

Analysis of National Legislation on Conflict of Interest Regulation

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Abstract: This article provides a detailed analysis of the national legislation of the Republic of Uzbekistan regulating conflicts of interest and its effectiveness. The report examines the concept of conflict of interest, prevention mechanisms, duties of state bodies and officials, as well as existing control and accountability measures. The analysis results aim to identify legislative shortcomings and ways to improve them, which is crucial for effective anti-corruption efforts.

Keywords: Conflict of interest, national legislation, prevention mechanisms, state bodies, accountability, anti-corruption, legal regulation.

Ensuring integrity, transparency, and trust in the system of public administration is one of the most pressing issues today. In particular, the ability to identify conflicts of interest in advance and regulate them through legal mechanisms significantly increases the potential to prevent corruption. A conflict of interest is a situation in which personal interests clash with official duties, potentially compromising the impartiality and fairness of decision-making.

As a rule, legislation governing conflicts of interest is adopted primarily to address the lack of ethical culture¹. However, practice shows that such legislation tends to function more effectively in environments characterized by a culture of mistrust. As Mackenzie has noted, the field of ethics policy itself represents a "culture of mistrust," in which greater transparency and accountability are demanded from public officials and those in positions of power². Our subsequent analyses indicate a direct correlation between the degree of regulation of conflicts of interest and the level of trust in political institutions. Specifically, in countries where public trust in political institutions is low, there is a stronger tendency to regulate conflicts of interest through more detailed and stringent rules.

At the same time, an increase in the number of rules and standards often leads to a rise in their violations. Consequently, the media and public may interpret this as a decline in ethical norms. In other words, behaviors previously deemed compliant with regulations may be newly classified as ethically improper, resulting in a surge of ethical breaches and public criticism. This can create a misleading impression that public officials are becoming morally deteriorated.

¹ Peters, A. & Handschin L., (eds.), (2012), *Conflict of Interest in Global, Public and Private Governance*, Cambridge, Cambridge University Press.

² Mackenzie, G.S., (2002), *Scandal Proof, Do Ethics Laws Make Government better?*, Brookings Institution, Washington D.C.

Nevertheless, maintaining high ethical standards ultimately serves to improve the overall ethical climate of the civil service in the long term³.

For this reason, critics argue that an increase in the number of ethical rules and efforts to strengthen their enforcement do not always effectively enhance public trust in the government and political institutions; on the contrary, such an approach may lead to greater cynicism and distrust⁴. According to critics, discussions and new requirements regarding ethical rules and mechanisms regulating conflicts of interest have not made a significant contribution to increasing public trust in the government. On the contrary, this process has led to a rise in ethical investigations and intensified public debates. Regardless of the effectiveness of new ethical legislation or rules, they have not contributed to a reduction in broad public scrutiny of the ethical conduct of public officials.⁵

The Republic of Uzbekistan is undertaking systematic reforms in the fight against corruption. In particular, a number of normative legal acts regulating conflicts of interest have been adopted. However, certain gaps and aspects requiring improvement still remain in the current legislation.

The primary objective of this research is to analyze the normative-legal framework regulating conflicts of interest within the legislation of the Republic of Uzbekistan, identify practical challenges, and develop recommendations based on international experience.

The legal foundations for regulating conflicts of interest in the Republic of Uzbekistan have been developed over recent years, undergoing certain evolutionary stages.

First and foremost, the status of the anti-corruption agency was constitutionally established in the newly adopted Constitution of the Republic of Uzbekistan dated April 30, 2023. The legal foundations of the conflict of interest institution were further reinforced in the Law "On Combating Corruption," adopted on January 3, 2017. Article 3, paragraph one, subparagraph three of this Law provides a definition of the term "conflict of interest." Additionally, the Law outlines measures aimed at preventing and eliminating conflicts of interest.

When focusing on the legal nature and analysis of the concept of "conflict of interest," it is important to emphasize that the inclusion of this term in the legislation of the Republic of Uzbekistan is linked to the country's commitments under international instruments. On July 7, 2008, the Republic of Uzbekistan acceded to the United Nations Convention against Corruption. Article 7 of this Convention requires each participating state to strive to establish and strengthen systems that promote transparency and prevent conflicts of interest in accordance with the fundamental principles of its national legislation⁶.

There is a specific law addressing conflicts of interest within the normative legal framework aimed at combating corruption. In addition, several other normative legal acts also exist, which are classified within the scope of general and special legislative instruments until a dedicated law is enacted.

In this regard, it is appropriate to study the formation of the normative-legal framework for regulating conflicts of interest through the following stages:

1991–2008: Period of normative legal acts adopted during the initial stage of independence;

2008–2017: Period marked by accelerated legal reforms in the field of anti-corruption;

2017–2023: Phase of implementing anti-corruption reforms based on institutional foundations.

³ Behnke, N., (2005), "Ethics as Apple Pie: The arms race of ethical standards in congressional and presidential campaigns",

EGPA-Paper, "Ethics and Integrity of Governance: A transatlantic dialogue", Leuven, June 2005, 8.

⁴ Nieuwenburg, P., (2007), The Integrity Paradox, in: Public Integrity, 2007, Vol. 9, No.9, pp.213-224; also Anechiarico & Jacobs (1996), Mackenzie (2002), Stark (....), Saint-Martin & Thompson (....), Behnke (2005).

⁵ Mackenzie, G.S., (2002), Scandal Proof, Do Ethics Laws Make Government better?, Brookings Institution, Washington D.C pp 112

⁶ United Nations Convention against Corruption – New York, 31 October 2003.

2023–present: Era of adopting a systematic approach and principles of transparency in regulating conflicts of interest.

The first period, namely from 1991 to 2008, encompasses the process of establishing the legal foundations following independence and continuing up to Uzbekistan's accession to the United Nations Convention against Corruption.

During this stage, the regulation of conflicts of interest was not governed by specific provisions but was addressed within the broader framework of general state policy and anti-corruption measures. At the same time, certain laws related to state authority and governance included rudimentary rules aimed at preventing conflicts of interest.

For instance, Article 2 of the Constitution of the Republic of Uzbekistan states that the state shall represent the will of the people and serve their interests. Furthermore, other provisions specify that state bodies and officials are accountable to society and citizens, and that, apart from scientific and pedagogical activities, they are prohibited from engaging in other types of paid activities⁷.

The establishment of clear criteria for the appointment and election of officials, along with the introduction of certain restrictions applicable to them, primarily reflects the existence of legal mechanisms aimed at preventing situations that may lead to conflicts of interest.

In the legal acts regulating the activities of state authority and administration bodies of the Republic of Uzbekistan — in particular, the Law “On Local Government”⁸ as well as in the Law “On Official Statistics” and in specific normative legal acts governing the activities of each state body, although clear provisions on conflicts of interest are not explicitly established, rules aimed at preventing corruption and avoiding conflicts of interest have been prescribed.

For example, members of the Cabinet of Ministers are prohibited from engaging in any remunerated activities other than scientific and pedagogical work. Similar restrictions have been applied to officials of specialized public service bodies, including the prosecutor's office, customs authorities, and tax agencies.

Furthermore, conflicts of interest among individuals serving in the civil service often arise in connection with their entrepreneurial activities. Therefore, since the early years of independence, by Resolution No. 103 of the Cabinet of Ministers under the President of the Republic of Uzbekistan dated March 6, 1992, a list of officials prohibited from engaging in entrepreneurial activities was approved.

In Uzbekistan, the prevention of conflicts of interest is recognized as a key legal priority within the systems of public administration, civil service, and economic relations. The normative-legal framework in this area is reflected in legislative acts regulating the activities of state bodies, including the Laws “On the Cabinet of Ministers,” “On Local Government,” as well as sector-specific special normative-legal acts.

Specifically, members of the Cabinet of Ministers are prohibited from engaging in any remunerated activities other than scientific and pedagogical work. Such restrictions also apply to employees of special state bodies, including the prosecutor's office, customs, and tax authorities. Additionally, the Labor Code provides that individuals with kinship relations are not allowed to work together in positions of direct subordination.

Uzbekistan initiated significant reforms aimed at implementing international standards and recommendations into national legislation by acceding to the United Nations Convention against Corruption in 2008 and joining the Organization for Economic Cooperation and Development's “Istanbul Action Plan” in 2010. On this basis, legal mechanisms were introduced to identify,

⁷ Information Bulletin of the Supreme Council of the Republic of Uzbekistan, 1994, No. 1, Article 5

⁸ Information Bulletin of the Supreme Council of the Republic of Uzbekistan, 1993, No. 9, Article 320.

assess, and eliminate conflicts of interest in areas such as joint-stock companies, privatization processes, investment contracts, public-private partnerships, and public procurement.

In recent years, the institution of conflict of interest has been firmly established as a distinct legal concept through the adoption of laws such as the “On Combating Corruption,” “On Public Civil Service,” and “On Public-Private Partnership,” as well as the Model Code of Ethics for Civil Servants approved in 2022. According to these legal acts, civil servants are now legally required to inform their supervisors about any arising conflicts of interest, and appropriate measures must be taken to assess and resolve such situations.

To further improve the legal mechanisms in this area, the draft law “On Conflict of Interest” was developed, and on June 5, 2023, the Law “On Conflict of Interest” was adopted.

One of the most important normative legal documents regulating conflict of interest in the Republic of Uzbekistan is the Law “On Combating Corruption,” adopted on January 3, 2017. For the first time, this Law provides a separate definition of the term “conflict of interest” and establishes the legal foundations for its essence, prevention, and management.

According to the Law, measures aimed at preventing conflicts of interest and other corrupt practices in state bodies and organizations must be implemented. This includes establishing special commissions, strengthening oversight of civil servants’ activities, and ensuring compliance with professional ethics and service discipline as key tasks.

Within the framework of reforms carried out in recent years, a series of Presidential decrees and resolutions regulating this sphere have been adopted, including:

Presidential Decree No. PF-5843 dated October 3, 2019, “On Measures for Radical Improvement of the Personnel Policy and Civil Service System in the Republic of Uzbekistan,” which assigns the task of developing mechanisms to prevent conflicts of interest among civil servants;

Presidential Decree No. PF-5729 dated May 27, 2019, “On Measures for Further Improvement of the Anti-Corruption System in the Republic of Uzbekistan,” which sets the task of improving the organizational and legal framework for resolving conflicts of interest;

Resolution No. PQ-5177 dated July 6, 2021, “On Additional Measures for the Effective Organization of Anti-Corruption Activities,” which establishes the invalidity of contracts concluded in cases of conflict of interest and clearly defines the legal consequences of civil servants’ participation in entrepreneurial activities;

Resolution No. PQ-210 dated June 5, 2024, “On Measures for the Effective Implementation of the Law ‘On Conflict of Interest,’” which envisages strengthening mechanisms for the prevention and control of conflicts of interest, increasing responsibility in relevant state bodies and organizations, conducting professional development and awareness activities for employees and officials, and introducing information exchange and monitoring systems. It also emphasizes that the full and effective enforcement of the Law will be ensured through improved control and accountability mechanisms.

Experience from foreign countries shows that the issue of conflict of interest is strictly regulated legally even in many developed states. The following countries have adopted specific laws on this matter:

Germany: In Germany, conflict of interest (CoI) issues are regulated by a number of federal rules. These rules cover criminal law, public procurement legislation, civil service law, and anti-corruption legislation. Additionally, the federal states (Länder) and local municipalities have their own laws, regulations, codes, and procedures.

Nevertheless, Germany's legal culture requires that approaches to managing conflicts of interest align with the national culture. As a result of this legal culture and attention to regulation, Germany achieves effective outcomes in this area⁹.

It should be especially emphasized that here only the presence or absence of relevant legislation or codes is generally noted. The principles of integrity—their content and essence, current status, or detailed descriptions of legal norms and rules operating at various territorial (subnational) levels of government—are not provided. For example, each of the 16 federal states (Bundesländer) in Germany has its own distinctive legislative framework regarding corruption, fraud, and conflicts of interest.

According to the latest data available from 2008 for the countries of the European Union, in most member states, the priority approach to preventing conflicts of interest is based on horizontal legislation that comprehensively covers the public administration sector. These countries have specific normative legal acts related to conflicts of interest, as well as codes of ethical conduct. Furthermore, they apply a combined approach that harmonizes legislative foundations with behavioral norms to address conflict of interest issues.

Additionally, in countries with federal or decentralized governance systems, the applicable legislation on conflicts of interest, as well as relevant norms and standards, are also enforced at territorial (subnational) levels¹⁰.

Czech Republic: The Law on Conflict of Interest establishes procedures for identifying, preventing, and resolving conflicts of interest concerning state officials. It also outlines the responsibilities and activities of relevant authorities.

The Czech Constitution, the Law on Conflict of Interest, and the Civil Service Act set forth a number of prohibitions and restrictions regarding the combination of functions. For example, a person cannot simultaneously be a member of both chambers of Parliament, nor hold the positions of President and judge at the same time. Deputies are prohibited from holding remunerated positions in public administration, the prosecutor's office, judiciary, police, Supreme Audit Office, the President's office, or the offices of either chamber of Parliament, as well as in state funds and the Ombudsman's office. Ministers are prohibited from being the Speaker or Deputy Speaker of Parliament, or members of parliamentary committees or commissions. Public administration employees are barred from holding many other functions, including elected offices (except part-time members of regional or local assemblies), judicial positions, and leadership roles in regulatory agencies. Additionally, heads or department chiefs (i.e., any officials who supervise employees in their department) are not permitted to hold any position in political parties or movements¹¹.

Latvia: The Law "On the Prevention of Conflicts of Interest in the Activities of Public Officials" regulates measures such as prohibitions and reporting procedures. The competent authority in this field is the Corruption Prevention and Combating Bureau (KNAB).

Croatia: Officials are required to obligatorily disclose conflicts of interest. Additionally, a special commission is established, and disciplinary measures are prescribed.

Georgia: The Law on Conflict of Interest and Corruption in Public Service defines the obligation to report conflicts of interest, guarantees of immunity, and regulatory measures.

South Korea: The content of court cases turned conflict of interest regulation into a politically significant issue, as clientelism, gift-giving, and revolving-door practices seriously damaged the

⁹ Federal Ministry of the Interior, Rules on Integrity, Berlin, 2014.

¹⁰ The Effectiveness of Conflict of Interest Policies in the EU-Member States Manuscript completed in October 2020 European Union, 2020

¹¹ Technical Paper: The legal and institutional framework regulating conflict of interest in the Czech Republic: Assessment and Recommendations pp 13
<https://rm.coe.int/16806d1214>

reputation of the South Korean state. Consequently, the Improper Solicitation and Graft Act,¹² which came into force in September 2016, was adopted following investigations into the Sewol ferry disaster¹³. 2021, the Act on Prevention of Conflict of Interest Related to Duties of Public Officials¹⁴ (later known as the Conflict of Interest Prevention Act) gained renewed enforcement after a land speculation scandal¹⁵.

These two laws are complemented by the Code of Conduct for Public Officials¹⁶, approved in 2003 and significantly reformed in 2010, as well as the Public Service Ethics Act¹⁷ originally adopted in 1981 and amended several times thereafter. The Code of Conduct defines the standards of behavior expected from public officials. The Public Service Ethics Act serves to strengthen the ethical principles of public officials by preventing conflicts between public and private interests through the registration and disclosure of assets.

Canada and Ukraine: Both countries have specific laws regulating conflicts of interest, which establish clear mechanisms for identifying, reporting, and sanctioning such cases.

Overall, effective management of conflicts of interest plays a crucial role in ensuring transparency in the civil service, strengthening public trust, and enhancing institutional credibility.

In Canada, the law requires public servants to refrain from using information obtained during recruitment, decision-making, or while performing public service duties for personal gain. The law outlines measures to prevent conflicts of interest, defines the powers of the commission responsible for overseeing compliance with ethical standards and interests, and specifies accountability mechanisms for violations.

Additionally, in countries such as Moldova, Russia, Ukraine, and Kazakhstan, failure to comply with conflict of interest regulations results in administrative liability.

In summary, issues related to preventing conflicts of interest are clearly and effectively regulated within national legal systems, and based on these normative documents, the activities of public services are systematically managed.

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¹² See the text of the Improper Solicitation and Graft Act at:

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¹⁴ See the text of the Prevention of Conflict of Interest Act at:

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¹⁵ This Act had first been submitted by the Anti-Corruption and Civil Rights Commission (ACRC) in 2013 to the 19th National Assembly. It was finally passed into law eight years later by the 21st National Assembly, with a favourable vote of 248 out of 252 attending lawmakers See: Wu-sam, S. (2021). National Assembly passes conflict of interest bill, 8 years after its introduction.

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¹⁶ See the text of the Code of Conduct for Public Officials at:

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