

INCOME AND ASSET DISCLOSURE TOPIC GUIDE

Compiled by the Anti-Corruption Helpdesk

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Topic guides are a series of publications developed by the Anti-Corruption Helpdesk on key corruption and anti-corruption issues. They provide an overview of the current anti-corruption debate and a list of the most up to date and relevant studies and resources on a given topic.

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This topic guide provides an overview of income and asset disclosure in public sector integrity and a compilation of the most up to date and relevant studies and resources on the topic.

INCOME AND ASSET DISCLOSURE

THE ROLE OF INCOME AND ASSET DISCLOSURE IN ANTI-CORRUPTION

Requiring public officials to provide lists of their assets and interests is one of the most effective means of preventing and identifying corruption. A distinction can be made between two types of disclosure systems: those which focus on lists of registered interests, and those which prioritise officials' income and assets. Despite their procedural similarity, the two systems play slightly different roles in restraining financial impropriety.

Firstly, interest disclosure systems aim to flag up potential conflicts of interest to employees themselves, their managers, monitoring agencies and, where disclosures are made public, to civil society and the media. The consultative process of regular asset disclosure serves as a reminder to public employees about the need for probity and raises awareness of potential conflicts of interest. Disclosure can also inculcate behavioural norms, like integrity and honesty in public organisations, especially when it is supported at the highest levels.¹

Secondly, income and asset disclosure regimes aid the prevention, detection and prosecution of illicit enrichment by enabling verification of reported income against other registers (such as the land, vehicle and tax registers), previous declarations and lifestyle.² Financial disclosure therefore raises the costs of corruption and may make some officials less inclined to engage in illicit financial practices. Although income and asset regimes alone are unable to prevent unethical behaviour, systematic analysis of the data they collect can work as a trigger for investigations. In this way, financial disclosure supports a broader anti-corruption strategy, as well as asset recovery programmes.

It is considered good practice to require public officials to declare their interests *and* financial assets. This can be done either by incorporating both procedures into a single disclosure mechanism or independently, as outlined in the above section on conflict of interest. The decision whether to amalgamate these processes or keep them separate should be at the discretion of the relevant national authorities and be made context-dependent.

TOWARDS GOOD PRACTICES IN INCOME AND ASSET DISCLOSURE

Recognising the potential of asset disclosure systems, the 2003 UNCAC agreement stipulated that all signatories should establish mechanisms to compel public officials to report "to appropriate authorities (...) their outside activities, employment, investments, assets and substantial gifts of benefits".

Despite this, there are, as yet, no specific international standards detailing how disclosure regimes are best designed, implemented and monitored. Indeed, while a recent study by the World Bank illustrated that 78 per cent of the surveyed countries had some kind of financial disclosure arrangement, it also revealed the wide range of approaches.³

The literature on income and asset declaration reflects this variety, and stresses the need for context-specific declaration regimes which carefully consider who should declare what to whom and when.⁴ Over

¹ The World Bank. 2013. [Income and asset disclosure: Case study illustrations](#), p.1

² World Bank Public Sector and Governance Group, 2013. [Financial disclosure systems declarations of interests, income, and assets](#)

³ World Bank Public Sector and Governance Group, 2013. [Financial disclosure systems declarations of interests, income, and assets](#)

⁴ Martini, M., 2013. [Declaration of interests, assets and liabilities: Oversight mechanisms, disclosure policies and sanctions](#). Transparency International Anti-Corruption Helpdesk.

the last decade, however, an emerging consensus has identified several "core principles" for the establishment of effective asset declaration mechanisms.⁵ The principles focus on the following areas:

- **The corruption issue disclosure is intended to address.** Thought needs to be given to the kind of behaviours disclosure regulations are supposed to tackle, as well as the institutional and political background. To address undue influence, regulations focusing on helping officials and monitoring bodies to identify and manage potential conflicts of interest can prevent officials partaking in decisions in which they have a personal stake. Disclosure regimes which facilitate the monitoring and investigation of unusual fluctuations in wealth can help uncover illicit enrichment activities.⁶ The best disclosure regimes include provisions for both strands.⁷
- **Scope and coverage of the disclosure requirement.** An overly ambitious scope of disclosure systems can reduce the efficacy of and political support for anti-corruption bodies. Countries need to ensure that anti-corruption zeal does not outstrip institutional capacity when judging who will be required to declare and how declarations will be managed and monitored. In Kenya, for instance, following a highly publicised corruption scandal, all 675,000 civil servants were required to disclose income and assets. The lack of oversight capacity meant that this actually weakened the country's ability to detect illicit enrichment by overburdening the system.⁸ Policy decisions about scope and coverage need, therefore, to be connected to the corruption issue the disclosure system is supposed to tackle.
- **Coverage of disclosure systems.** Generally, it is good practice to start at the top and ensure compliance before expanding coverage to progressively include more officials as political will and resources develop.⁹ Most disclosure regimes include the top tiers of the executive, legislative, judiciary and civil service as these positions enjoy high discretionary powers when allocating public money. An alternative approach is to require officials in high-risk postings, such as procurement, tax and customs officers, to disclose their income and assets regardless of seniority.¹⁰ There is an ongoing discussion about whether the members of an official's household should also be included in disclosure regimes, but most experts concur that a family's financial affairs are so closely entwined that any separation is artificial and excluding them from disclosure makes evading detection relatively straightforward.¹¹
- **Types of information to be included.** Disclosure declarations should include both assets (homes, valuables, financial portfolios and liabilities) and other sources of employment (directorships and consultancies, for example). They should also cover gifts and sponsorship deals above an appropriate threshold as well as potential conflicts of interest (unpaid advisory roles, participation in NGOs, membership of trade unions or business organisations). In order to not overwhelm capacity at an early stage of reform, disclosure could be sequenced so that officials are first required to declare income and assets, and obligations to also declare business activities and pre-employment activities can be gradually introduced. While some disclosure regimes permit disclosure to be made within ranges of value, ideally financial disclosure records exact monetary value of all listed items.¹²
- **Frequency of filing.** Disclosure systems either require declaration on entering and leaving office, when there is a significant change in an official's net worth, or periodically. Annual declarations are the most effective, as they familiarise all officials with the system and allow for accurate comparisons over time in office.
- **Monitoring submission compliance.** While some countries establish a single, specialised agency to receive and review all financial disclosure declarations, in other countries, public organisations have assigned responsibility to civil service commissions or even in-house units.¹³ The legislature and judiciary often have their own disclosure arrangements to safeguard their political independence from external influence. Ideally, income and assets should be declared to an independent and well-resourced public body which is able to competently monitor and enforce compliance with submission requirements.

⁵ Messick, R., 2009. [Income and assets declarations: Issues to consider in developing a disclosure regime](#)

⁶ The World Bank, 2013. [Income and asset disclosure: Case study illustrations](#).

⁷ Martini, M., 2013. [Declaration of interests, assets and liabilities: Oversight mechanisms, disclosure policies and sanctions](#). Transparency International Anti-Corruption Helpdesk

⁸ Messick, R., 2009. [Income and assets declarations: Issues to consider in developing a disclosure regime](#)

⁹ <http://www.opengovguide.com/commitments/asset-disclosure/>

¹⁰ Messick, R., 2009. [Income and assets declarations: Issues to consider in developing a disclosure regime](#)

¹¹ OECD, 2011. [Asset declarations for public officials: A tool to prevent corruption](#)

¹² Transparency and Accountability Initiative, 2011. [Asset disclosure: A guide to best practice in transparency, accountability and civic engagement across the public sector](#).

¹³ OECD, 2011. [Asset declarations for public officials: A tool to prevent corruption](#)

- **Verification of content.** As well as enforcing compliance with submission, for an income and asset declaration system to be effective, the content of the declarations needs to be verified. Entities tasked with scrutinising declarations must therefore be empowered to request/access relevant information from other government agencies. There are a number of ways to verify a declaration: by cross-referencing declarations against public or private sector records (property, vehicle and tax registries), against previous disclosures by the same official or against the official's lifestyle. Rather than seeking to verify each and every submission, random sampling and risk-based selection of financial disclosure declarations can exert less administrative strain.¹⁴
- **Enforcement and sanctioning.** An income and asset declaration regime as described above is well placed to provide a realistic chance of detection and work as a deterrent. But for the system to be truly effective, it must establish a credible threat of punitive sanctions for corrupt officials. These can range from fines, suspension and dismissal to imprisonment. Reputational sanctions, such as publishing the names of those officials who fail to comply, can also be effective.¹⁵ It is crucial that late submission, non-submission and misreporting of assets be made a criminal offence and adequately sanctioned, otherwise, corrupt officials will be free to massage disclosed information and the system will be shown to be toothless. Indeed, it often proves easier to convict a corrupt official for inaccurate reporting rather than corruption itself.¹⁶ Finally, political support for the neutrality of the relevant anti-corruption agency is essential for the enforcement of sanctions to ensure that it does not become a party-political instrument.
- **Public availability of information.** Financial disclosure can either be made publically available or privately to an anti-corruption body, supreme auditor or other government entity. A recent World Bank survey found that legal requirements to make data publicly available were in place in only 43 per cent of countries sampled.¹⁸ In states with high levels of violence, public disclosure of officials' wealth is less common as legislators fear this would make wealthier public officials the target of criminal activity. Nonetheless, with the rise of right to information legislation and the open data movement, making asset declarations public is becoming increasingly common. Public access to officials' financial disclosure declarations can be a valuable addition to institutional verification mechanisms by helping to flag up potential discrepancies for investigation. It also reinforces the message that officials are subject to public accountability, and that their actions should be taken in the public interest. Experience has shown that where asset declarations are logically archived, searchable and publically available, disclosure regimes are generally more effective.¹⁹ Publishing statistics on compliance rates, investigation and enforcement outcomes can also help convince the public of the sincerity of anti-corruption efforts and exert pressure on officials to behave with probity. Nonetheless, public scrutiny cannot be a substitute for official vigilance; verification, especially of possible conflicts of interest, is a skilled task requiring thorough legal knowledge.²⁰

Declaring beneficial ownership: a new global priority

A recent article by the World Bank's Stolen Asset Recovery Initiative noted that while 90 per cent of income and asset disclosure regimes require officials to declare their real estate holdings, the vast majority leave a gaping loophole. Public officials are not considered to be making a false declaration if they exclude property or assets owned through legal entities; 80 per cent of disclosure systems do not require officials to declare shares or property held in the name of a lawyer or other legal entity for the official's benefit.¹⁷ This is an area of great concern given that two recent reports, *Puppet Masters* and *Corruption on Your Doorstep*, showed that corrupt officials frequently use companies, foundations and trusts to disguise their illicit wealth. Requiring beneficial ownership to be declared alongside legal ownership is a much-needed and innovative step to greatly increase the effectiveness of disclosure regimes. Transparency International has recently launched the *Unmask the Corrupt* campaign to tackle this issue.

¹⁴ <http://www.opengovguide.com/commitments/establish-a-system-of-oversight-for-asset-and-conflicts-of-interest-disclosures/>

¹⁵ World Bank Stolen Asset Recovery Initiative, 2012. [Public office, private interests: Accountability through income and asset disclosure](#)

¹⁶ Messick, R., 2009. [Income and assets declarations: Issues to consider in developing a disclosure regime](#)

¹⁷ <http://star.worldbank.org/star/content/keeping-truth-and-luxury-new-york-apartments-hidden-while-not-lying>

¹⁸ World Bank Public Sector and Governance Group, 2013. [Financial disclosure systems declarations of interests, income, and assets](#)

¹⁹ World Bank Stolen Asset Recovery Initiative, 2012. [Public office, private interests: Accountability through income and asset disclosure](#)

²⁰ The World Bank, 2013. [Income and asset disclosure: Case study illustrations](#)

LESSONS LEARNED FOR IMPLEMENTATION

Over the last decade, a number of core principles have been established when implementing income and asset disclosure regimes. Taking these into account will maximise effectiveness and can help to increase public confidence by demonstrating to citizens that official behaviour and public finances are being scrutinised.

- **Clarity of form and function.** To be credible, disclosure regimes need to be explicit in defining their purpose and institutional structure: who reports what to whom and when, who enforces compliance, who verifies content and who levies sanctions.²¹
- **Separating compliance from enforcement.** Financial disclosure regimes include both compliance elements (educating officials, managing receipt of declarations and managing conflicts of interest) and law enforcement (verification, investigation and prosecution). It is advisable to separate responsibility between those entities managing the compliance elements from law enforcement agencies so that officials with procedural questions are less reticent to ask questions about declarations.
- **Context matters.** Disclosure systems need to be designed in a way that their objectives and procedures complement the local institutional, cultural and political environment. This can help overcome the inevitable administrative burden, privacy concerns and variable state capacity.
- **Gradual roll-out.** Coverage needs to start with high-risk senior positions and be incrementally expanded as the infrastructure develops. Before introducing meticulous verification procedures, for example, it is advisable to ensure compliance with the submission regime. Excessively ambitious disclosure regimes are likely to prove ineffective and lose political support.

Innovation in income and asset declaration: the role of civil society

The Open Government Partnership advocates publishing financial and interest disclosure as open data sets, as "informed citizens are more likely to demand greater accountability from public officials."²² The Sunlight Foundation also campaigns to make disclosures more widely available by removing technological and economic hurdles, encouraging standardisation of disclosures to make analysis and comparison easier.²³

In 2014, *Poder Ciudadano*, Transparency International's chapter in Argentina, took this one step further. Working with civil society groups and media outlets, 30 volunteers developed an [online visual database](#) which simplifies the top 800 public officials' asset declarations and allows anyone to track and compare how officials have accumulated assets over their time in office. On its own, the tool cannot detect corruption, but it can raise red flags if officials are seen to live beyond their means. The visual database won the 2014 [Global Editors Network](#) award for best data journalism, and the [technology behind it is being shared](#) with other anti-corruption organisations across the world.²⁴

²¹ Chêne, M., 2011. [Foreign exchange controls and assets declarations for politicians and public officials](#). Transparency International Anti-Corruption Helpdesk.

²² <http://www.opengovguide.com/commitments/publish-asset-and-conflict-of-interest-disclosures-as-open-data/>

²³ Sunlight Foundation, 2013. [Open data policy guidelines](#)

²⁴ <http://interactivos.lanacion.com.ar/declaraciones-juradas/> & http://www.transparency.org/news/feature/visualising_corruption_award_winning_data_journalism_in_argentina

RESOURCES ON INCOME AND ASSET DISCLOSURE REGIMES

Background studies

Officials' asset declaration laws: Do they prevent corruption? Gokcekus, O., and Mukherjee, R., 2006

in Hodess (ed.) *Global Corruption Report 2006*.

http://works.bepress.com/cgi/viewcontent.cgi?article=1071&context=omer_gokcekus

Despite the somewhat outdated dataset, this article remains useful as it is one of the few pieces of systematic evaluation on the efficacy of disclosure regimes. Examining 42 countries, it finds compelling evidence that there is a strong positive correlation between requiring public officials to declare interests and assets and lower corruption levels. Corruption was found to be lower in: (1) countries whose declaration laws permitted the anti-corruption body to prosecute the offending official, (2) countries which verified the content of officials' asset declarations and (3) countries which made declarations publically available. Moreover, the combination of content verification and public access to the declarations was found to have a still greater association with lower levels of corruption.

Income and asset declarations: tools and trade-offs. Stolen Asset Recovery Initiative, 2009.

http://www.unodc.org/documents/corruption/Publications/StAR/StAR_Publication_-_Income_and_Asset_Declarations.pdf

This document provides practitioners with the key principles to follow, the trade-offs to consider, and tools used in the design and implementation of effective income and asset declaration systems. In particular, the report considers how practitioners should design disclosure systems which balance attempts to tackle core corruption concerns with institutional capacity, looking at types of disclosures, verification and storage, and compliance. While the primary focus is on the creation of effective disclosure systems for public officials, the report also considers the role disclosure plays in detecting and preventing asset theft, and assisting efforts to recover the proceeds of corruption.

The report is based on an analysis of national legislative frameworks and a series of cases studies examining how disclosure systems are put into practice. Annex 1 provides a useful, if somewhat outdated literature review for those new to the topic. Annex 2 presents the methodology of the [World Bank's Public Accountability Mechanisms](#) (PAM) initiative which has developed a set of in-law and in-practice indicators to monitor the transparency of governments and the accountability of public officials in five areas: asset disclosure, conflict of interest, freedom of information, immunity protections and ethics training.

Income and assets declarations: Issues to consider in developing a disclosure regime. Messick, R., 2009.

<http://www.u4.no/publications/income-and-assets-declarations-issues-to-consider-in-developing-a-disclosure-regime/>

This is a useful background brief on the pros and cons of asset declaration systems, and provides advice to development agencies drafting asset declaration mechanisms in developing countries. Drawing on the World Bank's experience of providing technical assistance to countries developing disclosure regimes, the paper describes the issues policy makers should consider when deciding to adopt a financial disclosure law and what provisions it should contain. The report cautions against being overly ambitious when deciding on the scope of asset disclosure regimes, arguing that disclosure systems should be targeted at the most senior officials. It also strongly advocates making misreporting a criminal offence in its own right. Overall, the brief finds that disclosure regimes are useful for combating corruption, but that they must be tailored to individual countries.

Sunshine in the state house: Financial disclosure requirements for public officials. Lavin, A., and Rush, L., 2009.

in Selkin, P.E., (ed.) *Ethical Standards in the Public Sector*, 2nd edition, chapter 4

<http://www.right2info.org/resources/publications/publications/USEthicalStandardsStateLaws.pdf>

This is an informative survey of financial disclosure regulations in the United States. It begins with a discussion of the constitutional issues relating to financial disclosure before moving on to explore current financial disclosure requirements. The appendix provides an exhaustive survey of US state-level financial disclosure laws prepared by the Center for Public Integrity. It finds, for instance, that 35 states do not

require legislators to report the value of outside income or investments, and 33 states do not require income disclosure by governors.

See also: US Office of Government Ethics (2009) [Report: Elements of a Successful Financial Disclosure Program](#), Washington D.C.

Income and asset disclosure systems: Establishing good governance through accountability.
Burdescu, R., et al., 2010.

World Bank, *Economic Premise* No. 17, June 2010

<http://siteresources.worldbank.org/INTPREMNET/Resources/EP17.pdf>

This paper examines the role of asset declaration systems within the wider context of good governance measures. Attempting to ascertain best practice on implementation and design, the authors find that key considerations are limiting the number of filers to improve the odds of success, setting modest and achievable expectations, providing resources commensurate with the mandate, prioritising verification procedures to align with available resources, and balancing privacy concerns with public access to declarations. There is also a useful stocktaking exercise analysing how different countries legislate or ignore the finer details of disclosure systems, such as verification, where declarations are stored and accessible, and for how long records are maintained.

Public office, private interests: Accountability through income and asset disclosure. Stolen Asset Recovery Initiative, 2012.

[http://star.worldbank.org/star/sites/star/files/Public Office Private Interests.pdf](http://star.worldbank.org/star/sites/star/files/Public%20Office%20Private%20Interests.pdf)

This valuable report builds on the previous study, *Income and Asset Declarations: Tools and Trade-Offs*, to examine income and asset disclosure requirements for the executive and legislative branches of government. It is intended (together with its companion, [Income and Asset Disclosure: Case Study Illustrations](#)) to be a guide for practitioners and policy makers and for others with an interest in anti-corruption tools and procedures. While the report demonstrates the virtue of disclosure systems as deterrents to corruption, it finds that international standardisation of asset declaration system design is undesirable as local context is crucial. Examining different types of disclosure systems, the report therefore sets out to identify the broader rationale, objectives, core features, and mechanisms that can contribute to their effectiveness and enhance their impact in different contexts. It finds several key challenges are resource and capacity constraints, political resistance to implementation, a lack of public awareness, and limited civil society capacity. Ultimately, it calls for renewed commitment to asset declaration regimes and their proper enforcement. The findings are based on case studies, desk research and analysis of data gathered under the World Bank's Public Accountability Mechanisms initiative to examine the legal frameworks of disclosure in 88 countries.

Income and asset disclosure: Case study illustrations. Stolen Asset Recovery Initiative, 2013.

<https://openknowledge.worldbank.org/bitstream/handle/10986/13835/774620PUB0EPI00LIC00PUB0DATE0503013.pdf?sequence=1>

This companion volume to *Public Office, Private Interests* presents eleven national case studies of disclosure systems from across the world: Argentina, Croatia, Guatemala, Hong Kong, China, Indonesia, Jordan, the Kyrgyz Republic, Mongolia, Rwanda, Slovenia and the United States. This volume summarises the key findings of *Public Office, Private Interests* and then describes the experiences of implementing disclosure regimes in each individual context and the approaches taken to address specific challenges in each jurisdiction. Each case study outlines the legal framework for the disclosure regime, the mandate and structure of the responsible agency, and the resources and procedures of the asset declaration system. The characteristics of each system are highlighted along with other findings that illuminate the challenges faced in implementing the system, the steps taken and the progress achieved by the relevant agency in fulfilling its mandate. The hope is that these experiences provide valuable insights to assist policy makers and practitioners devising their own disclosure regime.

Open Government Partnership webinar series: Asset disclosure. Global Integrity, 2013.

<https://worldbankva.adobeconnect.com/a833642795/p4hbmo50fp2/?launcher=false&fcsContent=true&pbMode=normal>

This 90 minute webinar hosted by the World Bank Institute and OGP provides a comprehensive overview of the fundamentals of asset disclosure systems. It presents findings that the World Bank Financial Integrity Unit compiled and analysed from 176 countries, and uses this experience to present global and regional trends on the implementation and reform of asset declaration systems. It also features an in-depth case study from Georgia and seeks to understand how the lessons learned there can be applied elsewhere.

Asset declarations: An effective tool to fight corruption? Transparency International working paper, 2014.

http://www.transparency.org/whatwedo/publication/working_paper_1_2014_asset_declarations_an_effective_tool

This recent working paper from Transparency International provides a brief but comprehensive introduction to the issue of asset declaration. It first considers who should be covered by disclosure regimes and what should be declared. The paper then considers the key features and challenges of asset declaration and asks whether it can be a door to forfeiture. It concludes with an examination of Georgia as a good practice example and a list of recommendations.

Standards and guidelines

International standards

United Nations Convention against Corruption (UNCAC). United Nations, 2005.

www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf

UNCAC, adopted by the UN General Assembly in 2003, includes provisions for asset disclosure and conflict of interest regulations as a way of combating corruption. Article 8(5) of the convention states that "Each state party shall endeavour, where appropriate and in accordance with the fundamental principles of its domestic law, to establish measures and systems requiring public officials to make declarations to appropriate authorities regarding, inter alia, their outside activities, employment, investments, assets and substantial gifts or benefits from which a conflict of interest may result with respect to their functions as public officials." Article 52(5) further states that, "Each state party shall consider establishing, in accordance with its domestic law, effective financial disclosure systems for appropriate public officials and shall provide for appropriate sanctions for non-compliance."

G20 high-level principles on asset disclosures by public officials. 2012.

<http://www.g20russia.ru/load/781360541>

These high-level principles are based on the [APEC Principles for Financial/Asset Disclosure by Public Officials](#) and are consistent with the UNCAC, the OECD Guidelines for Managing Conflict of Interest in the Public Service and the results of the World Bank and the StAR Initiative analysis on financial disclosures. Recognising the diversity of asset disclosure systems among G20 countries, these principles aim to provide high-level guidance to G20 Members wishing to establish, review, or enhance their legislative and/or administrative standards for asset disclosure of public officials, irrespective of the objectives pursued. Although rather too broad to be of much concrete help, the principles encourage those designing disclosure regimes to ensure they are: (1) fair, (2) transparent, (3) useful, (4) targeted at senior leaders and those in at risk positions, (5) supported with adequate resources and (6) enforceable.

Regional standards

Regional Conventions against Corruption.

The African Union, Union of Arab States, Organisation of American States and the Council of Europe all have conventions containing provisions on financial declarations by public officials.

[The African Union's convention](#) from 2003 states in article 7 that members should "require all or designated public officials to declare their assets at the time of assumption of office during and after their term of office in the public service."

[The 2010 Arab convention](#) specifies in article 28 that, "each state party may consider drawing up effective methods for financial statement declaration, in accordance with its domestic legislation, in respect of public employees and set proper penalties for non-compliance."

[The Council of Europe Model Code of Conduct for Public Officials](#) from the year 2000 requires, in article 14, that public officials "declare upon appointment, at regular intervals thereafter and whenever any changes occur the nature and extent of those interests."

Finally, the [1996 Inter-American convention](#) stipulates in article 3 that, "Systems for registering the income, assets and liabilities of persons who perform public functions in certain posts as specified by law and, where appropriate, for making such registrations public."

Model law on the declaration of interests, income, assets and liabilities of persons performing public functions. Organization of American States (OAS), 2013.
http://www.oas.org/juridico/PDFs/model_law_declaration.pdf

The OAS has prepared a useful model law on interest declaration, which includes both accepted best practice measures and some innovative features. It is seen by some experts as superior to the G20's rather broad [High-Level Principles on Asset Disclosure by Public Officials](#). While its provisions will need to be tailored to suit individual circumstances, the model law functions as a useful reference for those seeking to design or modernise their asset declaration infrastructure.

The OAS model law advocates that the independent audit agency should be equipped with an adequate budget, qualified personnel, proper facilities and access to relevant technology. Further, such agencies should also be empowered to request any information it deems necessary "from any public agency [national, provincial or municipal] and from any natural or legal person, public or private, all of which are obliged to provide such elements within the time limit established by the competent authority, under penalty of law." It recommends reputational sanctions for non-compliance with the disclosure regime, such as publishing the names of those officials subjected to disciplinary, administrative or criminal penalties. Finally, it stipulates that the disclosure registry be made publically accessible.

Financial/asset disclosure in APEC economies: Standards and practices. 14th Anti-Corruption and Transparency Experts' Working Group Meeting, 2012.
<http://www.oge.gov/About/International-Activities/Docs/APEC-Standards---Practices/>

This document was prepared by the United States Office of Government Ethics and provides a useful overview of eleven international agreements relevant to the Asia-Pacific region which contain provisions related to financial/asset disclosure. The second section of the paper also offers a breakdown of current disclosure practices in 19 of the 21 APEC economies. It categorises disclosure regimes by type, longevity, extent of coverage, types of interest covered, submission requirements, sanctions, public availability and verification processes.

Practical insights: handbooks and toolkits

Asset declarations for public officials: A tool to prevent corruption. OECD, 2011.
<http://dx.doi.org/10.1787/9789264095281-en>

This study is aimed at national governments and international organisations engaged in the development, reform and assessment of asset declaration systems at country level. It provides systematic analysis of existing practices in the area of asset declarations in Eastern Europe and Central Asia to examine the impact of disclosure regimes on the actual level of corruption. It examines the key elements of asset declaration systems, such as: policy objectives, legal frameworks and the institutional arrangements; the categories of public officials who are required to submit declarations, and types of required information; procedures for verifying declared information, sanctions for violations and public disclosure. The study also discusses the cost-effectiveness and overall usefulness of declaration systems. Finally, the report presents policy recommendations on the key elements of asset declaration systems. In a series of tables, the report provides a useful overview of a range of comparative country data including the types of institutions tasked with administering asset declaration systems, financial resources assigned to monitoring, forms of public disclosure and the respective number of officials versus staff responsible for verification.

Anti-corruption transparency monitoring methodology. Access Info, 2011.
http://avada.access-info.org/wp-content/uploads/Anti_Corruption_Transparency_Monitoring_Methodology_25_Oct_2011.pdf

This tool is a practical guide which can be used by civil society, journalists, academics and others to evaluate whether the key information needed to prevent and/or identify corrupt practices within government is in fact readily available. The methodology draws on international anti-corruption treaties, such as the UNCAC, as well as other international standards and best practices, to propose some core classes of information which should be published by democratic and accountable governments. These include, for example, copies of public procurement contracts, assets declarations by public officials and information on decision making in privatisation processes. While this tool does not focus exclusively on disclosure regimes, it has a useful section which provides a range of indicators on asset declaration. These enable citizens to assess whether a country is following good practice in the collection, verification, evaluation and storage of asset declarations.

Asset disclosure: A guide to best practice in transparency, accountability and civic engagement across the public sector. Transparency & Accountability Initiative, 2011.

<http://www.transparency-initiative.org/wp-content/uploads/2011/09/2-Asset-disclosure1.pdf>

This very succinct report outlines the basic elements of asset declaration systems. In particular, it advocates the inclusion of senior members of the judiciary and the practice of random auditing and verification of asset declarations. Finally, it provides a comprehensive list of the kinds of assets and interests which should be declared by public officials.

Using asset disclosure for identifying political exposed persons. The World Bank Group, 2012.

http://siteresources.worldbank.org/FINANCIALSECTOR/Resources/Using_AD_for_PEP_identification.pdf

This paper demonstrates the versatility of disclosure regimes, showing how asset declaration can assist the financial sector by undertaking due diligence of politically exposed persons (PEPs). While the detection and monitoring of PEPs to combat money laundering and asset disclosure requirements for public officials are usually designed and implemented separately, this report demonstrates that there is great overlap. Indeed, of the 176 jurisdictions analysed in the report, over 80 per cent have disclosure requirements and the obligation to comply with PEP provisions.

The authors propose several innovative measures to use asset disclosure tools in order to identify PEPs, and focus on implementation issues involved in the identification of PEPs. While clearly delineating jurisdictions, the report aims to bring together both anti-money laundering and asset disclosure stakeholders and improve coordination between the two groups.

The puppet masters: How the corrupt use legal structures to hide stolen assets and what to do about it. Stolen Asset Recovery Initiative, 2012.

<https://star.worldbank.org/star/sites/star/files/puppetmastersv1.pdf>

This report focuses primarily on the methods used to conceal ill-gotten wealth in a labyrinth of corporate and financial structures. It examines how corporate vehicles (companies, foundations and trusts) are misused and provides an overview of beneficial ownership, its role in facilitating corruption and how to find beneficial owners. As such, its scope goes far beyond public sector ethics, but it does have a short section on how public officials' asset declarations are increasingly being used by investigators to locate beneficial owners. In several of the report's ten case studies, asset declaration systems were an important supplementary tool which helped the authorities to make appropriate links and discern trends or patterns during their investigation.

The report makes a series of policy recommendations to guide national legislation and regulations, and provides information for practitioners engaged in investigating corrupt officials and academics involved in the study of financial crime.

See also: [Barriers to Asset Recovery: An Analysis of the Key Barriers and Recommendations for Action & Asset Recovery Handbook: A Guide for Practitioners](#), Stolen Asset Recovery Initiative, 2011.

Assessments and databases

Income and asset disclosure requirements for heads of state and governments. World Bank Group, 2006.

http://www.right2info.org/resources/publications/publications/messick_income-and-asset-disclosure-requirements_wb-2006

This comprehensive, though somewhat outdated, survey documents whether heads of state and governments in 147 countries are required to declare assets, if these declarations are made public, which agency oversees the process, which laws regulate the procedure and provides additional comments. In 104 countries, senior officials must disclose their income and assets. Of these 104, 71 countries require officials to declare their wealth to an anti-corruption body. In addition, 33 require that declarations be published.

Public accountability mechanisms: Income and asset disclosure. The World Bank, 2008.

<https://agidata.org/Pam/Map.aspx>

This is an unparalleled searchable dataset of legal provisions for income and asset disclosure. The database provides 87 country profiles describing economic conditions and government structure, links to country-specific institutions responsible for the enforcement of accountability mechanisms, as well as a historical timeline of relevant legislation and notable incidents of corruption. It also provides summaries of specific indicators related to the accountability mechanisms of income and asset disclosure, freedom of information, conflict of interest, immunity protections and ethics training.

For disclosure regimes, each country is examined in terms of: (1) legal framework, (2) coverage of public officials, (3) content of declarations, (4) frequency of filing, (5) sanctions, (6) monitoring and oversight, (7) verification of declarations and (8) public access to declarations. For example, see Malawi's entry [here](#). Interactive graphs showing the percentage of countries from different income groups/geographic regions with specific disclosure provisions are also available [here](#).

In 2013, the World Bank compiled [a report summarising its findings](#), including lessons learned, good practice examples and key considerations. Annex III (*Selected Features of Financial Disclosure Frameworks across a Sample of 90 Countries*) is particularly valuable as a condensed but comprehensive two-page synopsis of the current state of asset declaration systems around the world.

Disclosure by politicians. Djankov, S. et al., 2010.

in American Economic Journal: Applied Economics vol. 2 (April 2010): pp.179–209

http://scholar.harvard.edu/files/shleifer/files/disclosure_by_politicians_aejapp_final.pdf

This paper surveys disclosure requirements for MPs in 175 countries, using the data in order to construct a "universal" set of items which should be: (1) declared to auditors and (2) made public as part of any comprehensive disclosure system. The findings mention that although two-thirds of countries have some form of asset declaration system, less than a third of countries make politicians' disclosures publically available, and less than one-sixth of the potentially useful information is publicly available in practice. The authors establish that richer, more democratic countries with a free press have higher rates of disclosure, but crucially *only when declarations are made public* are disclosure regimes associated with higher government quality and lower corruption. Finally, the nature of content disclosed is found to be vital: the identification of the sources of a parliamentarian's assets, gifts and activities is more consistently related to better government than the reporting of values of assets and income.

Financial Disclosure Law Library. World Bank.

<http://publicofficialsfinancialdisclosure.worldbank.org>

The World Bank Financial Disclosure Law Library is a pioneering collection of laws and regulations on disclosure requirements for public officials' assets and business activities, including income, properties, liabilities, stock holdings and positions outside public office. It offers access to over 1,000 laws and regulations across 176 jurisdictions worldwide. These documents include constitutions, codes, laws, decrees, acts, regulations, orders, rules, and so on in 33 languages. The portal allows users to search information according to topic (such as disclosing officials, information disclosed, restrictions, or enforcement), jurisdiction, region, income level and language.

The library also provides information on closely-related topics, such as restrictions on public officials' activities. The library is intended as an unbiased legal source for practitioners, policy makers and researchers within national governments; international organisations; development agencies; the media; academia; and the private sector engaged in the fields of asset disclosure. The aim is to help them to learn from the experience of other countries and act to improve and strengthen financial disclosure systems.

Open Government Partnership eligibility criteria: Assets disclosure. Open Government Partnership.

<http://www.opengovpartnership.org/blog/open-government-partnership/2014/11/27/2014-ogp-eligibility-criteria>

The OGP publishes a list of countries whose integrity and transparency infrastructure qualifies them for membership. One of the four key eligibility criteria for governments to join the OGP requires public disclosure of income and assets for elected and senior public officials. This assessment is based on studies by the World Bank, and the World Bank's Public Officials Financial Disclosure database, which is updated on a rolling basis. Four points are awarded to countries with a law requiring disclosures for politicians and senior public officials to the public, three points awarded to countries with either a law

requiring disclosures for politicians or senior public officials to the public, and two points awarded for a law requiring non-public disclosures for elected or senior officials.

Resources from the Anti-Corruption Helpdesk

***Foreign exchange controls and assets declarations for politicians and public officials.* Chêne, M, 2011.**

http://www.transparency.org/files/content/corruptionqas/287_Foreign_exchange_controls_and_assets_declarations.pdf

This query addresses how monitoring and tracking of suspicious activity and money laundering across international borders can be improved. To do so, it examines a number of countries which, as a means to prevent corruption, restrict their citizens and politicians from holding overseas bank accounts or property. The paper finds that such restrictions are typically not specific to politicians, but imposed on citizens as part of a country's foreign exchange control regime. Restrictions can include disclosure requirements, strict prohibition or the written authorisation of the central bank or the taxing authority to open and maintain overseas accounts. As the number of countries where strict exchange controls are in force is constantly changing, however, there is no up-to-date, publicly available and exhaustive list of countries enforcing strict exchange control regimes.

***Asset declarations in selected Asian countries.* Martini, M, 2013.**

http://www.transparency.org/files/content/corruptionqas/381_Asset_declaration_regimes_in_selected_Asian_countries.pdf

This query analyses to what extent Afghanistan, Pakistan, Tajikistan, Kyrgyz Republic, India, Bangladesh and Nepal comply with generally accepted good practice in the realm of disclosure systems. To do so, it analyses each country against the following criteria: (1) coverage of assets declaration, (2) types of information to be declared, (3) frequency of filling, (4) monitoring and enforcement, (5) sanctions, (6) availability of information to the wider public. Although the regulations may have changed since 2013, the paper is still useful as the author goes beyond the legislation to also examine how each of these issues is dealt with in practice. Despite a lack of literature on the topic, she describes a number of obstacles which are hampering implementation and enforcement of asset declaration rules in the selected countries.

***Declaration of interest, assets and liabilities: Oversight mechanisms, disclosure policy and sanctions.* Martini, M, 2013.**

http://www.transparency.org/whatwedo/answer/declaration_of_interests_assets_and_liabilities_oversight_mechanisms_disclo

This query surveys good theory and practice of systematic verification of asset and interest declarations, and considers the literature on making officials' declarations public. It also considers the kind of sanctioning mechanisms appropriate in cases of non-compliance. The paper finds a broad consensus that declarations should be verified by an independent and well-resourced public body, and that disclosures should be made public once information that would violate privacy rights has been redacted. Finally, that author argues that in cases of wilful non-compliance, officials' employment may be terminated and affected decisions should be retroactively cancelled.

Selected actors and stakeholders

Right2Info.org

<http://www.right2info.org/>

Right2Info.org, launched by the Open Society Justice Initiative in 2008, provides relevant material concerning the current state of the public's right to information held by public bodies, including all branches and levels of government. With a focus on good law and practice, the website brings together [international and domestic law](#), [case examples](#) and related [resources](#) from international and regional bodies as well as more than 100 countries, organised and analysed by topic. The website has excellent [comparative studies of asset declaration regimes](#) from around the world. Moreover, it offers a [good selection of background literature](#) as well as [country evaluation reports](#) on interest and asset disclosure systems.

Global Integrity

<https://www.globalintegrity.org/>

Global Integrity is an independent, non-profit organisation, tracking governance and corruption trends around the world using local teams of researchers and journalists to monitor openness and accountability. Although currently on a hiatus, previous [Global Integrity Reports](#) provide a guide to anti-corruption institutions and mechanisms around the world, intended to help policy makers, advocates, journalists and citizens identify and anticipate the areas where corruption is more likely to occur within the public sector. They provide a large amount of useful data on conflict of interest and asset disclosure provisions from a range of countries, and whether these regulations are effective in law and in practice. Finally, the organisation has produced a useful two-page brief on asset disclosure as part of the Transparency and Accountability Initiative's [Opening Government: A Guide to Best Practice in Transparency, Accountability and Civic Engagement Across the Public Sector](#).

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