



## **Advocating for Conflict of Interest Law in Mongolia**

<b>CSO:</b>	Women for Social Progress (WSP)
<b>Years:</b>	2006-2007; 2011 (phase 1 & 2)
<b>Country:</b>	Ulaanbaatar, Mongolia
<b>Amount:</b>	\$41,029 USD (phase 1 & 2)
<b>Sector:</b>	Strengthening the legal framework

<b>Corruption Problem:</b>	Inadequate regulatory framework in Conflict of Interest legislation
<b>Tools employed:</b>	Advocacy, Legal Action, Legal Reform, Capacity Building

Inadequate provisions in the Mongolian regulatory framework defining Conflict of Interest (COI) have led a local CSO, Women for Social Progress (WSP), to advocate for enhanced laws and regulations. WSP has been able to leverage analysis, media involvement, legal action and the best of global and local knowledge to motivate a critical mass of citizens and stakeholders to successfully advocate for better regulation and the enactment of COI legislation.

### **Corruption Problem Addressed**

Although Mongolia ratified the United Nations Convention against Corruption (UNCAC) in 2005, and passed an Anti-Corruption Law in 2006 paving the way for the creation of an Independent Agency Against Corruption (IAAC), shortfalls and inconsistencies remain in Mongolia’s regulatory system, particularly with reference to the issue area Conflict of Interest (COI).

As reported by USAID (2005), Mongolia “lacks the legal provisions, as well as the associated policy and regulatory framework that would define and prevent COI and sanction violations. In the absence of clear legal provisions to detect instances of malfeasance, habits from the Communist past and cultural tradition continue to control the behavior of public servants”. The absence of regulation on COI provides a fertile environment for big-ticketed corruption to grow. The report furthermore notes

that there is “a profound blurring of the lines between the public and private sector brought about by endemic and systemic conflict of interest at nearly all levels”.

### **Actions Taken by WSP**

WSP advocated to the State Great Khural (Mongolia’s parliament) through two projects funded by PTF.

WSP conducted a review of legislation and in-depth research on legal acts, ethical codes, and conflict of interest cases publicized in the media. Among other benefits, this analysis resulted in the discovery of “unconstitutional” editing of legislative bills after approval by the State Great Khural, rendering the laws ineffective. WSP challenged this practice in the Constitutional Court and won. The court case, covered extensively by different media outlets, including TV, radio and newspapers reports, brought the issue of corruption through COI situations to the forefront of public awareness. It also resulted in the resignation of the Speaker of the State Great Khural.

WSP furthermore translated the OECD Guidelines for *Managing Conflict of Interest in the Public Sector: A Toolkit* into Mongolian and undertook public education activities that introduced the concept of COI to targeted stakeholders, particularly to Members of Parliament, the Cabinet,



senior officials, CSOs, and universities. The Guidelines provided an efficient tool, training relevant parties and educating the media on the dangers of COI. These activities paved the way for the introduction of a COI bill by Member of Parliament (MP) Kh. Temuujin in 2010.

The draft bill was reviewed and significantly strengthened by a later established Working Committee on COI in which WSP Chair, Burma Raadna, was a designated member. The resulting new draft, reflecting recommendations from the working committee, legal consultants, MPs, CSOs and the IAAC, was re-introduced to the State Great Khural by MP Kh. Temuujin in 2011. WSP then reinforced its advocacy efforts, mounting a media and education campaign and lobbied Members of Parliament for the enactment of the new bill that now conforms to international standards and best practice.

WSP furthermore filed a court action to force the Parliament to act expeditiously on the COI bill in compliance with its obligation under the UNCAC convention. For the first time in Mongolian history the court instituted legal proceedings against the Parliament on account of a complaint by a citizen, Ariunbold N., member of the WSP project team. The legal action put pressure on the Parliament to start hearings on the draft COI law and in November 2011, the Standing Legal Committee approved the draft which was then ready for deliberation at plenary session.

## **Impact and Results Achieved**

The project's fundamental impact will be the enactment of a quality COI law and related regulation addressing the glaring gap in anti-corruption legislation that has allowed grand corruption to flourish in Mongolia. The WSP-supported bill provides strict regulations for greater disclosure of private interests upon entry

to government office and post-employment restrictions for government employees joining private businesses. Both are sources of common conflict of interest infractions without adequate controls in existing legislation. Public awareness on COI issues has soared to a level previously not existent in Mongolia, partly a result of the media coverage elicited, partly due the education campaigns mounted by the two WSP projects.

WSP has achieved impressive results using analysis and legal action, and has prepared, framed and driven the issue of inadequate COI regulation, engaging with media and a range of stakeholders to constructively bolster its advocacy efforts.

WSP obtained favorable judgment from the Constitutional Court when it challenged the Speaker of the State Great Khural and through another court action forced Parliament to act promptly on the COI bill. The result of the court's decisions and the relentless advocacy drive by WSP has been the approval of the proposed COI bill by the State Great Khural in January 2012.

It is anticipated that the President will sign the COI bill, thus instituting for the first time ever a COI law in Mongolia.

## **Documentation**

Project documents are available on the PTF website at [www.ptfund.org](http://www.ptfund.org)

The Women for Social Progress website can be accessed at <http://www.wsp.mn>

USAID (2005): Assessment of Corruption in Mongolia, Final Report; accessible at <http://www.usaid.gov/mn/library/documents/MongoliaCorruptionAssessmentFinalReport.pdf>

Prepared by: Burmaa Radnaa, WSP Mongolia; Dante de los Angeles, PTF; Johannes Tonn, PTF