMINATION OF INDIVIDUAL COMPLAINTS, STATEMENTS AND REPORTS

►In 2015 we received complaints, statements and reports (hereinafter – statements) from 1,509 persons (as compared to 1,316 persons in 2014), including 413 anonymous statements.
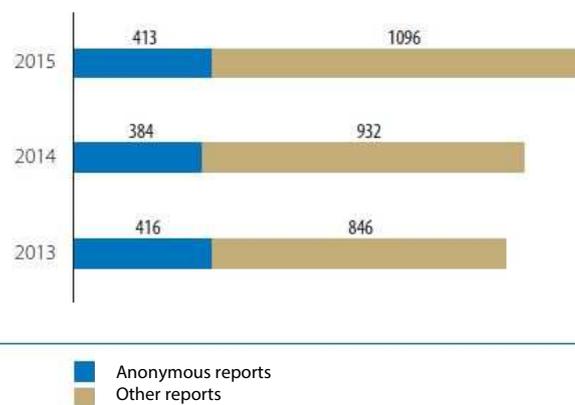

Fig. 6 **Changes in the number of statements received**

►According to the Procedure on r*emuneration of persons who have provided valuable information about corruption offences to the Special Investigation Service of the Republic of Lithuania*[17]*,* during 2015 we paid EUR 6,800 (ranging from EUR 300 to more than EUR 3,000, depending on the quality of information and its relevance for pre-trial investigation). On the basis on valuable information provided by individuals we started 5 pre-trial investigations and submitted notices of suspicion to 32 persons, who allegedly committed 28 criminal offences (including 7 serious crimes).

---

[17] Approved by Order of STT Director No. 2-38 of 20 January 2015.

►In 2015 the number of pre-trial investigations based on the statements of individuals increased by 56 per cent and this illustrates the citizen's civil spirit and increasing confidence in the Service.

►On the basis of these statements we started 39 investigations, adopted 150 resolutions to refuse to start a pre-trial investigation; detected 3 cases of misconduct, 2 cases of violation of the public interest, 1 case of violation of administrative law, 8 cases of conflict of interest and reported them to competent authorities. 242 statements were transferred for further examination by other competent institutions.
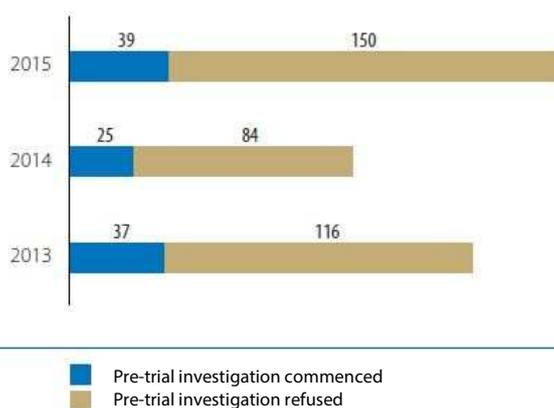

Fig. 7 Changes in the number of pre-trial investigations on reported cases and refusals to start them

INTERNATIONAL COOPERATION

We have commitments not only in Lithuania, but also on the international level. Out of all the events attended by STT, 74 per cent of them were funded by the organizers, which means that STT's expertise is recognised and interesting to other countries.

PARTICIPATION IN THE ACTIVITIES OF INTERNATIONAL ORGANIZATIONS, INCLUDING THEIR COMMITTEES, WORKING GROUPS AND NETWORKS

►We took part in two plenary sessions of the Council of Europe's Group of States against Corruption (GRECO). In one of them, STT's International Relations Officer acted as a rapporteur of the Netherlands' fourth round compliance report. In addition, STT representative attended a meeting of the Ad hoc Organized Crime Working Group set up by the Council of Europe's European Committee on Crime Problems. The goal of this meeting was to develop an action plan on transnational organised crime endorsed by the CDPC. STT's International Relations Officer had actively participated in various stages of the preparation of the action plan.

►STT's International Relations Officer took part in a conference organised by the European Commission for Democracy through Law (Venice Commission) in co-operation with the Institute of International Relations and delivered a speech "Why do traditional anti-corruption standards fail when countries undergo transformations? The Lithuanian experience".

►STT's corruption prevention expert took part in a conference organised by the Council of Europe, EEA and Norway Grants in partnership with the Czech authorities and delivered a speech on how to prevent judicial corruption.

►We were active participants of a number of meetings organised by the OECD Anti-Corruption Network (ACN). Our experts were involved in the joint 1st and second evaluation rounds of Mongolia and 3rd stage monitoring of the Kyrgyz Republic according to the Istanbul's Anti-Corruption Action Plan. In addition, we took part at the fourth meeting of OECD ACN law enforcement officials and the first meeting of the Global network of law enforcement institutions fighting corruption.

►We participated at four plenary sessions of the Working Group on Bribery of the Organisation for Economic Co-operation and Development (OECD). We also took part in a conference of specialized European institutions fighting international bribery.

►STT's 1st Deputy Director took part at the annual conference of the European Partners against Corruption / European Contact-Point Network against Corruption (EPAC/EACN).

►We participated at the European Digital Forensic training organized by the European Commission's Anti-fraud Office (OLAF) and a meeting initiated by the United Kingdom's Serious Fraud Office (SFO) and coordinated by OLAF. In addition, we attended two meetings of the OLAF Anti-Fraud Communicators Network (OAFCN).

►We participated at two meetings of the Anti-Corruption Expert Group, discussing the second anti-corruption report developed by the European Commission. In addition, we participated at a workshop on whistleblower protection organised by European Commission's DG Home.

►A corruption prevention expert of STT took part at the International Anti-Corruption Summer Academy which focused on the trends and practices of fighting corruption in the global context and different cultures.

►Invited by the Nordic Investment Bank a corruption prevention expert of STT took part in an anti-corruption seminar held for representatives of anti-corruption institutions in the Baltic States, where he made a presentation and introduced Lithuanian experience on the risk of corruption and fraud in financing international projects.

COOPERATION WITH THE ANTI-CORRUPTION BODIES OF LATVIA AND POLAND

►On 28 March 2015 we signed a memorandum of understanding with Poland's Central Anti-Corruption Bureau (CBA).

►During 2015, we visited Poland's Central Anti-Corruption Bureau (CBA) and the Latvian Anti-Corruption Bureau (KNAB) to exchange good practices in the area of corruption prevention and investigation. KNAB representatives also made a visit to our agency.

►Representatives from the Corruption Prevention Department of Moldova's National Anti-Corruption Centre came to STT to learn about identification of corruption risks.

COOPERATION IN THE FIELD OF CRIMINAL PROSECUTION

In the area of criminal prosecution we cooperated with other foreign law enforcement agencies, including the following:

►United Kingdom's Serious Fraud Office (SFO) helping it to conduct a complex investigation on international bribery, which involves investigating criminal activity re-

lated to bribery in a foreign country (in this case, Lithuania)[18]. The mutually beneficial cooperation and the exchange of information relevant to the criminal prosecution continues.

►US Federal Bureau of Investigations (FBI) and other US law enforcement bodies that carry out an investigation of corruption related to US military procurement. This investigation also involves the assessment of the actions of a Lithuanian businessman, who allegedly bribed a US military officer. Since a part of the related criminal offences was made in the USA and other elements in Lithuania, we exchanged information in order to conduct a proper and effective investigation of the said Lithuanian businessman's actions.

DEVELOPMENT COOPERATION

►Ukraine. Invited by the European Commission under the Technical Assistance and Information Exchange (TAIEX) programme, STT's Deputy Director participated at the seminar on *Detection and Investigation of Income, Received from Corruption,* which took place in Kiev. He spoke about the Lithuanian anti-corruption model and experience. Good practices were also shared at the round table discussion on the *Public Service Reform: adequate wages against corruption,* organized by the Presidential Administration of Ukraine, the Ministry of Economic Development and Trade, the Ministry of Justice and Kiev's Regional Administration.

►Moldova. STT hosted a meeting for the employees of Moldova's National Anti-Corruption Centre, responsible for corruption prevention. During the visit, funded by TAIEX, we explained how STT identifies and analyses corruption risks. We also participated at the 6th Meeting of the Lithuanian and Moldovan European Integration Committee, sharing information about STT's activity and prospects of cooperation with Moldovan partners. In addition, we developed a concept of bilateral cooperation with Moldova's National Anti-Corruption Centre for 2016 and submitted it to the Ministry of Foreign Affairs of the Republic of Lithuania for comments.

►Georgia. STT is a party to the project *European Union's Eastern Partnership Police Cooperation Programme EUROEASR.* As a part of this project we hosted a seminar on corruption prevention, investigation and analysis for Georgian officers from the Central Criminal Police Department under the Ministry of the Interior and Anti-Corruption Bureau of the Public Security Service.

►The former Yugoslav Republic of Macedonia (FYROM). In co-operation with the Ministry of Finance, the Financial Crime Investigation Service under the Ministry of the Interior and the Central Project Management Agency we won the European Union's twinning project *Further support for effective prevention and fighting against fraud and violations in using the funds of the European Union.* The purpose of this project is to improve strategic, legal and institutional system and methodologies for fighting against fraud and violations related to the use of the European Union's funds more efficiently in FYROM; reinforce the capacity of the Anti-Fraud Coordination Service (AFCOS) under the Financial Police Office and upgrade the qualifications of their employees on preventing, detecting, investigating and analysing fraud and financial violations.

►Bosnia and Herzegovina. STT's public education expert participated at a seminar on *Social Advertising Campaigns and Fighting Against Corruption,* organized by Bosnia and Herzegovina's *Analitika* Centre for Social Research and the Agency for the Prevention of Corruption and Coordination of the Fight Against Corruption (APIK). She shared the good practice of the Lithuanian for non-governmental organizations and public institutions.

---

[18] The Service is conducting an investigation on Lithuanian public servants and intermediaries who have received bribes.

►Croatia. STT's corruption prevention experts participated in a seminar on the *Efficiency of Corruption Prevention Measures*, organized by the OECD Anti-Corruption Network (ACN). They spoke about the Lithuanian corruption risk assessment system of corruption.

STT AS A BENEFICIARY

►The EU project on *Strengthening the abilities of financial investigation for efficient identification and management of assets gained throughout criminal activities to ensure prevention and fight against organised crime* No. HOME/2013/ISEC/AG/FINEC/4000005195. As a part of this project together with other institutions (project partners) we developed a methodology for asset recovery trainings in order to improve the search for criminal assets and perform effective financial investigation.

►SIENA for Anti-Corruption Authorities (S4ACA). This is a project co-funded by the European Police Office (Europol), Austrian Federal Bureau (BAK) and the associate partner, the Europol. The aim of the project is to enhance communication with Europol and to increase exchange of information via Europol's Secured Information Exchange Network Application by initiating the extension and use of SIENA to the Member States' anticorruption authorities.

►Cooperation between institutions of the Republic of Lithuania and the Kingdom of Norway to gain knowledge and best practices in the area of municipal anti-corruption. The project will help develop methodology for identification and measuring corruption indicators.

►Under the Programme Prevention of and Fight against Crime, the European Commission awarded a grant to the CBA for the implementation of the project titled: "Rising of Anticorruption Training System". The Lithuanian Special Investigation Service (STT) is the co-beneficiary of the project, the Latvian Corruption Prevention and Combating Bureau (KNAB) is the project partner. More than 30 STT officers took part in the project and gained expertise in the area of corruption prevention, investigation, as well as gained more intelligence and analytical skills.

OFFICIAL VISITS

►Maya Gainer, a researcher from the US Princeton University visited STT and other Lithuanian institutions. The material collected during the visit was used for the study about anti-corruption education in Lithuania "Shaping Values for a New Generation: Anti-Corruption Education in Lithuania, 2002-2006"[19].

►Meeting between the US Embassy liaison officers and the leadership of STT.

►During the visit of South Korean anti-corruption authority officials at the Service we exchanged anti-corruption practices and explained our activities.

►During the visits of the representatives from the Corruption Prevention Department of Moldova's National Anti-Corruption Centre and the delegation of the Central Election Commission we discussed how to identify corruption risk factors and the issues of party funding and control.

►Kristina Peets, the Chief Inspector of the Investigation Department of the Estonian Tax and Customs Board was explained STT activities according to CEPOL exchange programme.

---

[19] Online access : http://successfulsocieties.princeton.edu/publications/shaping-values-new-generation-anti-corruption-education-lithuania-2002%E2%80%932006

►During the visit of Christine Uriarte, the Chief Legal Adviser of the OECD Anti-Corruption Division, we discussed the challenges of the accession to the OECD Working Group on Bribery.

►During the visit of the officials from the Latvian Corruption Prevention and Combating Bureau (KNAB) we spoke about our staff management, analytical activity, legal and criminal prosecution, as well as implementation of anti-corruption education.

►The Service was also visited by Alexandra Toderita, a researcher of a Romanian non-governmental organization, who examined the issues of the implementation of the e-procurement platform in the Member States of the European Union.

►During the visit of the Belarusian State Control Committee delegation we explained what we do to our guests.

REGULATION OF THE ACTIVITY

►In 2015, the Law on the Internal Service Statute No. XII-1855 was adopted, which increases the competitive advantage of the institutions of the internal service system in order to attract and retain best-qualified professionals, although it does not directly regulate our activity and service conditions.

►In 2015 after the adoption of the Law on Amending Articles 3, 6, 7, 9, 16 of the Law on State Pensions of the Officers, No. I-693, and the Law on Supplementing the Law by Article 15[2], No. XII-1864, the service time for the right to receive a officers' pension was extended from 20 to 25 years.

►At the end of 2015 the Law No. XII-2046 was adopted, supplementing the Criminal Procedure Code with Article 8[1] and amending its Articles 95, 96, 179, 183, 191, 220 (effective date – 1 January 2016). This Law provides for an electronic form of pre-trial investigation cases, which will enable shortening of pre-trial investigation deadlines timelines due to a faster communication between investigating officers, prosecutors and pre-trial investigation judges.

►At the end of 2015, the Law Amending Articles 226, 227 and 230 of the Criminal Code, No. XII-2048, came into force. This law addresses regulatory shortcomings which Lithuania had to adopt in order to accede to the Working Group on Bribery of the Organisation for Economic Co-operation and Development (OECD).

►In order to ensure more efficient implementation of anti-corruption policies, we developed a draft amendment No. 15-3784 (effective date – 1 July 2016) to the Resolution No. 480 of 18 April 2003 of the Government of the Republic of Lithuania *On the approval of the description of general requirements for websites of state and municipal institutions and agencies,* which obligates state and municipal institutions and agencies to publish more detailed information about implementation of corruption prevention measures and other relevant anti-corruption information on their websites.

►Although a substantial number of legislation related to STT's activity were adopted in 2015, there are still several pending drafts for legislative changes, which would increase transparency of the activity of public institutions, as well as help control corruption, for example:

- *An amendment to the Government Resolution[20],* the purpose of which is to identify reasons and conditions for corruption at state and municipal institutions, as well as to specify the already-existing procedure of determining and analysing the risk of corruption.

- *Legislative amendments[21],* the purpose of which is to ensure protection of whistleblowers.

---

[20] Draft amendment (new edition) of the resolution of the Republic of Lithuania No. 14-7211 *Regarding the Resolution No. 1601 of 8 October 2002 of the Government of the Republic of Lithuania "On the approval of the corruption risk analysis performance procedure".*
[21] Draft amendment No. XIIP-2925(2) of the amendment to the Articles 14 and 20 of the Law on Public Administration No. III-1234 2, Draft Project No. XIIP-2922 of the amendment to the Articles 276 and 286 of the Administrative Code, the Law No. XIIP-2923 on the amendment to the Articles 192 and 263 of the Code of Civil Procedure, and the Draft Law No. XIIP-2924 on the amendment of the Articles 60 and 86 of the Law on Administrative Proceedings No. VIII-1029.

ANTI-CORRUPTION ASSESSMENT

Targeted anti-corruption activity of STT of making the provision of public and administrative services, state and municipal budgets, as well as the receipt and use of the European Union funds more transparent, contributed to higher evaluations of the Lithuanian anti-corruption actions.

►By actively contributing to Lithuania's priority goal to become a member of the Organisation for Economic Co-operation and Development (OECD)[22], we participated at plenary sessions organized by OECD Working Group on Bribery. We also shared good practices at the conference of the European institutions specializing in fighting international bribery.

►In December 2015 OECD Working Group on Bribery unilaterally agreed that Lithuania meets the basic requirements applied to countries intending to join the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions [23].

►Lithuanian membership in the OECD would confirm the acknowledgment of stability in the country and its economic progress. This would help attract new investments to Lithuania.

►According to TI's corruption perception index (CPI) of 2015 Lithuania scored 61[24] points (as compared to 58 in 2014), rising by as many as 7 places and hitting the 32nd position among 168 countries that participated in the survey. Lithuanian ranks 16th among the member states of the European Union, getting ahead of such countries like Spain, Latvia or Hungary.

►According to the new research methodology developed by the Hertie School of Governance, the Index of Public Integrity (IPI)[25], covering all 28 European Union member states[26], Lithuania was rated as one of the countries that have shown the most progress since from 2012 to 2015[27]. Among the European Union member states Lithuania scored 5.78 points and hit the 14thposition, getting ahead of such countries as Spain, Poland and Hungary (the index of Finland, ranking first in terms of integrity, is 8.88).

---

[22] To join the OECD, Lithuania must adhere to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and become a full member of OECD Working Group on Bribery.

[23] The assessment of the OECD Working Group was the first of the six stages of assessment. The next step is the detailed assessment procedure, which will take place in June 2016. During this procedure Lithuania will have to prove that its legal environment, judicial practice and the capabilities of the law enforcement institutions meet all the requirements for ratifying the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions Bribery and becoming a full member of the OECD Working Group on Bribery.

[24] Transparency International's Corruption Perception Index is a composite indicator derived from a number of other globally-acknowledged indices. The assessment ranges from 0 to 100, where 0 means that a country is very corrupt and 100 shows excellent performance in ensuring a country's transparency.

[25] Online Access: https://www.hertie-school.org/mediaandevents/press/news/news-details/article/first-objective-ranking-of-public-integrity-developed-by-hertie-school-professor/News/detail/j.

[26] The methodology will allow to repeat the survey every year and obtain more objective results (for example, previously one of the constituent parts of the investigation was the data on the corruption perception index, which is based on the expert opinion (perception).

[27] The Study on Resistance to Corruption involved evaluating 6 areas: convenience of the administrative system (time needed to register a business, tax payment options), free and competitive trade, auditing capabilities, judicial system, state e-services, publically used e-services.

STT PRIORITIES FOR 2016

►Our priorities for 2016-18 in criminal prosecution of corruption offences, corruption prevention, anti-corruption education and public awareness-raising are as follows:

⬧ Reduce corruption in the public sector:

- At state and municipal institutions and companies by organising, carrying out, controlling and monitoring public procurement, which involves using state, municipal or EU funds.
- At state and municipal institutions and companies by providing, controlling and monitoring public and administrative services.
- In managing and using state and municipal property.

⬧ Promote zero tolerance towards corruption:

- Organising informative and educational anti-corruption campaigns.
- Creating anti-corruption environment in the public and private sectors.

⬧ Participate at the OECD Working Group on Bribery in order to become a full member and join the OECD on Combating Bribery of Foreign Public Officials in International Business Transactions.

►By working in line with the priorities identified, we will focus on energy and infrastructure projects of national importance, also waste management, building renovation (modernization), international support administration, land sale and restoration of property rights, as well as health care and law enforcement.

►In 2016 we will focus on disclosing complex and systemic corruption offences. In order to reduce the level of petty corruption we will analyse the implementation of corruption prevention measures and provide suggestions on how to increase their effectiveness and efficiency. We will also seek to maintain public trust in STT.