Post-accession Compliance with the EU's Anti-Corruption Conditions in the 'Cooperation and Verification Mechanism': Bite without Teeth?

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Abstract

The Cooperation and Verification Mechanism (CVM) is a novel attempt by the European Union (EU) to compensate for the loss of sanctioning power against non-compliance after a state has joined the EU. The CVM extends monitoring after accession, but it cannot sanction non-compliance. Yet this paper suggests that it can nonetheless have an impact on compliance. We code the CVM reports' assessment of compliance with its recommendations for the fight against corruption in Romania and Bulgaria. The results suggest that compliance in Romania has become surprisingly good. We suggest that these developments are due to institution-building: the creation of strong domestic anti-corruption institutions has created a powerful – yet fragile – institutional base for the fight against corruption. At the same time, these institutions remain vulnerable to attempts by the government and a cross-party coalition in parliament to limit their impact. The main role of the CVM has been as an international social constraint on efforts to obstruct these efforts, and as a focal point for societal mobilization against curbing the power of anti-corruption institutions. At the same time, compliance with the CVM does not directly translate into improvements of corruption in practice. While compliance with the CVM can create more favourable conditions for the improvement of corruption control, such improvements in practice require a central role of domestic civil society.

1. Introduction[1]

The fight against corruption is an important element in fostering liberal democracy, since corruption and state capture severely undermine the rule of law. Yet for this issue area, the literature is particularly sceptical about the ability of the European Union (EU) to continue to influence domestic developments in its post-communist new member states after accession.

[1] This paper has benefitted from funding through the FP7 project MAXCAP "Maximizing the integration capacity of the European Union: Lessons of and prospects for enlargement and beyond". We would like to thank in particular Georgi Dimitrov and Antoaneta Dimitrova for sharing their insights with us, as well as two anonymous reviewers for the MAXCAP working paper series.

Prior to accession, EU conditionality fostered compliance with its demands across a broad range of issues in the candidate countries, as the incentive of membership generally outweighed governments' domestic adjustment costs (Grabbe 2006; Kelley 2004; Schimmelfennig and Sedelmeier 2004; 2005a; Vachudova 2005). After accession, the incentive structure becomes much more unfavourable for compliance. Although EU institutions can sanction non-compliance in certain issue areas that are part of EU law, these sanctions are either far weaker than the threat of withholding membership, or are more demanding to trigger (Epstein and Sedelmeier 2008; Dimitrova 2010; Sadurski 2012; Sedelmeier 2008, 2012, 2014). Yet the prospects for EU influence after accession is particularly bleak in areas that were subject of accession conditionality but have no basis in EU law – such as minority rights, or, indeed, the fight against corruption (see also Kochenov 2008). In such issue areas, EU institutions cannot use material sanctions to enforce compliance in its member states.

While a number of old and new member states have serious corruption problems, the EU became particularly concerned about the persistence of severe problems with corruption in Bulgaria and Romania on the eve of their accession. The EU therefore tried to preserve some post-accession influence on those issues by creating a new instrument: the 'Cooperation and Verification Mechanism' (CVM). The CVM is a novel attempt to compensate for the loss of post-accession leverage through continued monitoring without recourse to material sanctions for non-compliance. Yet most observers and analysts have found that the CVM is ineffective.

In this paper, we suggest a more nuanced picture. In Romania in particular, compliance with the CVM's demands with regard to corruption control has become surprisingly good – at least according to the CVM reports' own evaluations. A key contribution of the paper is to make first steps towards establishing an empirical basis for an analysis of compliance through a comprehensive coding of the CVM reports' assessment of compliance with the EU's demands and recommendations for the fight against corruption in Bulgaria and Romania from 2007 to 2015. The thus constructed indicator of compliance shows surprisingly positive results for Romania, both if we compare it to Bulgaria, where conditions

for compliance with anti-corruption demands are similar, and compared to the generally negative assessments of the CVM in the literature.

In view of the surprisingly positive compliance record in Romania, our initial analysis therefore concentrates on exploring compliance with the CVM in this country. On the basis of preliminary research, drawing largely on interviews conducted during fieldwork in Romania, we suggest that a key element that made the positive development of compliance possible has been institution-building: the CVM has supported the creation of – in principle – strong institutions, including the National Anticorruption Directorate, the National Integrity Agency, and Anticorruption Service in the Ministry of Regional Development. A new generation of young, motivated and well-trained public officials has used these institutional powers well in the fight against corruption. Their impact is still fragile, as a cross-party coalition in parliament appears intent on limiting anti-corruption activities. While this threat underlines the fragility of progress, it is here where the CVM enters the picture. The CVM has served as a constraint on derailing the fight against corruption. We therefore must not overstate the CVM's ability to bring about positive changes without domestic initiative. Instead, the CVM's impact is primarily that it limits the ability of the parliament and of the government to obstruct anti-corruption efforts openly, and especially to dismantle earlier institutional achievements.

The CVM owes its constraining impact to the legitimacy enjoyed by the EU in domestic public opinion and among political elites. At the same time, there are threats to the legitimacy of the CVM that therefore threaten to undermine the – already circumscribed – impact that the CVM has. Such threats to the CVM's legitimacy include its selective targeting of Romania and Bulgaria and the questionable issue-linkage to Schengen membership. In other words, while the main power of the CVM is the legitimacy it bestows to anti-corruption measures, the EU has to be mindful of not undermining this legitimacy through the way it is uses the CVM.

While there thus appear to be some unexpected good news about compliance with the CVM, we also ask whether there is evidence that good compliance with the CVM translates into a more effective fight against corruption. The paper finds that there is no clear evidence

that the positive picture with regard to compliance has led to improvements in actual corruption levels. However, we suggest that it is not incompatible for an analysis of compliance with the CVM to find more ground for optimism, while data on corruption levels and analyses of the CVM's impact on corruption tend to be much more negative. The former focuses mainly on institution building and creation of a legislative infrastructure; and these do not translate directly or immediately into corresponding improvements of corruption control. Yet they are certainly not trivial either. Institution-building is not a sufficient condition for effective corruption control and it might not even be a necessary condition, but it can create favorable conditions that over time affect changes on the ground.

The next section of the paper provides an overview of what the CVM is and of its predominantly negative assessment in the academic literature. Section 3 then presents the preliminary results of the paper's coding of the CVM reports' assessment of compliance that suggests that compliance in Romania is better than in Bulgaria. Section 4 substantiates this puzzle: it first identifies relevant explanatory factors for two compliance mechanisms – a domestic and an international mechanism – and finds that these factors either do not appear to vary much across the two countries or are less, rather than more, favourable for compliance in Romania. Section 5 then presents preliminary findings from interviews in Romania for an explanation of the better-than-expected compliance record in the country. Section 6 considers the link between compliance with the CVM – the main focus of this paper – and actual changes in corruption, and suggests that the absence of a corresponding improvement in corruption control does not invalidate the findings about compliance and the importance of studying it further.

2. The Cooperation and Verification Mechanism

In December 2006, on the eve of the accession of Romania and Bulgaria, the EU member states and the Commission agreed that the two countries still needed to demonstrate further progress with regard to the rule of law even after obtaining membership. The Commission identified three areas that were particularly problematic: reform of the judiciary, fight against corruption and, in the case of Bulgaria, organized crime. In consultation with a range of domestic actors, the EU created a framework for monitoring progress in this area – the Cooperation and Verification Mechanism – that started upon

accession in 2007. A Brussels-based team of experts carry out a biannual assessment of each country's performance included in a country report. From 2008-2012, these reports were issued twice a year, in February and July, with the latter being the larger and more comprehensive of the reports as it also includes a more detailed 'Technical Report'. From 2013, only one annual report has been issued for each country.[2] The assessment of the two new member states has been monitored on the basis of a number of benchmarks set as broader categories consisting of a larger number of issue-specific recommendations. For Bulgaria, these benchmarks are: (1) Independence and accountability of the judicial system; (2) Reform of the judicial system; (3) Reform and transparency of the judiciary; (4) Fight against high-level corruption; (5) Fight against corruption within local government; (6) Fight against organized crime. For Romania, the benchmarks are: (1) Judicial reform; (2) Establishment of an integrity agency; (3) Tackling high-level corruption; (4) Fight against corruption within local government. Although the benchmarks remain the same over the years, the list of demands and recommendations under each of the benchmarks changes, as certain issues are dropped and new areas of interest are added to the agenda.

The CVM is primarily a monitoring instrument, not a tool to enforce compliance. The assessment of compliance is not linked to sanctions, even if the Commission decision establishing the CVM is somewhat ambiguous about whether material sanctions are possible (Commission 2006). The decision states that if there is a lack of compliance "the Commission may apply safeguard measures based on articles 37 and 38 of the Act of Accession". These safeguards in the accession treaties allow the Commission to take 'appropriate measures' for serious and persistent non-compliance, without however specifying what they might entail, and they are limited to the first three years of membership. In case of the CVM, the only concrete possibility that the Commission document mentions is the possibility for other member states not to recognize and execute decisions by Bulgarian or Romanian courts. So far none of the assessments in the CVM reports have resulted in concrete threats not to recognize judicial decisions, and in any case, it hardly presents a very costly sanction. In

[2] Except for 2013, when the Commission did not to issue a report on Bulgaria. The Commission decided that less intensive monitoring was justified in view of the progress made in both countries. The Commission decided to issue a CVM report for Romania in 2013 in response to the constitutional crisis in 2012, when the government breached the rule of law and in particular the independence of the Constitutional Court in its effort to impeach the president. Although the crisis did not relate directly to the issues covered in the CVM, the Commission used the report to underline the link to the rule of law more generally and the report focused mainly on the reform of the judiciary.

some analyses of the CVM, there has been confusion about whether the Commission can withhold funding as a sanction for non-compliance. For example, in 2008 Bulgaria lost a total of €520m in EU funding: €300m in July for contracts frozen by the Commission due to suspected fraud and €220m in November for unallocated funds after the Commission did not renew the accreditation of government agencies responsible for disbursing the funds, which were investigated by the EU's anti-fraud agency (Hope and Troev 2008). However, these measures were not (and indeed cannot not) be used as a punishment with regard to non-compliance with general CVM demands. Instead, they were due to specific issues of misappropriating funds, which the EU can apply in all member states. At the same time, these instances of sanctions may well have created the impression that they resulted from general problems of compliance with the CVM. In sum, even in combination with other threats contained in the accession treaties, the negative incentive structure of the CVM is very weak (Gateva 2013, 2015). On the other hand, although it was not foreseen in the rules of the CVM, as we will discuss later, the CVM did acquire subsequently more material leverage as some member states tied their agreement to Schengen membership for Bulgaria and Romania with progress in meeting the demands of the CVM.

When studying the impact of the CVM, we need to distinguish between its impact on compliance – the extent to which a state meets the demands and recommendations made in the report, which is the subject of this paper – and its problem-solving impact – the extent to which it diminishes corruption. Among the few studies that have analyzed the CVM, the predominant view is negative in both respects. First, studies suggest that CVM has little impact on compliance; typically attributed to the lack of enforcement powers associated with it (Gateva 2013). Second, studies also find little impact on the issues that the CVM is meant to address – corruption, organized crime and the judiciary. The lack of problem-solving impact is attributed to both the shortcomings of the mechanisms – including inappropriate recommendations, inconsistent application, and lack of focus on practical application – and sometimes to deeply engrained cultural legacies of post-communist societies.

For example, Toneva-Metodieva (2014) argues that the CVM's exclusive use for assessment and monitoring purposes and not for cooperation has led to its ineffectiveness and a lack of

progress with genuine and sustainable reforms. Ganev (2013) suggests that the CVM has failed to deliver on the promised results. The fight against corruption lost momentum upon accession, as competitive rent-seeking was supplanted by different degrees of cronyism at the elite level in both countries. Dimitrov et al. (2014, 2016) maintain that the CVM has been ineffective in establishing the rule of law; it merely registers the resistance against reforms and legitimizes token reforms that led to no concrete results. Papakostas (2012) argues that the CVM's ineffectiveness results from its lack of mechanisms that could secure implementation of anti-corruption strategies after accession. Tanasoiu and Racovita's (2012) analysis of the record of anti-corruption strategies for the period 2007-2011 in Romania and Bulgaria concludes that systemic corruption limits the impact of the CVM by distorting legal adoption and preventing implementation of anti-corruption measures. For national elites, the anti-corruption fight is a political slogan rather than an internalized norm and they support institutional and legal reform only in form, without substance. Mendelski (2012) finds only limited success of the EU with regard to the reform of the judiciary in Romania. It has been crucial in eliciting change in judicial capacity and with it improving de jure judicial quality, but has been largely unsuccessful in affecting change in judicial impartiality leading to limited impact on rule implementation and de facto judicial quality.

Although these studies are insightful and provide nuanced findings of the shortcomings of the mechanism, they might lead too readily to the conclusion that monitoring without enforcement does not – and cannot – have an impact on domestic change. Even if the CVM is generally a weak, soft tool, there could be at least some areas, at specific points in time, in at least one of the countries, where it did have an impact on compliance. And if it did, what made such an impact possible? An important question that most of the above-mentioned critical analyses neglect is then whether we observe variation in compliance – over time, across specific issues, and the two countries concerned – and how such variation can be explained.

Among the rare studies that do attribute some impact to the CVM is the analysis by Spendzharova and Vachudova (2012) that suggest it helped to empower certain domestic actors, namely government parties that ran their electoral campaign on an anti-corruption agenda. The findings in this paper similarly see more room for optimism about the potential

of the CVM than the above-mentioned critical studies. Partly, this difference stems from the paper's narrower focus on compliance that contrasts it from these other studies – and to some extent, from Spendzharova and Vachudova (2012). Moreover, although the paper suggests – in line with Spendzharova and Vachudova (2012) – that the impact of the CVM depends on an interplay between domestic politics and international (social) pressure, it differs in its identification of the central domestic factors. Domestic institution-building rather than partisan orientation of government parties appear to play an important role in the improvement of compliance in Romania.

3. Compliance with the CVM's recommendations regarding anti-corruption in Bulgaria and Romania

In order to obtain a more systematic and empirically grounded understanding of how compliance with the CVM has developed since its introduction, we code the CVM reports' assessment of the two countries' compliance from 2007 to 2015. We coded the CVM reports as follows. First, for each of the reports, we identified the specific demands and recommendations for fighting corruption formulated by the Commission and for which it assessed the progress made. In the following, we refer to these demands as indicators of compliance. The CVM reports are organized according to 'benchmarks' and three of these concern different aspects of corruption control: namely fighting high-level corruption, corruption in local government, and (for Romania only) the establishment of a National Integrity Agency (ANI). The number of specific recommendations varies considerably across these benchmarks and across countries, and there is little overlap with regard to specific demands across the two countries. For high-level corruption, we identify 10 specific recommendations for Romania and 23 for Bulgaria; for local government corruption, there are 19 and 18 respectively, and a further 10 with regard to the ANI in Romania. Moreover, most indicators are only assessed in some of the reports; while a few are covered in all country reports others are covered only by two reports (e.g. the establishment of a network of specialized prosecutors for financial crimes in Bulgaria). On average, each indicator is covered by 5 reports in Bulgaria and 8 reports in Romania. In total, across all reports from 2007 to 2015 (biannual reports were issued from 2008-12, and no report was drawn up for

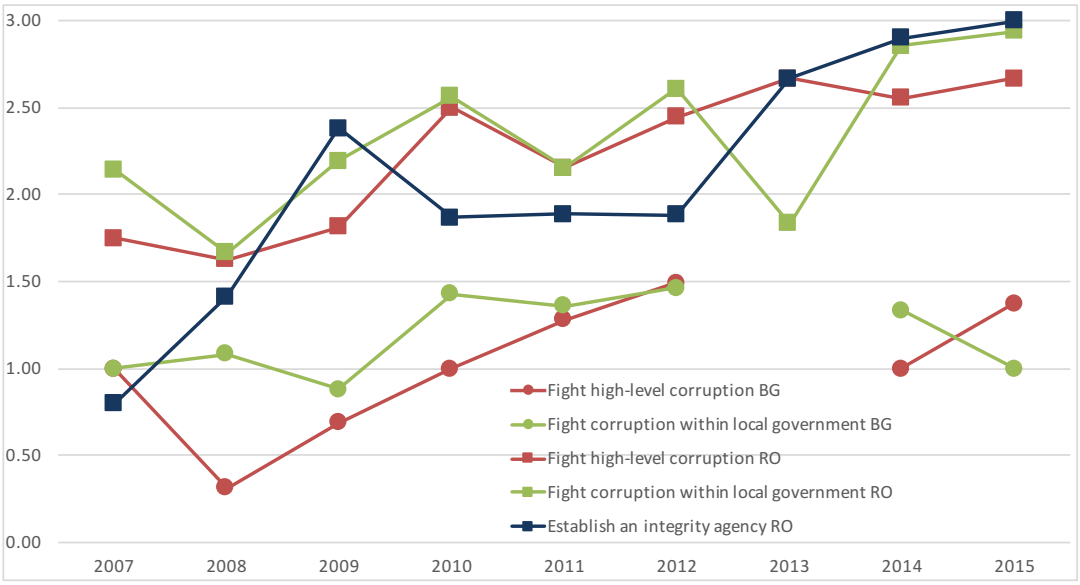
Bulgaria in 2013), we thus identified 600 observations of compliance with the various indicators (231 for Bulgaria and 369 for Romania[3]).

For each of these indicators, we coded the CVM reports' assessment of progress made with meeting the EU's demands and recommendations. This assessment of compliance is a categorical variable measured on a scale from 0-3, with 0 indicating an area of concern or no progress; 1 denotes little or insufficient progress; 2 denotes some progress; and 3 denotes very good progress or complete implementation of the EU's demands and recommendations. *Figure 1* (below) is a simple descriptive graphical presentation of the compliance patterns with regard to the anti-corruption benchmarks of the CVM in the two countries. For each of the benchmarks, we calculated simple averages of all the indicators covered in a report for a specific indicator. For those years in which two CVM reports were published (2008-2012), we calculate annual averages. *Figure 2* (below) shows compliance at a higher level of aggregation, by calculating the averages of the benchmarks (rather than of all individual indicators) for each report. Of course, using such simple averages obscures that some indicators are more salient than others, but it still allows us to grasp some key trends with regard to compliance.

We certainly should not overstate the extent to which our preliminary coding is a precise measurement of compliance. At the same time, our coding of the CVM reports' assessment of the two countries' compliance do show certain broader patterns. First, compliance in Romania appears consistently better than in Bulgaria. Second, in both countries there is some improvement of compliance over time, especially in Romania where it reaches high levels by 2015. In Bulgaria, the improvement over time is more modest. There are more setbacks and while average compliance has been above 'little or insufficient progress' since 2010, compliance levels in 2014 and 2015 are below the levels achieved in earlier periods. Third, compliance shows some issue-specific variation. At the aggregate level of the different benchmarks (see *Figure 1*), this variation is not very pronounced, but it appears to be somewhat better with regard to corruption at the local level than high-level corruption.

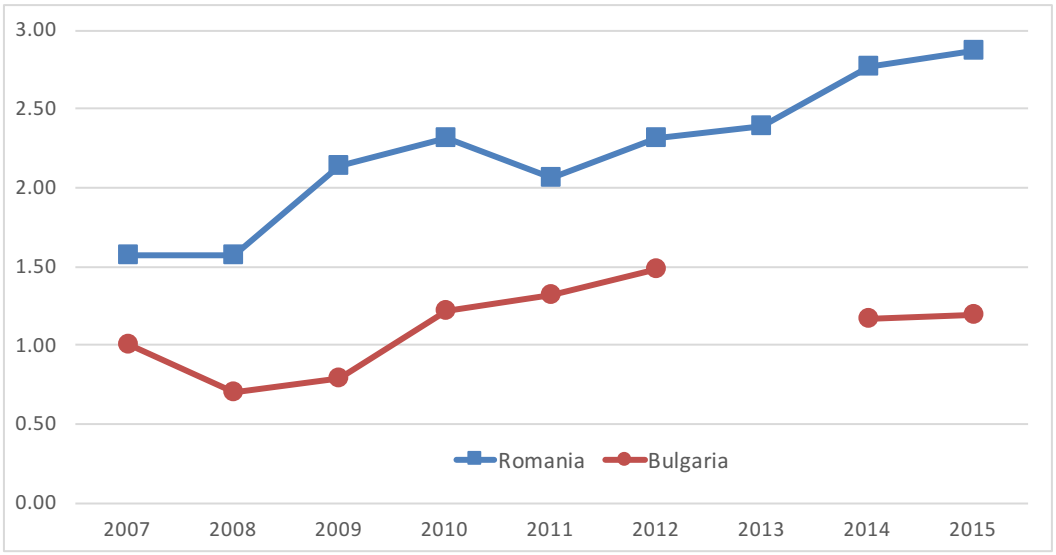
[3] The larger number of observations for Romania relates partly to the additional benchmark for the fight against corruption (establishment of the National Integrity Agency) and to the lack of a report for Bulgaria in 2013.

Figure 1: Compliance with the CVM in Bulgaria (BG) and Romania (RO) according to the respective anti-corruption benchmarks



Source: Authors

Figure 2: Compliance with the CVM (average of all anti-corruption benchmarks)



Source: Authors

Again, we should not overstate the patterns that our preliminary coding depicts, but a key insight that emerges from this coding of compliance is the positive picture in Romania. It is not only surprising in view of to the generally low expectations in the literature about compliance without enforcement more generally, and in the case of the CVM specifically. Moreover, as the next section will elaborate, it appears surprising that Romania complies better than Bulgaria, given that the conditions for compliance that the literature identifies are generally not more favourable for Romania. If anything, e.g. a focus on party politics

(Spendzharova and Vachudova 2012) would suggests that the roles should be reversed. This paper therefore takes preliminary steps towards explaining the good compliance record in Romania. The following section reviews some key explanatory factors for compliance with EU anti-corruption demands both to substantiate the apparent puzzle of the positive performance of Romania and to provide the basis for an explanation that the paper starts to substantiate with evidence from fieldwork and interviews in Romania.

4. Explanatory framework for compliance with EU anti-corruption demands

Studies of EU conditionality and of its domestic impact in its member states and candidate countries generally emphasize the importance not only of the EU's use of instruments and strategies, but also of domestic politics in the target countries. The positive and negative incentives that the EU offers for domestic reforms need to outweigh domestic adjustment costs (Schimmelfennig and Sedelmeier 2004, 2005b; Kelley 2004; Börzel and Risse 2012; Sedelmeier 2011). Some studies suggest that there also have to be domestic constituencies that benefit from the changes that the EU demands (Jacoby 2006; Vachudova 2005). Certainly the importance of domestic beneficiaries becomes even more salient if the incentives that the EU offers are low – as is the case with regard to the CVM. We can therefore distinguish domestic and international mechanisms of compliance, and within each we can identify a number of international and/or domestic explanatory factors. Although in principle each mechanism can work separately, this paper suggests – in line with Spendzharova and Vachudova (2012) – that the CVM influences compliance through an interaction of the two mechanisms.

4.1. International mechanisms

While the lack of EU (positive and negative) incentives attached to the CVM means that domestic factors play a key role in compliance, international compliance mechanisms might still matter – although they also rely crucially on conducive domestic conditions for their impact. Generally, the lack of material incentives that the EU can attach to compliance implies little variation with regard to the EU level that can explain variation in impact. Yet, in practice there is variation over time in the EU's ability to use material incentives for compliance through issue-linkage. From 2010, a number of member states explicitly made

their approval of the accession of Bulgaria and Romania to the Schengen treaty (which requires unanimity) dependent on progress with the CVM. The Commission – and the countries concerned – denounced the issue-linkage as illegitimate since Schengen accession had its own set of conditions that the Commission had judged the countries to have met. Still, even if the issue-linkage had not been collectively agreed, it did mean that from 2010, material incentives were de facto attached to compliance with the CVM. In addition, although not equally important, instances in which the EU withheld funding might create the perception of material sanctions. As mentioned above, although non-compliance with the CVM as such cannot be used to withhold funding, there were instances in which funds were frozen because of fraud.

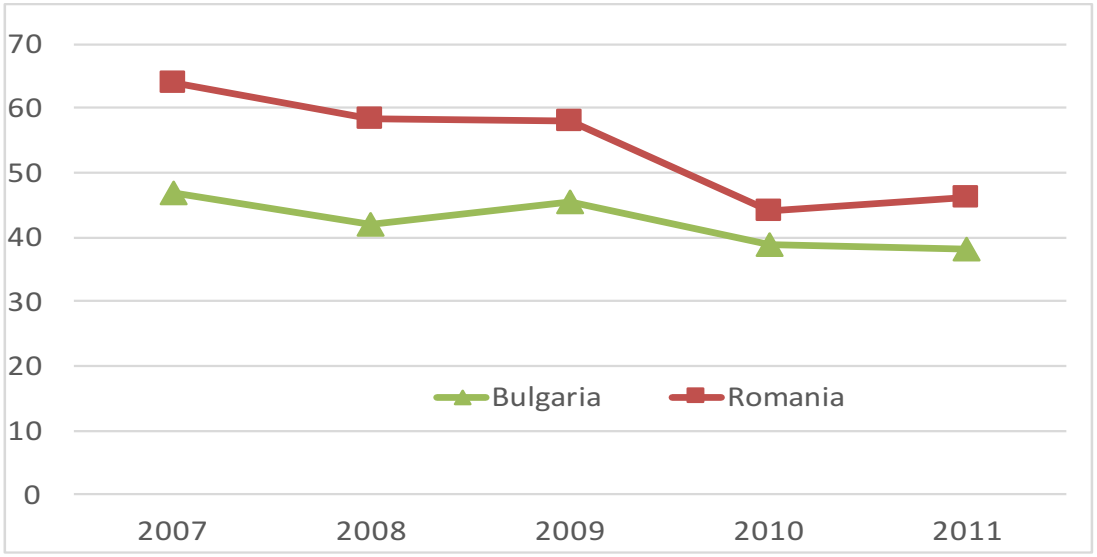
With regard to the material incentives that Bulgaria and Romania face in the CVM, there is no variation between the two countries. EU incentives thus cannot explain why compliance in Romania is better. While the issue-linkage to Schengen membership might be in line with the improvement of compliance in both countries over time after 2010, the improvement in Bulgaria is only minor.

Monitoring without enforcement largely relies on social pressure to elicit compliance (Sedelmeier 2014: 113-18). The effectiveness of social pressure depends on both international and domestic factors (Schimmelfennig and Sedelmeier 2005a: 18-20). Internationally, the EU needs to maintain the legitimacy of the tool by applying it consistently according to a set of general rules. The selective application of the CVM to Romania and Bulgaria only damages the legitimacy of the CVM; it does not to all member states or even to all new member states after 2007 (it does not apply to Croatia). Likewise, while the issue-linkage to Schengen membership should be welcome from an incentive-based perspective, it is detrimental from a legitimacy perspective. Since this linkage was neither foreseen in the agreed rules on the CVM nor on Schengen accession, it is a case of 'hostage taking' that threatens negative consequences in an unrelated issue area and thus decreases the legitimacy of the CVM (as well as of the specific accession conditions for Schengen).

For social pressure to be effective, domestic conditions also need to be conducive. The recommendations of the CVM must resonate positively with domestic norms and political culture, and the EU as the rule-setting institutions must enjoy a high degree of normative legitimacy. While the material incentives that both countries face with regard to the CVM therefore do not vary across the two countries, with regard to social pressure, there could be indeed variation with regard to the receptiveness of the two countries that might explain the impact of the international mechanism of compliance.

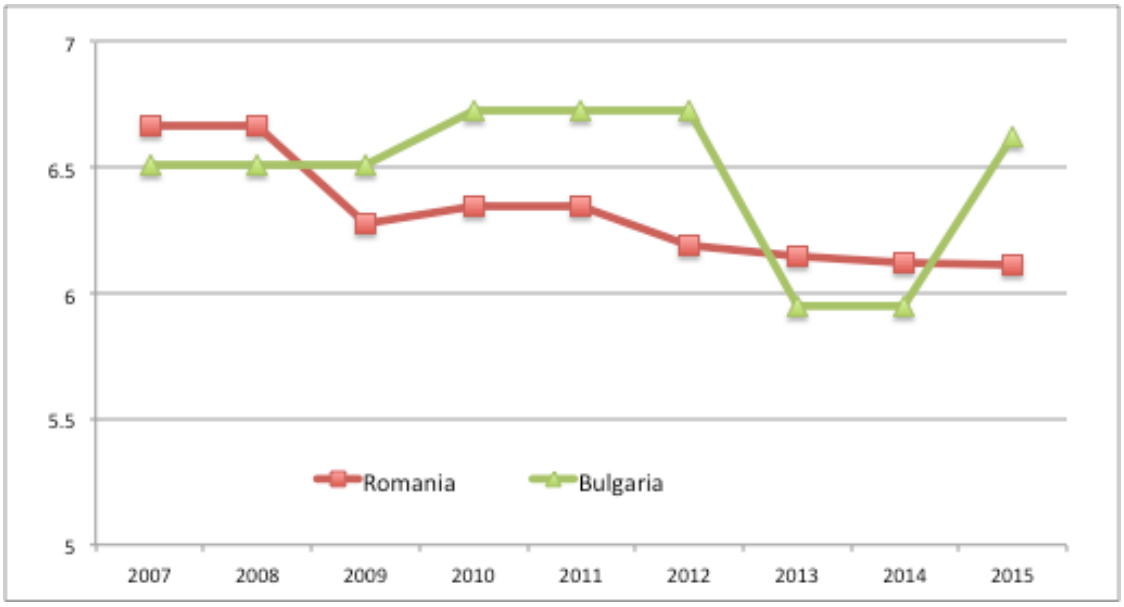
However, a closer look at relevant data suggests that the domestic conditions for social pressure are equally conducive in Bulgaria and Romania. Attitudes towards the EU are generally favorable, both in public opinion and among elites. Although public opinion about EU membership has become less favourable over time in both countries, and net support for EU membership was stronger in Romania at the start of EU membership, these differences are not large and support is generally high among publics in both countries (see *Figure 3* below). Attitudes of government parties have remained strongly positive in both countries since accession (see *Figure 4* below). Moreover, a Flash Eurobarometer (2015: 38, 42) surveys shows that in both countries the population also strongly endorses specifically the continuation of the CVM (73% in Romania, up 1 percentage point from 2012; 78% in Bulgaria, no change from 2012).

Figure 3: Public opinion about EU membership



Note: Percentage of net support for EU membership ('EU membership is a good thing' minus 'a bad thing'), annual averages for bi-annual reports from 2007-2008.
Source: Own calculation based on the Eurobarometer 2007-2011.

Figure 4: Government attitudes towards European integration



Note: Attitudes towards European integration on a scale from 1 (strongly opposed) to 7 (strongly in favour). For coalition governments, the attitudes of individual coalition parties are weighted by their share of the seats that the government holds in parliament.
Source: Authors' calculation based on the Chapel Hill Expert Survey (Bakker et al. 2015); government composition and parliamentary seats are taken from the ParlGov database (Döring and Manow 2015).

In sum, while the conditions for compliance with the CVM through the international mechanism are thus rather unfavorable due to the lack of enforcement, they are more positive from the perspective of social pressure due to the strong domestic legitimacy that the EU enjoys in both countries. At the same time, the similarity of conditions for the international mechanism suggest that while these might be a necessary condition for compliance, they cannot explain by themselves the variation in compliance across countries.

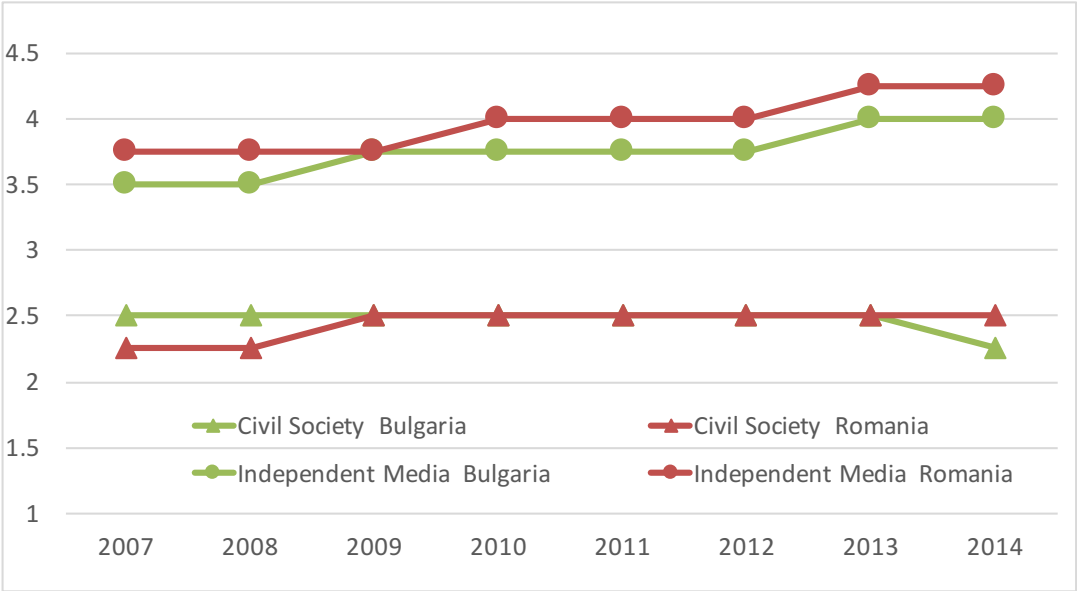
4.2. Domestic mechanism

The domestic compliance mechanism focuses on domestic groups that benefit from domestic changes mandated by international institutions (or from the rewards that it offers for such changes). Especially if the EU does not offer material incentives for compliance, as in the case of the CVM, domestic groups that benefit intrinsically from the domestic changes that the EU demands become particularly important for compliance (Spendzharova and Vachudova 2012; Mungiu-Pippidi 2008). Domestic change can come about independently or irrespective of EU rewards if the government beliefs that such changes can correct domestic policy failure (Schimmelfennig and Sedelmeier 2005a: 20-25). Other examples of intrinsic government benefits of compliance are the case of the AKP government in Turkey as a

domestic beneficiary of certain EU-demanded reforms, leading to (selective) compliance despite diminished credibility of incentives (Saatçioglu 2011), or Börzel and Pamuk's (2012) finding of the on instrumental use of anti-corruption as a political tool against opposition parties by the government in Azerbaijan.

More generally however, the main beneficiaries and proponents of anti-corruption policies recommended by the CVM are diffuse groups of citizens, anti-corruption NGOs and independent media and investigative journalists that can mobilize public opinion, which in turn can increase electoral pressure on political parties. A strong civil society and free media then increases the likelihood that voters will reward parties for tying their electoral campaigns to fighting corruption, and that they will punish them for failing to deliver. However, in both Romania and Bulgaria, these conditions are not very favourable (compared to other democracies), both with regard to civil society, and, especially, with regard to the independence of the media. And crucially for our purposes, neither vary much across the two countries (see *Figure 5*).

Figure 5: Strength of Civil Society and Independence of the Media



Note: Scores from 1 (highest) to 7 (lowest).
Source: Freedom House Nations in Transit.

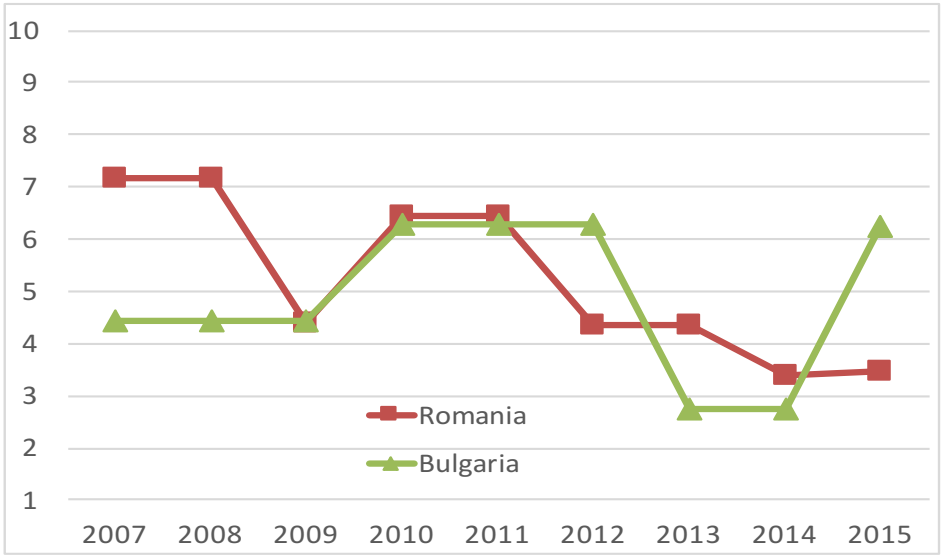
While there are domestic groups that benefit from compliance with the CVM, the main adjustment costs of compliance usually arise for governments since it is typically public officials that engage in corrupt activities. The costs for governments of compliance with anti-

corruption measures might also depend on the length of a party's tenure in office. Parties that had a long tenure in office had more opportunities to engage in corrupt practices than new, and newly elected parties (see also Mungiu-Pippidi 2013). Governments' partisan orientation might also make them more or less prone to corruption. Kartal (2014: 950, 953) argues that governments that favor "Soviet-type economic policies" (government control and trade protectionism) rather than liberal market economies have a negative impact on anti-corruption levels after accession. This is because "a less competitive economy increases opportunities for rent seeking and decreases official accountability" (Kartal 2014: 950).

Spendzharova and Vachudova (2012) also explain the EU's impact on anti-corruption policy primarily in terms of party politics, although their focus with regard to partisan orientation is the extent to which the fight against corruption is a salient part of parties' platform, which affects their chances of maintaining or obtaining office (2012: 47). Parties that fight elections on a commitment to fighting corruption stake their credibility on their ability to deliver once in office. The salience of anticorruption then is the link between international pressure and domestic politics that explains the EU's impact. Spendzharova and Vachudova (2012: 49-50) thus argue that Bulgaria made greater progress with fighting corruption largely due to a new party – GERB – gaining office on an anti-corruption platform in 2009, while in Romania the main government and opposition parties formed a "political cartel that benefits from institutional stasis and corruption" (Spendzharova and Vachudova 2012: 55). Very specifically, they expected that "should the PSD [Social Democratic Party] control the next government, corruption will deepen." (Spendzharova and Vachudova 2012: 55).

Yet again, the focus on party politics to capture governments' compliance costs does not fit well with the patterns of compliance across the two countries. As Figure 6 shows, with regard to governments' Left/Right orientation, conditions for compliance were not much more favourable for compliance in Romania than in Bulgaria. Over, the 2007-2015 period, governments in Bulgaria were marginally more on the Left than in Romania, but not sufficiently so to explain the better performance in Romania. Moreover, compliance in Romania even improved further although the PSD indeed obtained office in 2012. Party politics thus also do not appear to be able to explain the better compliance record in Romania.

Figure 6: Governments Left-Right (economic) orientation in Bulgaria and Romania



Note: Governments' Left/Right orientation on a scale from 1 (extreme left) to 10 (extreme right). For coalition governments, the orientations of individual coalition parties are weighted by their share of the seats that the government holds in parliament.
Source: Own calculation based on the Chapel Hill Expert Survey (Bakker et al. 2015); government composition and parliamentary seats are taken from the ParlGov database (Döring and Manow 2015).

Finally, another domestic factor that can affect compliance with the CVM is highlighted by theoretical frameworks analysing the EU's impact in member states, but often neglected in studies of compliance with EU conditionality: facilitating domestic institutions that have a mandate that is in line with the goals of international rules (Börzel and Risse 2003). And indeed, a key difference between Romania and Bulgaria, and – as fieldwork in Romania suggests – a key factor contributing to compliance with the CVM in Romania, is the creation of domestic institutions that are designed to fight corruption.

5. Explaining compliance with the CVM anti-corruption provisions in Romania

For preliminary insights into the apparent positive developments with compliance in Romania, this paper draws on a range of interviews with a diverse group of interviewees from NGOs, academic institutions, public officials, and investigative journalists conducted during fieldwork in Romania. The story that is emerging from these interviews is, in a nutshell, an institutionalist story, where the creation of – in principle – strong institutions has served as an institutional base for a new generation of young, motivated and well-trained public officials to fight corruption. Their impact remains vulnerable to attempts by a cross-party coalition in parliament to impede anti-corruption activities. In the face of this

threat, the CVM acted primarily as a constraint on open obstruction due to the high legitimacy that the EU – and by extension the CVM – enjoy in public opinion (and among elites).

5.1. The role of domestic institutions

Interviewees generally agree that the areas where progress with compliance has been strongest relate to institutional development: the creation of the National Anticorruption Directorate (DNA), which investigates and prosecutes corruption cases, and of the National Integrity Agency (ANI), which has substantial powers to force public officials to declare their assets and conflicts of interests, and to seize unexplained assets. In turn, the creation of these institutions has enabled progress with compliance with regard to high-level corruption cases, which had been very limited until 2010. Another important institutional development was the creation in 2012 of an Anticorruption Service in the Ministry of Regional Development to focus on corruption at the local level.

The DNA's activity has registered an increase over time due to a number of factors identified by several interviewees. After it was founded in 2007 as the National Anticorruption Prosecution Office (PNA), its mandate changed around 2007 as a result of the activism of Monica Macovei as Minister of Justice and the support of the government at the time. DNA prosecutors act independently and are not subordinated to any political body, having 'magistrate' status. The DNA's activity picked up significantly after Laura Codruta Kovesi took on the position of Chief Prosecutor in 2013. Since there had been no similar institutional model to replicate, institutional learning needed time to take place. Since prosecutors earn well, they are less motivated to leave, which facilitates continuity and institutional learning, and they are also less likely to cave in to pressures (political pressure, pressure from the media, and bribes). Once the institution started to have more success, staff also became more confident about their activity. A generational shift has also strengthened the institution, with older staff from the time of the PNA retiring and new, younger prosecutors being hired. Although much work on cases was carried out over the years, decisions and sentencing on many cases had only been reached in the past few years. The decision time in the courts has also diminished considerably, most likely due to the new Codes (DNA prosecutors do not have the right to present cases in courts, but rather forward each case to

the court prosecutors, causing major delays at various local courts). A critique of the DNA's activity is that assets have not been recovered even after sentences are definitive. The DNA does not have the power to seize assets, and in May 2015, the government approved a bill to found a National Agency for the Management of Sequestered Goods for this purpose.

For the ANI in particular, the trend of improving compliance is attributed to increased institutional capacity over time. While the ANI initially started off with a very small staff without clear direction or settled institutional mode, it has improved transparency, and it has forwarded projects of asset verification and investigations to prosecution institutions for further legal action. The ANI is now also moving towards more preventative activities with the implementation of a new program (PREVENT) aimed at preventing conflicts of interest in public procurement. The drop in compliance with regard to the ANI in 2010 is linked to the attempt by the Parliament to pass legislation that would have limited the powers of the ANI and to change the Penal Code (or to prevent its passing in the initially suggested form). The ANI's activity was on hold for about seven months after the Constitutional Court declared many of its activities unconstitutional. After the CVM report in July 2010 was highly critical of these attacks on the ANI, parliament voted to re-establish its powers (see also Spendzharova and Vachudova 2012: 53), albeit still weakening its mandate by limiting the scope of investigations and removing the asset control commissions (see also Dix and Copil 2010). In general however, the achievements of the ANI (and DNA) have led to a significant increase in the trust in these institutions in public opinion.

By contrast, interviewees suggest that progress with compliance has been slower with regard to corruption at the local level, which is in a certain contradiction to the somewhat higher compliance scores in the CVM reports. Interviewees attribute the slower progress at the local level to less developed awareness in the population and lack of capacity of local officials. At the same time, interviewees deem DNA activity at the local level good, as is the ANI's, although with limited scope, as well as the Anti-Corruption Directorate (DGA) as regards the police force. A number of the interviewees mentioned that although efforts have been made – such as the creation of integrity posts and offices, putting in place of local projects, and an active focus by the Ministry of Regional Development on local level integrity training – change at the local level is very slow and does not trickle down easily from

Bucharest to the rest of the country. At the same time, interviewees suggest that it is the activity of the Regional Development Ministry, DNA and ANI that are mostly driving the upward trend in compliance with the CVM's recommendations for the fight against corruption at the local level.

5.2. The role of key domestic actors

Interviewees generally single out the parliament as a key obstacle to greater compliance and more effective corruption control. This is also directly reflected in the consistently low compliance with the indicator 'parliamentary awareness/support for the anti-corruption fight and integrity issues in particular.' Rather than specific government parties, parliamentarians from across the main parties in government and opposition have colluded in constraining anti-corruption efforts. Such obstructions range from attempts to remove the activist Minister of Justice, Monica Macovei, in 2007 to the onslaught on the activities of the ANI in 2010, and continue to make the progress achieved with regard to institution-building precarious. Rather than following party-political dynamics, attitudes towards corruption control appear to confirm the existence of a "political cartel that benefits from institutional stasis and corruption" (Spendzharova and Vachudova 2012: 55) that involves parliamentarians from the Democratic Liberal Party (PDL) alongside those of the Social Democratic Party (PSD) and the National Liberal Party (PNL).

In contrast to the two presidents since 2007 who were both very vocal in their anti-corruption stance – Traian Băsescu (PDL) and, from 2014, Klaus Iohannis (Christian Liberal Alliance/National Liberal Party (PNL) – governments across the board have not made the fight against corruption a priority. Yet they were permissive rather than openly obstructive to compliance with the CVM. While interviewees largely agree on this general picture, they suggest some nuances. Most emphasize the positive role of Monica Macovei as Minister of Justice in the Popescu-Tariceanu government before the PM eventually dismissed her after sustained pressure from parliament. Interviewees from NGOs, think tanks and investigative journalists also suggest that while successive governments claimed to support CVM compliance, they were much less concerned about implementing its recommendations in practice or behaving in accordance with them.

Civil society representatives (NGOs) believe that they played an important role in contributing to the drafting of the CVM reports (at various points and through participation in the annual assessment meetings with Brussels officials). A larger group of NGOs that also include think tanks (Institute for Public Policy (IPP); Romanian Center for European Policies) mentioned submitting suggestions and reports with their assessment. Securing funding is generally a challenge for NGOs whose activity focuses on the fight against corruption, though a small number of the NGOs have been in existence for a longer period of time and have a more established tradition of developing projects with funding provided from sources outside of Romania (e.g. IPP, AID and Pro Democratia). Public officials suggest that civil society representatives are 'necessary voices', but do not appear to consider them particularly influential.

According to the interviewees, public opinion has played an important role through increasing demand for transparency and access to such information. The public's knowledge of the CVM has increased over time also as a result of more visible successful activity of DNA and ANI. The role of the media has been more limited, as media outlets are owned by a small number of media corporations, which are either owned by politicians or have a clear party-political orientation. The role of investigative journalists has therefore been very important. A few investigative journalists work on anti-corruption in particular, but they can be fairly vocal and are also often commissioned by (international) think tanks for research purposes.

5.3. The role of the CVM

All interviewees acknowledged that the role of the CVM was key in the fight against corruption, although their views differ about how it played this role. Representatives of civil society and NGOs generally see the CVM as central to anti-corruption efforts and claim that there would not have been such effort in Romania without the CVM. They also consider the CVM vital to their own existence. Civil society representative state that they use references to the CVM to put pressure on the political elites and parliament, and also to apply for funding. They are keen for the CVM to remain in place (preferably with more teeth) and to extend it also to other countries in order to limit the possibility for politicians to denounce its legitimacy.

While civil society representatives thus tend to see the CVM as an effective shaming mechanism, public officials see it more in terms of providing institutional and legislative templates, as well as indicators that structure their work. The experience of the CVM as a set of indicators has also resulted in a more critical assessment. Implementation is considered a challenge that is carried out by the national and local institutions (more or less successfully). At the same time, civil servants tended to consider the role of the CVM as diminishing over time as the institutional and legal infrastructure is in place. This focus on institution-building in both sets of accounts of the impact of the CVM – as a tool to protect the building and operation of institutions (through shaming to constrain obstruction) and as template for institution-building – also explains why some interviewees suggest that the CVM's impact is far greater on the elite in Bucharest than on practices at the local level.

Interviewees broadly agree that creating material incentives for compliance with the CVM through the link to the accession to Schengen has not increased its domestic impact. Interviewees suggest that while it might have initially increased pressure on the government to comply, this pressure was ineffective. Instead, it potentially fueled opposition against outside pressure from the EU and allowed the government to deflect criticism of its compliance record by denouncing the legitimacy of the CVM.

In sum, the main narrative that emerges from interviews to explain the better-than-expected compliance with the CVM in Romania focuses on the successful building of institutions that have over time also become effective in carrying out their activities, primarily with regard to high-level corruption. With regard to corruption at the local level, institution-building has also made progress, although compliance with indicators relating to corrupt practices has been much slower. Institution-building and institutional operation has been fragile and remains vulnerable, in particular to obstruction from parliamentarians from across the political spectrum. Successive presidents – Traian Băsescu (PDL) (2007-2014) and Klaus Iohannis (Christian Liberal Alliance/National Liberal Party (PNL) (from 2014) – have been explicitly committed to the fight against corruption, but none of the governments have built their election campaigns around an anti-corruption platform. At the same time, successive governments – including the Ponta-led PDS government from 2012 – have been

permissive, rather than the main force of obstructing the fight against corruption and compliance with the CVM, regardless of their partisan orientation. The role of the CVM has been important in mobilizing and legitimizing civil society pressure and constraining efforts to roll back institution-building. However, the CVM does not owe this impact to the acquisition of material leverage through the link that some member state governments have made between the link between greater progress with compliance with the CVM and lifting their veto on Romania's and Bulgaria's accession to Schengen. Instead, the CVM has mainly operated as an instrument of social pressure due to the strong legitimacy enjoyed by the EU among elites and publics. Yet precisely this deflected legitimacy of the CVM is threated not only by its selective use in the two countries but also through the issue-linkage to Schengen accession that is not envisaged in the rules of either Schengen or the CVM.

6. The link between compliance with the CVM and actual levels of corruption

How meaningful is an analysis of compliance with the CVM reports? Is it relevant to understand the dynamics that account for variation in compliance across countries, issues, and over time? Of course, ultimately what matters is whether compliance with the CVM translates into actual improvements of corruption control on the ground. A key question therefore is to what extent we can observe a link between the two issues – compliance with the CVM and actual corruption levels.

This section first presents preliminary descriptive evidence, which is somewhat inconclusive about whether compliance has an impact on corruption. The paper therefore considers a critical view of the value of assessing compliance with the CVM recommendations and in particular of using the CVM's assessment as an indicator of compliance. This section concludes with an explanation why the finding of a weak link between compliance and corruption levels might not invalidate the importance of findings with regard to compliance, namely because the latter primarily concerns the creation of favorable conditions for the former that take time to produce results. More generally, this argument also provides an explanation why critical analyses of the CVM are not necessarily incompatible with the more positive assessments of compliance presented in this paper. Compliance primarily focuses on the creation of a legislative and institutional infrastructure for the fight against corruption while the critical analyses typically focus on the political and social situation on the ground.

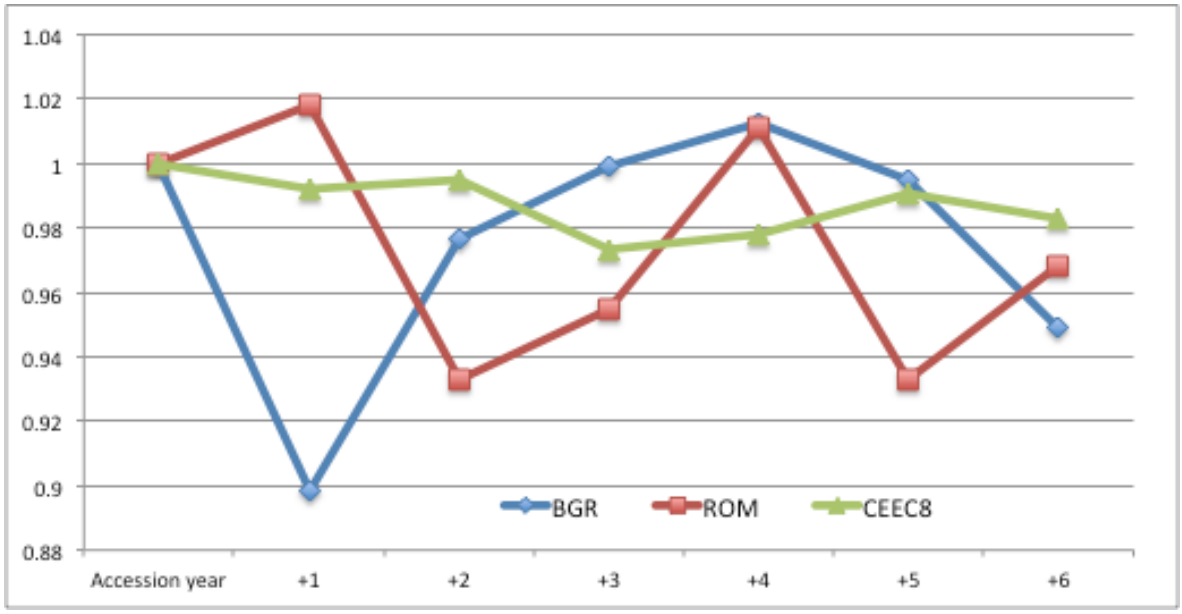
6.1. Preliminary descriptive evidence

A simple descriptive analysis suggests that the association between compliance with the CVM reports and corruption is positive but weak. Simple correlation between the CVM's assessment of compliance presented in this paper (using annual averages for years in which two reports were produced) and levels of corruption control (using the World Bank Governance Indicators: Corruption Control, Kaufmann et al. 2010) is 0.295 (rising to 0.373 if the corruption data lag the compliance data by one year).

Another way to explore the link between the CVM and actual corruption control is to compare the development of corruption in Bulgaria and Romania to the developments in other post-communist new member states. Previous research has found that there is some general backsliding – a deterioration of corruption control – in the post-communist new members after accession (Kartal 2014; for more optimistic results with a shorter post-accession observation period, see Levitz and Pop-Eleches 2010: 469). At the same time, Kartal (2014: 945) also observes that there is variation across countries with regard to the extent of such backsliding (but his primary concern is variation over time). How does the extent of the deterioration (or improvement) of corruption control in Bulgaria and Romania compare to the developments in other post-communist member states that were not subject to the CVM?

Figure 7 (below) shows the annual changes in corruption control in Romania and Bulgaria, as well as the average annual changes in the eight other post-communist new members (CEEC8). The changes are calculated in comparison to the year of accession – 2007 for Bulgaria and Romania and 2004 for the CEEC8.

Figure 7: Annual changes in corruption control compared to the accession year



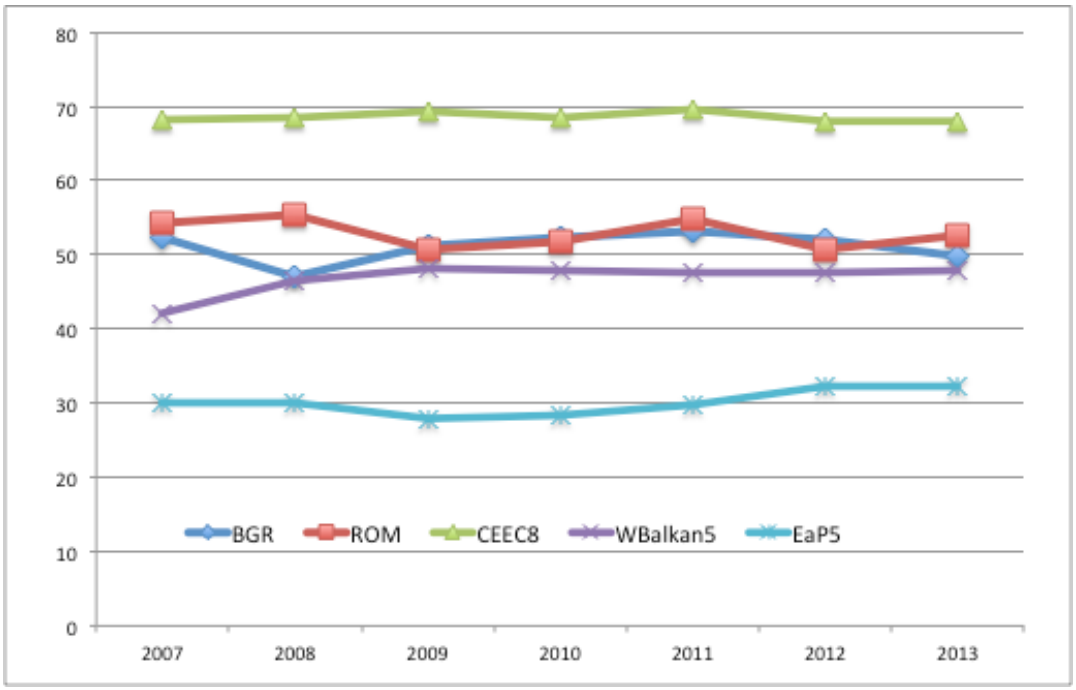
Note: Calculated from the World Bank Governance Indicators: Control of Corruption (Kaufmann et al. 2010).

The developments in corruption control show that on average there is indeed a general backsliding in comparison to the accession year in the CEEC8 during the first seven years of membership, although it is rather weak. The average CEEC8 performance barely drops below 98% of the 2004 level and on average during the six years after the year of accession, on average the performance is at 99% of the first year of membership. For both Bulgaria and Romania, on average the extent of backsliding in the control of corruption is somewhat stronger than in the CEEC8, but not by much (97% of their performance in 2007 for both countries). These averages mask however a much more erratic performance in both countries, with more pronounced deterioration of performance in some years, while in other years, the changes compare favorably both to those in the CEEC8 and to their own performance during the year of accession.

These rather small differences in annual changes of corruption control in Bulgaria and Romania compared to other post-communist new member states are also reflected in *Figure 8* (below) that tracks the development of corruption control in these countries, as well as the average performance for the five candidate countries in the Western Balkans and the five post-Soviet countries in the Eastern Partnership (except Belarus). Overall, this picture suggest that corruption control remains rather static; there is not much deterioration but

also not much improvement and certainly also no catching up with other post-communist new member states (see also Spendzharova and Vachudova 2012).

Figure 8: Control of corruption in selected groups of countries



Source: World Bank Governance Indicators: Control of Corruption (Kaufmann et al. 2010), Percentile Rank (0 is lowest).

In sum, these rather simple descriptive comparisons do not show much evidence of a positive impact of compliance with the CVM on actual levels of corruption (control) in the countries concerned. At the same time, much depends on the counterfactual arguments that we use to assess the performance of the CVM and what kinds of developments we would consider a success, or as evidence that the CVM makes a difference in Bulgaria and Romania. What would we expect the situation in two countries to be without the CVM? Should we expect that the situation would remain more or less stable or even to improve gradually due to domestic factors? Or would we expect a deterioration? Putting it differently, for us to agree that (compliance with) the CVM has a positive effect, would we need to see an improvement (and by how much)? Or simply no – or not much – deterioration?

Evaluations of the CVM vary depending on the different counterfactual comparisons through which studies appear to interpret their findings (see also Dimitrova 2015). Scholars working in a broader comparative context have evaluated the shortcomings of the CVM carefully, but

also stress that the counterfactual comparison with a situation where no EU pressure would be applied. Vachudova (2009) in particular has stressed that in the absence of the CVM and EU membership in general, the development of corruption in Bulgaria and Romania would have been even more negative (see also Innes 2014). By contrast, Dimitrov et al. (2014; 2016) work with a different implicit comparison: a much more comprehensive reform and behavioral and societal change in Bulgaria. The conclusion they then reach cannot be disputed, namely that the CVM has not achieved a far-reaching and comprehensive reform of governance in terms of seriously reduced corruption, significantly improved rule of law, and transparency. Ultimately, in the absence of an obvious counterfactual, only a more systematic analysis using appropriate controls might be able to provide firmer evidence of the impact of the CVM on actual corruption levels.

6.2. Is good compliance with the CVM compatible with a lack of improvement in actual corruption?

Even if we were to conclude that there is not much evidence of a link between good compliance with the CVM and improvements in corruption control, such a claim need not invalidate the finding of progress with compliance, nor render them meaningless. Good compliance can coexist with a lack of problem solving for at least four main reasons, but only three of these are very problematic.

One problematic reason for a gap between compliance and corruption might be that the CVM recommendations are simply inadequate. If this were the case, even perfect (behavioral) compliance would not lead to (positive) changes in corruption control. While compliance would then be pointless from the point of view of problem-solving, it still leaves the analysis of compliance – why governments make costly domestic changes recommended by the EU – as a valid subject of research.

Another possible reason for the absence of a link between good compliance and improved corruption control is that the CVM might assess compliance only in formal terms (legal changes) but not whether they are implemented and applied in practice, and lead to actual behavioral change. Indeed, Falkner and Treib (2008) claim more generally that such a decoupling between good formal compliance and deficient application and enforcement is a characteristic compliance problem in the post-communist new members. If this was the

reason for the gap between compliance and corruption, then it would be problematic for the significance of the positive findings with regard to compliance, since it would only use a partial indicator of compliance. On the other hand, this problem should be less severe in the case of the CVM since the reports pay detailed attention to practical implementation, following the activities of institutions and outcomes of actual corruption cases (see also Spendzharova and Vachudova 2012: 47).

A different version of this problem is the view that the Commission's assessment is not objective but a political compromise that fudges its assessment to show progress in order to legitimize its continued involvement. Yet even if the CVM's assessments tended to be too positive in their assessment, these assessments still show variation that might need to be explained. To the extent that there is no reason to assume that there is a political bias towards individual countries or governments at specific points in time, the observed variation between Romania and Bulgaria would be still meaningful and deserving closer examination: not as an accurate measure of absolute compliance but of relative compliance levels.

While critics of the CVM tend to focus on one or more of the above explanations (see e.g. Dimitrov et al. 2016), there is another reason why the link between compliance and corruption might be weak, without putting into question the importance of studying compliance in its own right. It is not incompatible for analyses of compliance with the CVM to find more ground for optimism, while analyses of the CVM's impact on corruption are much more critical. The analysis of compliance tends to focus mainly on institution-building and creation of a legislative infrastructure, and while these will not directly translate into corresponding improvements of corruption control, they are not trivial; but they might take longer to affect changes on the ground.

In a similar vein, as Dimitrova (2015) points out, some comparative studies find that certain formal legislative changes were responses to specific interventions by the EU and hence show the EU's influence (Institute for Public Policy 2010, Spendzharova and Vachudova 2012, Vachudova 2009). These studies point to progress in legislative infrastructure and institution building. Broader sociological studies suggest that this does not amount to real

progress and substantive societal change (Dimitrov et al. 2014, Dimitrov et al. 2016, Toneva-Metodieva 2014). Yet analyses of cases where societal actors have made some collective effort to overcome corrupt practices show that legislation and institution building serve as the first step, and as a focal point for protest, as does the EU involvement. Despite their different assessments, the above studies agree that broad societal mobilization, participation and debate can make EU tools more effective; and that for such conditions to be created, the CVM needs to find broader partnerships in, and more direct connections with, civil society (Dimitrova 2015).

7. Conclusions

This paper has examined the possibility of the EU to influence domestic change in member states' anti-corruption policies through a novel mechanism of monitoring without enforcement, the CVM. The paper has coded the assessments provided in the various CVM reports with regard to the extent to which Romania and Bulgaria have complied with the range of issues that the reports have raised. The picture that emerges is that compliance in Romania in particular has been surprisingly good. Not only is it better than in Bulgaria (where a more modest improvement over time is also discernible), but it has increased over time, reaching high compliance levels by 2015.

For a preliminary analysis of the unexpectedly good compliance with the CVM in Romania, this paper draws on a range of interviews conducted with civil society representatives, public officials and commentators. The main explanation that emerges from these interviews is that compliance was helped by the successful building of institutions that have over time become more effective in carrying out their activities, primarily with regard to high-level corruption. With regard to corruption at the local level, institution-building has also made progress, although the compliance with indicators relating to corrupt practices has been much slower.

Compliance with institution-building and institutional operation has been fragile and remains under threat from obstruction by parliamentarians from across the political spectrum. Successive presidents – Traian Băsescu (PDL) (2007-2014) and Klaus Iohannis (Christian Liberal Alliance/National Liberal Party (PNL) (from 2014) – have been explicitly

committed to the fight against corruption, but none of the governments have built their election campaigns around an anti-corruption platform. At the same time, successive governments, regardless of their partisan orientation, have been permissive, rather than the main force of obstructing the fight against corruption and compliance with the CVM. The role of the CVM has been important in empowering civil society and in constraining efforts to roll back institution-building. The primary role of the CVM in constraining opposition to the fight against corruption means that we must not overstate the impact that the CVM can have on bringing about positive changes without domestic initiative. Instead, the CVM's impact is primarily that it limits the ability of parliament to obstruct anti-corruption efforts openly, and especially to dismantle earlier institutional achievements.

Crucially, the CVM does not owe the impact that it has to the acquisition of material leverage through the link that some member state governments have made between greater progress with compliance with the CVM and lifting their veto on Romania's and Bulgaria's accession to Schengen. Instead, the CVM has mainly operated as an instrument of social pressure due to the strong legitimacy enjoyed by the EU among elites and publics. Yet precisely this legitimacy of the CVM is threatened not only by its selective use for only these two countries, but also through the issue-linkage to Schengen accession that is not envisaged in the rules of either Schengen or the CVM.

At the same time, this paper finds that there is not a straightforward link between the more positive picture with regard to compliance with the CVM and developments with regard to actual corruption levels. However, the paper suggest that it is not incompatible for an analysis of compliance with the CVM to find more ground for optimism, while analyses of the CVM as an instrument and its impact on corruption tend to be much more critical. The former focuses mainly on institution building and creation of a legislative infrastructure; and while these will not translate directly into corresponding improvements of corruption control, they are not trivial either. Institution-building is not a sufficient condition for effective corruption control and it might not even be a necessary condition, but it can create favorable conditions that might over time affect changes on the ground.

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