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Second Evaluation Round

Evaluation Report on Finland

Adopted by GRECO
at its 19th Plenary Meeting
(Strasbourg, 28 June – 2 July 2004)

I. INTRODUCTION

1. Finland was the third GRECO member to be examined in the Second Evaluation Round. The GRECO evaluation team (hereafter referred to as the "GET") was composed of Mr Kludijo STROLIGO, Director of the Office for Money Laundering Prevention, Ministry of Finance, Slovenia, Mr Lennart KLACKENBERG, Government Advisor on anti-corruption issues, Ministry of Justice, Sweden and Ms Rocio PEREZ-PUIG GONZALES, Examining Court Judge, Spain. This GET, accompanied by two members of the Council of Europe Secretariat, visited Helsinki from 6 to 10 October 2003. Prior to the visit the GET experts were provided with a comprehensive reply to the Evaluation questionnaire (document Greco Eval II (2003) 3E) as well as copies of relevant legislation.
2. The GET met with officials from the following governmental organisations: the Ministry of Foreign Affairs, the Ministry of the Interior (Police Department, the National Bureau of Investigation and the Department for Municipal Affairs), the Ministry of Justice, the Offices of the Chancellor of Justice and the Parliamentary Ombudsman, the Prosecution Service, the State Audit Office, the Ministry of Finance and the Financial Supervision, the Ministry of Social Affairs and Health and the Ministry of Education. Moreover, the GET met with members of the following non-governmental institutions: the Central Chamber of Commerce, the "Kauppalehti" (financial newspaper), Nokia and an interim Chapter of Transparency International.
3. It is recalled that GRECO agreed, at its 10th Plenary meeting (July 2002), that the 2nd Evaluation Round would run from 1st January 2003 to 30 June 2005 and that, in accordance with Article 10.3 of its Statute, the evaluation procedure would deal with the following themes:
 - **Theme I - Proceeds of corruption:** Guiding Principles 4 (seizure and confiscation of proceeds of corruption) and 19 (connections between corruption and money laundering/organised crime), as completed, for members having ratified the Criminal Law Convention on Corruption (ETS 173), by Articles 19 paragraph 3, 13 and 23 of the Convention¹;
 - **Theme II - Public administration and corruption:** Guiding Principles 9 (public administration) and 10 (public officials);
 - **Theme III - Legal persons and corruption:** Guiding Principles 5 (legal persons) and 8 (fiscal legislation), as completed, for members having ratified the Criminal Law Convention on Corruption (ETS 173), by Articles 14, 18 and 19, paragraph 2 of the Convention.
4. The present report was prepared on the basis of the replies to the questionnaire (and the information provided during the on-site visit). The main objective of the report is to evaluate the effectiveness of measures adopted by the Finnish authorities in order to comply with the requirements deriving from the provisions indicated in paragraph 3. The report contains a description of the situation, followed by a critical analysis. The conclusions include a list of recommendations adopted by GRECO and addressed to Finland in order to improve its level of compliance with the provisions under consideration).

¹ Finland ratified the Criminal Law Convention on Corruption on 3 October 2002.

II. THEME I – PROCEEDS OF CORRUPTION

a. Description of the situation

Confiscation and other deprivation of instrumentalities and proceeds of crime

5. Confiscation is in Finnish legal theory considered a measure (and not a penalty) and is regulated in Chapter 10 of the Penal Code (PC) (in the English translation² of the Code is used the term “forfeiture”). Confiscation may be ordered in relation to the proceeds, instrumentalities or with regard to certain other property, such as an object being produced during the course of an offence. Any criminal offence (including corruption offences) constitutes a prerequisite for a decision on confiscation of proceeds of crime, even in cases where the offender is not convicted as a result of no criminal capacity (under aged etc) or is exempt from criminal liability. Furthermore, confiscation of property held by legal persons is possible, regardless of whether the individual actor having carried out the act of the offence, can be identified and/or convicted.
6. Confiscation of *proceeds of crime* or, as it is stated in the original Finnish text, *the economic gain from a crime*, (i.e. the value of the proceeds, according to court practice) is mandatory (PC, Chapter 10, Section 2). Such confiscation may be carried out against the offender, a participant in the crime or a person on whose behalf or to whose advantage the offence was committed provided that this person has benefited from the offence. Furthermore, there is a special regulation with regard to passive bribery of public official or a Member of Parliament (PC, Chapter 40, Section 14) that the gift or benefit received or its value shall be confiscated from the offender or from the person in whose favour the offender has acted. Confiscation is not possible concerning the value of the gains/proceeds that has been returned to the injured party or if claims for compensation or restitution have been filed.
7. The Finnish legislation also provides for extended confiscation of the proceeds of crime or, as is stated in the original Finnish text, *extended confiscation of the gains* (PC, Chapter 10, Section 3). This provision provides for a full or partial confiscation of property against a person convicted for an offence (or attempt), which carries a possible penalty of imprisonment of at least four years³. Such confiscation is possible only if the offence may result in considerable financial proceeds and if there is a reason to believe, that the property fully or partially derives from criminal activity that is not considered insignificant. Moreover, such confiscation may also be ordered on close relatives to the offender or, a legal person linked with the offender, if there is *reason to believe* that the property has been conveyed to that person to avoid confiscation or liability.
8. Confiscation of an instrument of a crime (PC, Chapter 10, Section 4) which has been used in a crime is mandatory only with regard to weapons or any other object or property the possession of which is illegal. Confiscation of certain other property (PC, Chapter 10, Section 5) for example property which has been produced or used in the commission of a crime may also be ordered. Both these types of confiscation may also be carried out for the purpose of prevention. If an instrument of a crime or other property belongs to a third party it may only be confiscated if it has been conveyed to him/her after the commission of the offence and if s/he knew or had justifiable reason to believe that the object or property was linked to an offence or, if s/he has received it as a gift or otherwise free of charge (PC, Chapter 10, Section 6). Value confiscation is also possible

² The GET discovered that the English translation is not always exact in its terminology, in particular with regard to confiscation of proceeds of crime, see below.

³ Due to the set threshold the above noted extended confiscation can only apply for the following corruption offences: Aggravated acceptance of bribe (Chapter 40, Section 2), Acceptance of a bribe as a Member of Parliament (Chapter 40, Section 4) and Aggravated accounting offence (Chapter 30, Section 9 a).

in relation to an instrument of a crime or the property produced during a crime. If such an instrument or the property has been hidden or is otherwise inaccessible, a full or partial confiscation of the value may be ordered on the offender, a participant or a person on whose behalf or with whose consent the offence has been committed. In addition, value confiscation may also be ordered on a person to whom an instrument or the property has been conveyed subject to the conditions on *mens rea*, as referred to above. However, value confiscation is not allowed if it is shown that the instrument or property has probably been destroyed or is consumed (PC, Chapter 10, Section 8).

9. The burden of proof in cases of confiscation of the proceeds of crime can never be reversed, however, in some cases the level of the proof required is lower than what is the case for convicting an offender. As an example, extended confiscation (PC, Chapter 10, Section 3) may be ordered if there is "*reason to believe*" that the property derives from criminal activity.
10. If there is no evidence as to the amount of the proceeds of crime or, if such evidence is difficult to present, the proceeds shall be estimated by the court. In such a case the nature of the offence, the extent of the criminal activity and other relevant circumstances shall be taken into account. Costs for preparing an offence are never deductible from the value of the confiscation.
11. The prosecutor or the injured party makes the request for confiscation. Provisions on the grounds on which the prosecutor may decline to make a request for confiscation are contained in Chapter 1, Section 8a of the Criminal Procedure Act. The decision whether or not to confiscate is taken by the court and a decision is normally considered separately from the sentencing of an offender.
12. In general, confiscation of proceeds of crime cannot be ordered if the act is no longer punishable owing to the statute of limitations (Chapter 8, Section 7 of the PC). The minimum limitation period for a request for confiscation is five years. This period starts to run when the offence was committed. However, with regard to confiscation of instrumentalities or property produced during a crime, there are no statutory limitations.

Interim measures: restraint order, freezing and seizure

13. Interim measures, such as seizure and freezing of property, are possible against a person suspected of having committed an offence (including corruption) or against somebody who for other reasons (see above) may be subject to confiscation. The legal framework for interim measures is contained in the Coercive Measures Act (450/1987), the Execution Act (679/2003) and the Execution Decree (680/2003). The interim measures may also be applied with regard to bank, financial or commercial records. Moreover, credit and investment institutions are obliged to provide the prosecution and the police with confidential information for the purpose of criminal investigation (Credit Institutions Act (1607/1993) and the Act on Investment Firms (579/1996))
14. According to Chapter 3 of the Coercive Measures Act, the lowest degree of interim measure to be used is the issue of a restraint order. The order may not exceed the value at stake. If a restraint order is not considered sufficient, the freezing of the corresponding amount of the relevant property may be ordered (freezing of property). A court, following the request by the investigative authorities or a prosecutor, shall order these measures. However, a provisional restraint or freezing order may be issued by the prosecutor or the police in urgent cases, subject to approval by a court within a week. A restraint order or a freezing order are subject to appeal, but an appeal does not preclude the enforcement of the order. The described interim measures may be used in separate proceedings or in connection with the main proceedings concerning confiscation.

15. An object may be subject to *seizure* when there are *reasons to presume* that it may serve as evidence in criminal proceedings or if it has been taken from someone through an offence or it is likely to be confiscated by a court order (Chapter 4). Seizure may be decided upon by an official with the power to arrest (i.e. the prosecutor, the police, customs and boarder guard) and, during trial by the court. However, a police official may, in urgent cases, take an object into his position even before an order of seizure has been issued.
16. The Coercive Measures Act (Chapter 4) and the Execution Act provides for some rules on the *management of seized property*, but contains no provisions in relation to restrained or frozen assets. The person carrying out the seizure shall take the object in his/her possession or it may be left with the holder if that would not compromise the purpose of the seizure. In such a case the object holder would be ordered not to sell, destroy or otherwise dispose of the object, which, if necessary, may be marked with a seal. Seized money shall be deposited into a bank account until the case is concluded. Moreover, if the seized property is stored by the authorities, it shall be cared for and it may be sold immediately if there are special reasons, such as diminishing value, costly storage, etc. A restraint or freezing order shall be rescinded when it is no longer useful or, in case no charges are brought within 4 months. The time limit of four months may be renewed by the court several times.

Other measures to facilitate the gathering of evidence and the confiscation of proceeds

17. Chapter 5a of the Coercive Measures Act regulates some of the special investigative techniques (telecommunications interception, telecommunication monitoring and technical surveillance). The GET was informed that only technical surveillance can be used in relation to corruption offences, or more precisely, only in relation to some corruption offences⁴. Moreover, these techniques can only be used, if the information obtained can be assumed to be very important in the investigation of the offence. The authorisation for telecommunications interception and telecommunication monitoring can only be granted by the court upon a written request by an official with the power of arrest, while the decision on technical surveillance can be made by police and customs officials.

International Cooperation

18. Finland is a contracting party to the European Convention on Mutual Assistance in Criminal Matters and to the Convention on Laundering, Search, Seizure and Confiscation of Proceeds from Crime. The International Legal Assistance in Criminal Matters Act (4/1994), is the applicable national instrument for processing assistance requests, such as seizure and other coercive measures. This law applies with regard to any criminal offence, including corruption, whether requested abroad, by Finnish authorities, or in Finland, by foreign authorities.
19. According to Section 5 of the International Legal assistance Act, a request to a foreign state may be channelled through the Ministry of Justice (which is the Central Authority for these matters) or can be done directly by a court, a prosecution authority or even a pre-trial investigation authority, depending on international agreements between Finland and the foreign state in question. In case Finland receives a request from another state, it may be submitted to the Central authority (Ministry of Justice) or directly to the competent authority. If the Ministry of Justice is the receiver, it must transmit the request promptly to the authority which is competent to execute the request.

⁴ The same threshold of imprisonment for at least four years is used, thus the technical surveillance can only apply for the following corruption offences: Aggravated acceptance of bribe (Chapter 40, Section 2), Acceptance of a bribe as a member of Parliament (Chapter 40, Section 4) and Aggravated accounting offence (Chapter 30, Section 9 a).

A request from a foreign state for the execution of an eventual or already imposed confiscation order may only be granted if the measure would have been possible under similar circumstances in Finland.

20. The securing of a confiscation order made by a foreign state authority, is particularly mentioned in the International Legal assistance Act (Section 23), which also refers to the Coercive Measures Act, which provides detailed rules on the handling of freezing of property in Finland as a result of a foreign request to implement a decision (or if such a decision is likely to be issued) on confiscation (Chapter 3, Section 6a). Moreover, the same Act has similarly detailed rules on the handling of seizure in Finland following a request from abroad.

Statistics

21. The GET was informed that there were no special statistical data on the use of confiscation regarding any offence, nor on the use of provisional measures. The Government has, however, stated that confiscation, as a mandatory measure, is always used when possible and it takes place in criminal cases regularly all the time. According to the Finnish authorities⁵, the value of bribes has been confiscated without exception during the last three years.

Money laundering

22. Money laundering offences are covered by Chapter 32 of the Penal Code. All corruption offences are predicate offences to money laundering. It should be noted, however, that trading in influence is not criminalised in Finland. The Finnish authorities have reported that extraterritorial predicate offences are implicitly covered as a result of Chapter 1 of the Penal Code and that the dual criminality requirement applies to predicate offences. Negligent money laundering is also covered by the definition but can only be applied in relation to natural persons. Culpability for laundering is excluded with regard to own proceeds (self-laundering) and to some extent also laundering of proceeds carried out by a person living in a joint household with the offender. Money laundering is sanctioned with fines up to two years of imprisonment and, in case of aggravated money laundering up to six years imprisonment.
23. Since June 2003, the Law on Money Laundering (365/2003) contains an obligation of a large variety of different business actors (such as credit and financial institutions, domestic and foreign investment firms, insurance companies and brokers, pawnshops, lotteries, real estate agencies, security depositories, accountants, lawyers etc.) to report suspicious transactions (STR) to the Money Laundering Clearing House (NBI). The large majority of STRs come from exchange bureaus (> 50%), national and foreign authorities and banks. Since 2000 the number of STRs reported to the NBI has more than doubled, in 2002 there were 2718 reports corresponding to a transaction value of EUR 703.632,814. In the same year NBI forwarded to pre-trial investigation 114 reports, among which 8 were related to accounting offence and none to other corruption offences. During the period 1994-2003 no corruption offences were detected in the 496 STRs that were forwarded by the NBI to pre-trial investigation.
24. According to the Act on Preventing and Clearing Money Laundering (Section 12) the NBI has the right to obtain any information needed for clearing money laundering from a legal or natural person and from authorities conducting public duties, notwithstanding provisions on the confidentiality of information. The NBI can also suspend a transaction for at maximum five days, if such suspension is necessary for clearing money laundering (Section 11). In 2003, this

⁵ From 1997 until August 2003 all together 90 corruption offences were reported to the Finnish Police.

provisional measure was used twelve times and transactions amounting to 1 million EUR were suspended.

b. Analysis

25. As a starting point, the GET considered that Finland has a solid legal system concerning confiscation, both with regard to instrumentalities and proceeds of crime, in relation to corruption offences. It should, however, be noted that it is more difficult to assess the practical aspects of the system, as there are no statistics available. On the other hand, the Finnish authorities have stated that confiscation is used without exception in bribery cases.
26. The provisions of the Penal Code (Chapter 10) provide for confiscation not only when a person is convicted for having committed a criminal offence but also in cases where s/he is without criminal capacity or is exempt from criminal liability (*in rem* confiscation). Finland should be commended for the non-conviction based confiscation as well as precedence of the requests for compensation of the injured party over confiscation orders. Moreover, the GET welcomed the fact that confiscation of proceeds of crime – or the value of the proceeds in respect of corruption offences - is mandatory. Also an extended confiscation (not necessarily the proceeds of crime) is possible, although it can only be ordered in relation to a few corruption offences (corruption in the private sector is excluded in this respect). The GET was of the opinion that this measure, which allows for a full or partial confiscation of property of a convicted person, should be a strong tool in the fight against corruption. In this respect, the Finnish authorities may wish to consider the possibility to extend corruption offences to cover also corruption in the private sector.
27. The GET noted that there are different regimes envisaged in the Penal Code for confiscation of proceeds of crime and for instrumentalities. While the first is always mandatory, the latter is mandatory only with regard to weapons or any other object or property the possession of which is illegal. In addition, restrictions on confiscation (Chapter 10, Section 6) concerning properties held by a third party only apply to confiscation of instrumentalities. Moreover, Chapter 10, Section 8 of the Penal Code, provides for an exception from value confiscation of an instrument of crime in case the offender shows that the instrument has been destroyed or consumed. The GET took the view that in the particular relation to corruption offences it may sometimes be difficult to determine whether a bribe should be considered the instrument of a crime or the proceeds deriving from the offence. However, it was explained during the adoption of this report, that a bribe is always considered the proceeds of the corruption offence in Finnish practice, even in a case where the bribe is not accepted by the bribed person.
28. The legal provisions contained in the Coercive Measures Act (Chapters 3 and 4) are sufficient to permit provisional seizure of the instrumentalities and freezing of the proceeds of corruption. This law also provides for a special procedure in urgent cases and for a rescission of the provisional measures where there is no longer a reason to keep them in force. Furthermore, the Act on preventing and clearing money laundering provides for a suspension of a transaction for five business days if this is necessary for clearing money laundering. The GET thus considers that the legislation provides for a sound and well-balanced system, which is in compliance with international standards. However, it has to be pointed out, that the deficiencies mentioned earlier in this report in relation to confiscation, can undoubtedly diminish also the system of the provisional measures. Due to the low number of corruption cases in Finland, provisional measures and confiscation have had limited use and, accordingly, there is limited experience among police and prosecutors in this respect. Therefore, **the GET recommends to enhance the special training for police and prosecutors on confiscation and provisional measures in**

cases of corruption and to this end use experience in other countries to the extent possible.

29. The Finnish legislation allows for a vast range of measures to be used during the investigation of corruption and money laundering. The GET regards it as positive that the Police and the Prosecution Service have access to the bank, financial and commercial records, which can be seized and presented as evidence in court. Some special investigative techniques can be used when investigating corruption and money laundering, but only in a very limited way. First restriction is laid down in the Coercive Measures Act in the list of offences for which these measures can be authorised. According to the GET's interpretation among corruption offences only Aggravated acceptance of bribe, Acceptance of a bribe as a member of Parliament and Aggravated accounting offence are covered by Section 4 (preconditions for technical surveillance), while other special investigative techniques can not be used in respect of any corruption offences. Second possible limitation is the condition that these investigative techniques can only be used, if the information obtained can be assumed to be very important in the investigation of the offence. It remains unknown to the GET how this provision is interpreted in practice and if, for example, information on the property of the offender would be recognised as important in the investigation of the offence. The GET would like to draw the attention to Article 23 of the Criminal Law Convention on Corruption, which provides for an obligation to permit the use of special investigative techniques to facilitate the gathering of evidence related to all corruption and money laundering offences and to identify, trace and seize instrumentalities and proceeds of corruption, or property of corresponding value. As it can be seen from above the Finnish legislation is not completely adjusted with these requirements. The GET observed, however, that GRECO in its First Round Evaluation Report had recommended Finland to include corruption in the list of offences for which special investigative means may be used and that measures to that end were under way. This should mean that special investigative techniques be used in respect of corruption offences and money laundering also for identification, tracing and seizing instrumentalities and proceeds of corruption.
30. The GET was pleased to note that Finland is a contracting party to all relevant international conventions in the field of criminal law, thus it is in a position to benefit from, and effectively contribute to international co-operation in criminal matters. The International Legal Assistance in Criminal Matters Act together with the relevant provisions of the Coercive Measures Act provide for an adequate legal basis to deal with both confiscation and provisional measures.
31. The newly adopted provisions of the Penal Code concerning money laundering are formally in line with Article 6 of the Money laundering Convention (ETS 141) and Article 13 of the CrCC. They cover laundering of proceeds from all criminal offences and also negligent money laundering, therefore a set of anti-money laundering preventive and repressive measures could also be used in the fight against corruption. However, the GET was informed that the Money laundering Convention is not often used in practice and that only five requests were sent and none received on the basis of this convention during the last five years. Accordingly, it is difficult to evaluate the effectiveness of the international co-operation in practice with regard to the connections between corruption offences and money laundering. In this context the GET observed the following minor deficiencies which the Finnish authorities may wish to consider. The lack of trading in influence as a crime may hinder legal assistance to foreign countries with regard to this offence and the inclusion of "self-laundering" among money laundering offences as the person committing corruption is likely also to launder the proceeds him/herself. The Finnish

authorities have contested this position⁶. The Penal Code prescribes the same penalty for intentionally committed money laundering (Chapter 32, Section 6) and for negligent money laundering (Chapter 32, Section 9). Moreover, in the definition of aggravated money laundering (Chapter 32, Section 7) two phrases, namely “very valuable property” and “particularly systematic manner” are used without being properly determined⁷. This is not only contrary to the principle of “*lex certa*” but may also cause problems in practice, since some of the investigative powers and the prescribed sanctions depend on this.

III. THEME II – PUBLIC ADMINISTRATION AND CORRUPTION

a. Description of the situation

Definition of public authority/administration

32. Public administrations are understood as organisations using direct public authority at state, regional and municipal levels. Public authority may also be exercised through indirect public administration and delegated public administration (non-public bodies using public authority). Public authority covers establishing norms. It also covers judicial and administrative decisions concerning the rights and obligations of individuals. Functions such as policing, debt recovery and taxation activities, as well as the right of the authorities to impose official sanctions on outsiders (e.g. conditional imposition of a fine), form the core area in terms of using public authority. Legislative or judicial powers are not part of administrative tasks.
33. The Constitution contains provisions on the general organisation of State administration, the general principles governing public bodies (Section 119) and territorial administrative divisions (section 122). The Constitution furthermore lays down the conditions under which administrative tasks could be delegated to entities outside public authorities to ensure that the rule of law is followed also with regard to indirect public administration. Delegation is normally made through law and, with regard to significant powers, only to public bodies.

Anti-corruption policy

34. The fundamental principles aiming at providing a sound public administration in Finland are laid down in the Constitution, the legislation and in various resolutions. These texts form the policy for public administration in Finland. The Constitution provides the basic rights and liberties (Chapter 2) as well as guarantees against abuse of public authority. Moreover, the *State Civil Servants' Act (750/1994)* provides a framework for appropriate performance of state duties by imposing general obligations on authorities and civil servants. The *Act on Municipal Officeholders (304/2003)* is the equivalent legislation for civil servants at local level. There is, however, no explicit anti-corruption strategy for public administration. It should be added that the Finnish Government issued in 1999 a Policy document against “grey economy”, which also includes corruption.

⁶ The Finnish authorities have stated that the lack of trading in influence as a crime does not necessarily hinder legal assistance to foreign states as trading in influence may often be punished under another crime, for example, as an accomplice, the only limitation being that coercive measures cannot be used in terms of trading in influence.

⁷ During the on-site visit the GET was informed that the above-mentioned phrases should be defined by courts but could not provide any concrete definitions. In their comments to the draft report the authorities stated, that the use of such phrases belongs to their standard methods to enact laws and that the definitions can be found in the preparatory material of each law.

Transparency in public administration

35. The general principles of openness, transparency and publicity of public administration are considered the main guarantees against corruption in Finland. According to the Constitution (Section 10), everyone has the right of access to an official document which is public and all documents are public unless a decision of secrecy has been taken. Such a decision must be based on the *Act on the Openness of Government Activities* (621/1999), which lists the grounds for keeping a document secret. If only a part of a document is secret, access shall be granted to the rest of the document if possible. The law also contains provisions on how the right to access to official documents shall be exercised in practice. This includes duties of authorities to positively promote information. Public documents are to a large extent electronically accessible. Access to documents can be requested in various ways; orally, by phone, in writing, by e-mail or by visiting the authority. Documents are provided at cost price.
36. Consultation between public authorities and society has been ensured by a number of general and special statutes to provide for interaction. The authorities are obliged to provide information on matters that may have a widespread impact or that may affect the conditions of a large number of people (*Administrative Procedure Act, section 13*). The Local Government Act also contains a similar obligation (section 29). The Finnish authorities have also referred to the *Land Use and Building Act (132/99)* according to which consultation with authorities, landowners and inhabitants is used.

Control of public administration

37. Decisions by public authorities - state or local - which concern an individual citizen or community may be appealed to an administrative court (ultimately the [Supreme Administrative Court](#)).
38. In State administration, any person to whom a decision is addressed or whose right, obligation or interest is directly affected by a decision may appeal against the decision to a court. The appeal may be founded on its content and format. An authority may also appeal against a decision of another authority to protect a public interest within its competence.
39. Individuals' affected by a municipal administration decision, may demand rectification by the same authority and/or lodge an appeal to an administrative court (Sections 89 and 90, Local Government Act). Rectification is a municipality's internal system for reconsidering a decision on the basis of illegality of a decision or as a matter of expediency. Appeals, on the other hand, may only be based on the ground that the decision is illegal. Moreover, it should be noted that any member of a local community, irrespective of whether they are parties or not may appeal a decision by the local authority.
40. Due to historical reasons there are two independent "guardians of legality" in Finland, the Chancellor of Justice and the Parliamentary Ombudsman (Sections 108 and 109 of the Constitution). Their functions overlap to a great extent. In addition to the duty to oversee the lawfulness of the acts of the Government and the President, both institutions monitor maladministration of public authorities. The Ombudsman and the Chancellor agree on a division of labour (case by case). They receive complaints from the public and they have similar investigative methods as well as powers at their disposal; expressing a view to authorities/officials, issuing a reprimand to a public official and ordering that a criminal charge be brought. Both authorities can deal with complaints concerning corruption, but the GET was told that these occur rarely. The number of cases in recent years is stable; in 2003 the Chancellor received some 1400 cases and the Ombudsman 2800; 15-18 per cent of them lead to criticism.

Recruitment, career and preventive measures

41. General conditions for appointment to public offices are laid down in the Constitution, according to which the qualifications for public office shall be skill, ability and proven civic merit (Section 125 (2)). These grounds for appointment apply to both state and local authorities. A selection process comprises the following steps: analysis of the duties involved, invitation and application procedure, reception of applications, processing of applications, first selection of interviewees, structured interview, aptitude assessment (if applicable), appointment proposal, declaration of any vested interests or affiliations, medical test (if applicable), appointment and notification to applicants. With the exception of the declaration of vested interests or affiliations, this procedure is appropriate for filling any government post. With regard to the appointment of high-ranking government officials, a Resolution including ethics and morals is used in the selection process.
42. The recent Security Clearance Act (2002/177) lays down provisions on background checks with regard to persons applying for a post or training or who are in office. The overall objective of the Act is to provide for the security of Finland.
43. The GET was informed that it is typical that State and municipal administrations organise introductory training for new officeholders. These include general orientation and new officeholders are also informed about situations vulnerable to corruption. Topics relating to civil service ethics are included in in-service training as well.

Conflict of interests

44. The *State Civil Servants' Act*, Section 8 a, provides that nominated high-ranking civil servants, before appointment, shall give an account of their involvement in business, company share holdings, personal debts, property, secondary jobs, etc. According to the *State Civil Servants' Act* (Section 18), a civil servant may not hold an ancillary job without permission and s/he is obliged to notify the authority concerned. A permission, which can always be rescinded, is based on a risk assessment of the impact of the ancillary job on the impartiality and proper performance of the civil servant.
45. Section 18 of the *Act on Municipal Officeholders* contains principles of holding ancillary jobs, similar to those concerning state civil servants. Moreover, there are provisions in the *Local Government Act* (Sections 35 and 36) aiming at preventing persons who are members of business corporations etc from being elected to municipal boards if their business would be considered to receive substantial advantage of such a position. Elected local officials, councillors, auditors and municipal officeholders and employees cannot deal with matters which concern themselves or their relatives personally.
46. There are no general provisions on periodical rotation of staff employed within State or municipal administration. However, in customs rotation has been used to avoid conflicts of interest. Rotation is also used for undercover police. In general, mobility of staff is encouraged as a means for competence building, rather than to avoid conflicts of interest.
47. There is no mechanism in place to address situations where public officials leave their post and move to the private sector. The GET was informed that the introduction of measures in this area had been discussed in Finland without any concrete result.

Gifts/advantages

48. The State Civil Servants' Act (Section 15) provides that civil servants may not demand, accept or receive any financial or other advantage if that may reduce the confidence in them or the public authority. The assessment of the admissibility of a gift is made from an outsider's point of view and no particular monetary limits have been established.
49. Section 17 (3) of the Act on Municipal Officeholders provides that an officeholder must not demand, receive or accept a financial or other benefit referred to in Chapter 40 of the Penal Code (passive bribery).

Ethics and codes of ethics/conduct

50. The ethical values of public administration and officials are based on principles contained in the Constitution, special acts and in other texts providing principles of good governance. To this end, the provisions of the *State Civil Servants' Act* serve as a code of conduct for state officials and the *Act on Municipal Officeholders* for local officials. Moreover, the *Administration Act* includes the main principles of the administrative procedure, decisions and submission of documents, etc. According to this Act, the fundamental principles of administration shall be guided by formal principles concerning *equality, legality, impartiality, proportionality and foresee ability*.
51. In 2001, the Government adopted a "Decision in principle" on State personnel policy, according to which public functions should be based on values and high ethics. In order to implement the Decision, the Ministry of Finance (State Employer's Office) has launched a project with the objective to maintain and promote the high morality of civil servants in government units by seeking means of incorporating values into practical activity. The results of the project consist of the experiences of five pilot departments and the conclusions of the working group as ways in which values are in practice converted into good procedures. In addition, the Ministry of Finance was preparing a publication gathering the common shared values as well as a discussion on their importance in everyday work and the main rights and obligations on authorities and personnel in State administration.
52. In 2002, the State Employer's Office launched a programme for young professionals in State administration ("Vanuatu"), which includes a special e-learning programme ("Valtio-woppi"), on values, ethics, good governance and training in legislative and government work, etc. The "Valtio-woppi" programme was made available to all ministries for preliminary use in the spring of 2003. Furthermore, values and ethics are planned to be included as part of the management training, as well as in training of other personnel in State administration.
53. At the local administration level, the Commission for Local Authority Employers had made a guideline on personnel strategy to this sector, but no corruption aspects were included. However, in 1993, the Association of Finnish Local and Regional Authorities, made a publication on good local governance and ethical standards in practice. This publication includes a number of good governance principles, which highlight values such as transparency, independence, integrity and disadvantageous connections.
54. There are various guidelines on professional ethics in place for the health sector. The Act on Health Care Professionals (559/1994) contains, *inter alia*, a prohibition of accepting bribes, connected with sanctions. The National Authority for Medico Legal Affairs is responsible for supervising the practice of this profession. The Medicines Act (395/1987), which lays down provisions on marketing of medicines, contains a provision that hospitality offered to health care

personnel in the context of medicine marketing must be reasonable. The law also obliges personnel not to accept or ask for incentives prohibited (bribes). Compliance with the Medicines Act is monitored by the National Agency for Medicines. These provisions are based on the EU Directive 2001/82/EEC.

55. Public procurement procedures are laid down in the Public Procurement Act (1505/92) and a number of related decrees providing guidance for officials' conduct, based on EU directives 93/36/EEC, 93/37/EEC, 93/38/EEC and 92/50/EEC.
56. Police officers are public officials and they have to comply with the general rules for public officials. The Supreme Police Command have, in addition, published the "Declaration on Good Policing", which has been distributed to all police stations. The Declaration consists of 15 different ethical rules to be applied in police work, for example, that "*Police officers shall be honest, fair and efficient, and not pursue their own interests while on duty*" (Rule 4), *inform the public openly* (Rule 7) and *follow nationally standardised and generally accepted procedures* (Rule 10), etc. Moreover, the *General Policy of Action of the Police* adopted by the Supreme Police Command has also been made public, the objective being to inform the public what to expect from the police. The leaflet clarifies the professional image of the police and gives general instructions for individual officers about correct police practice. Moreover, each police officer has to swear an oath or make a solemn declaration after graduating from the Police School in order to emphasise values such as integrity, sincerity and professionalism in everyday police work.
57. The Department for International Development Cooperation, Ministry for Foreign Affairs, has prepared the document "*Preventing Corruption: A Handbook of Anti-Corruption Techniques for Use in International Development Cooperation*", aiming at making the fight against corruption an integral part of the development cooperation. The handbook also deals with the scope of introducing administrative anti-corruption legislation in this field.

Reporting corruption

58. Finnish legislation does not contain any particular provision on the reporting of misconduct/corruption with regard to state civil servants. The GET was informed, however, that there is a general rule that an officeholder normally is responsible for reporting illegal activities observed. In the Act on Municipal Officeholders (Section 47) there is an obligation to report offences (in well substantiated cases) to the police without delay.

Disciplinary procedures and sanctions

59. Under the State Civil Servants' Act, an employing authority may take "*administrative measures*" (the term "disciplinary" was replaced by "administrative" in 1994) against a state civil servant who does not perform his/her duties properly. The sanctions are written warning, notice and cancellation of a civil service relationship. All these measures may be appealed to court. Criminal and administrative proceedings may be pending simultaneously.
60. The situation is similar with regard to civil servants employed by local authorities, however, regulated in Local Government Act and the Act on Municipal Officeholders. A municipal board may suspend an office holder during investigation/legal proceedings even in case the offence was committed outside the office. The GET was informed that since 1996 there has been no disciplinary procedure in the municipal sector.

b. Analysis

61. The overall impression of the GET was that Finland has a well functioning public administration, which provides an ethical and transparent system. At the same time the GET noted that the provisions guiding public authority do not always emphasise the risks of corruption and the need for continuous vigilance. This is to a large extent understandable in the light of the very low level of corruption detected and the generally accepted perception of Finland as one of the less corrupt countries in the world.
62. The long established system of free access to information in Finland is probably a key factor to explain why corruptive practices seem to be exceptional events in the country. The provisions concerning transparency (mainly the Constitution and the Act on Openness of Government activities) apply to all levels of administration and do not only provide for rights to access to all public documents as a main rule, but obliges the authorities to proactively supply information to the public. The GET did not see any sign that the frequent use of electronic means in public administration in any way limited the transparency, but rather the contrary. Finland should be commended for its transparent e-governance policy.
63. There is a Constitutional and legal framework in place to provide for the general policy of a sound public administration in Finland, which to some extent also contains anti-corruption measures of various kind. However, there is no general anti-corruption strategy developed for that purpose. On the other hand, the GET noticed that Finland is pursuing several initiatives on good governance. At central level the pilot projects in different agencies aiming at establishing ethical standards are certainly important signs of these priorities. The projects are planned to be followed by publications and training. Moreover, in certain areas, which are considered particularly vulnerable to corruption, such as the health sector and public procurement ethical guidelines exist. This is also the case with the police. At local level, a handbook on public ethics was being updated. Accordingly, there are several initiatives to strengthen the ethics of public governance in Finland. The GET found this process and its subsequent evaluations to be of great interest.
64. Finland has recognised that public procurement is particularly vulnerable to corruption, although only few cases of corruption have occurred. According to the Finnish authorities, the increase in outsourcing and privatisation both on State and local levels makes it important to control this process, in particular with regard to the local level where, for example, there might be tight bonds between entrepreneurs and local government. The State Audit office, which controls public procurement, has encountered and acted in a few cases of alleged corruption. It was mentioned, however, that it was not always possible to take action in less important cases of unsatisfactory bidding procedures, in particular in the local context. Moreover, the Market Court, which is the appellate instance in such cases, had experienced an increasing number of complaints. Guidelines for procurement proceedings at local level had recently been worked out by the Association of Finnish Local and Regional Authorities. The GET, sensitive to the statements on the vulnerability of this sector, observed a need to follow closely the developments in public administration with regard to public procurement, in particular at local level, and that measures to avoid undue influence over that process be introduced to the extent feasible.
65. The GET was generally pleased with the system concerning personnel policy. It found that there is a wide variety of measures to hinder undue influence over civil servants at state as well as at local level. However, whereas there is not an obligation on civil servants at state level to report misconduct/corruption they come across in the service, this is the case at the local level. **The**

GET recommends to introduce clear rules/guidelines and training for civil servants to report suspicions of corruption in State administration.

66. The GET noted that there are no rules in place for public officials moving from the public to the private sector and was informed that these questions had been discussed in Finland without any concrete result. The GET considered this an area of increasing concern, in particular as public functions more and more come closer to the private sector. **The GET recommends to introduce clear rules/guidelines for situations where public officials move to the private sector (“pantouflage”), in order to avoid conflicts of interests.**

IV. THEME III – LEGAL PERSONS AND CORRUPTION

a. Description of the situation

67. The Finnish legal system recognises various kinds of legal persons, both private and public. All company forms (general partnerships, limited partnerships and limited companies) as well as registered associations and foundations are legal persons. Legal persons have a full legal capacity; they may obtain rights, make commitments and appear as an interested party in courts and other authorities.
68. The most common forms of business corporations in Finland are the limited companies, partnerships, co-operatives and private undertakings (private entrepreneurs). At the end of 2002, there were more than 232,000 limited companies, 65,000 partnerships, 2,900 co-operatives and 132, 000 private entrepreneurs registered. These have legal personality, except the private undertaking, which is identified with the entrepreneur.
69. A *limited liability company* (The Limited Liability Companies Act) is a capital company. Its shareholders, which are not personally liable for the commitments of the company, may be one or several natural or legal persons. At least one of the incorporators must be permanently resident in the European Economic Area as a main rule. A person, who is legally incompetent or declared bankrupt or subjected to a ban on business operations, may not act as an incorporator. A private limited company has share capital of at least € 8,000 and a public limited company, € 80,000. A limited company comes into being by registration.
70. A *partnership* (The Partnerships Act) must have at least two partners. A *limited partnership* must have at least one liable partner and one silent partner. Natural persons as well as legal persons may be partners. In general partnerships, partners have unlimited liability for company debts, whereas in limited partnerships, the liability of a silent partner is limited to the investment made in the company. A person subject to a ban on business operations cannot serve as a partner in a general partnership or as a liable partner in a limited partnership. At least one of the partners in a general partnership or liable partners of a limited partnership must be permanently resident in the European Economic Area as a main rule. A partnership comes into being by the agreement of the partners, however it has an obligation to register.
71. A *co-operative* (the Co-operatives Act) is an organisation without a defined membership or share capital, the purpose being to promote the economic and business interests of its members by pursuing activity and service to the members. Members of a co-operative do not have personal liability for its obligations. A co-operative may be incorporated by no fewer than three private individuals or organisations, foundations or other legal persons. An incorporator shall become a member of the co-operative. A person without legal capacity and a bankrupt person cannot be an incorporator. It comes into being by registration.

Registration and transparency

72. The National Board of Patents and Registration is responsible for the Trade Register (the Trade Register Act), which covers the whole country. The Registry Offices and the Employment and Economic Development Centres act as competent authorities at the local level.
73. Applications for registration shall be accompanied by various documents. As to limited companies, for example, documents such as memorandum of association, minutes of the constitutive meeting, articles of association and minutes of the board meeting are required. Companies are given a business identity code (Business ID) as soon as they report for entry into the register. The declaration procedure was renewed on 1 April 2001, when the Business Information System (BIS) created jointly by the National Board of Patents and Registration and the Tax Administration was introduced. This reform allows a company to report all information pertaining to it on a single form. In addition to a basic declaration, a company must submit to the Trade Register amendment notices and a declaration on termination of business, where necessary. The processing time of the declarations is no more than three weeks.
74. The Registry checks not only the formal requirements of an application, but also the material requirements; the legality and the facts submitted, status of the persons reported as members of a board and managing directors. Personal data are compared with the Population Register. Foreigners have to prove their identity (passport etc). Changes in personal data are continuously updated. If the founder of a company is a legal person, this legal person is checked in other registers, such as the Register of Associations. If a non-Finnish citizen does not appear in the Finnish Population Information System, a copy of his/her passport/identity card must be submitted to the Trade Register. An incomplete application hinders registration.
75. The Trade Register is a public open register. The openness applies also to accompanying documents submitted to the registry. Through the *Business Information System (BIS Search)*, introduced in 2001) anyone may, free of charge, access registry information on Finnish business companies on the Internet. This service also enables anyone to access company registers maintained by the Tax Administration.
76. Pursuant to the Companies Act, limited companies' lists of shareholders and their amount of shares are public documents which must be available in a company's head office and anyone has the right to a copy of such documents at cost price. Moreover, limited companies and, to some extent, other legal persons are obliged to publish their financial statements and submit them to the National Board of Patents and Registration for registration (public document).

Liability of legal persons

77. The Penal Code provides, since 1995, for criminal liability of legal persons (Chapter 9), i.e. a corporation, foundation or other legal entity. Consecutive amendments to the legislation on corporate liability were introduced in 2001, 2002 and 2003. The liability applies to a legal person "if a person who is part of its statutory organ or other management or who exercises actual decision-making authority therein has been an accomplice in an offence or allowed the commission of the offence or if the care and diligence necessary for the prevention of the offence has not been observed in the operations of the corporation" (Chapter 9, Section 2 (1) of the Penal Code). It is possible to assign liability to the legal person even when no natural person can be identified or convicted. If the offender cannot be convicted as a result of statute of limitations, the corporation cannot be convicted.

78. Legal persons may be criminally liable for several offences contained in the penal legislation, including active bribery and money laundering. (N.B. Corporate liability does not apply to trading in influence, which is not criminalised under Finnish law.)

Sanctions

79. Legal persons may only be sanctioned with “corporate fines” (850 - 850 000 Euros). If there is more than one offence a “joint corporate fine” may be passed. Since 1 April 2003 it is compulsory to sanction a legal person if convicted (before 1 April 2003 the sanctioning was discretionary). There is a law on crime register, according to which data on legal persons convicted for criminal offences is kept. This registry is accessible only to courts, prosecutors, pre-trial investigation authorities, certain officials of the Ministry of Justice, the Chancellor of Justice and the Parliamentary Ombudsman. There were no general statistics available to the GET on the use of corporate liability.

Other measures

80. The Financial Supervision Authority (FSA) must be notified when somebody acquires more than 10% in an investment company. The FSA may refuse the acquisition, if the owners are not considered reliable. Moreover, the FSA may prohibit the appointment of a person considered unreliable to the board of a credit institution or an investment firm or as a managing director, or demand disqualification of such person (Credit Institutions Act).
81. A ban on business operations may be imposed on a private entrepreneur, an associate of a general partnership, a general partner of a limited partnership, a personal member of the European Economic Interest Grouping, and a member of the board and managing director of a business, or a person considered similar to these persons, as well as those who are actually responsible for the activity or management of a legal person. The ban, which is decided by a court, may be imposed for a period of three to seven years on the grounds that the person in question has neglected the statutory obligations pertaining to the entity to a significant extent or is guilty of a criminal act (which is not minor), including corruption, and his/her action/omission, assessed as a whole, is considered damaging as to creditors, contracting parties and public finance, or to a sound and functioning competition. There is a registry on persons subject to bans on business operations, which is open to the public.

Tax deductibility and fiscal authorities

82. According to well-established case-law tax deductibility for “facilitation payments” or bribes is not allowed (The Supreme Administrative Court decision KHO 1985/5265 and KHO 1957/ II 91).

Involvement of tax authorities in the detection and reporting of offences

83. All tax documents are confidential⁸ following sections 1 and 4 of the Act on the Openness and Confidentiality of Tax Information (1346/1999). However, according to section 19 of the Act, the tax authorities may, regardless of the secrecy obligation, give tax information, including identification data of a taxpayer, to the prosecution and pre-trial investigation authorities upon request for the purposes of prevention, investigation and prosecution of crimes. According to

⁸ However, the end result of taxation is public information.

section 19 of the Act, tax information may be given for prevention, investigation and prosecution of crimes in individual cases.

84. Tax authorities are not obliged to but may disclose data on its own initiative to the State or municipal authorities, other public corporation or association or foundation, if there are reasons to suspect that a person has committed a tax offence or another offence with a maximum sanction of at least six months imprisonment and, the disclosure of such information is considered necessary. Tax authorities may also on their own initiative, disclose tax information to prosecution and pre-trial investigation authorities for the purposes of the pre-trial investigation and prosecution of tax offences and accounting offences, and subsequent court proceedings. In case a tax inspection reveals facts that require immediate institution of a tax offence or a security measure before the stage of the inspection report, the tax inspector may prepare memorandum to a regional tax ombudsman for the initiation of a criminal case or security measures.
85. Moreover, there is an ongoing project in Finland on improving co-operation between the authorities working in the prevention of “grey economy” and economic crime. The police, tax authorities and occasionally customs and labour and migration authorities carry out joint activities to this effect.

Account offences

86. All legal persons are obliged to keep their accounting records for a period of 6-10 years (the Accounting Act, Chapters 1 and 2(10)). Accounting offences (intentionally or through negligence) are contained in the Penal Code (Chapter 30, Sections 9 and 10). These cover non- or false recording of transactions and destruction of documentation. The sanction is a fine or imprisonment up to four years. Some minor account offences are contained in the Accounting Act.

Role of accountants, etc

87. Accountants, auditors and/or other advising professions are obliged under their respective laws to report suspicions of money laundering to the appropriate authorities, in accordance with EC directives. There is also an obligation to report some other offences, however, not corruption. Moreover, an auditor who notices that a board member, managing director or other accountable person is suspected of a criminal offence or of having violated by-laws governing the corporation, s/he must make a critical comment thereof in the auditor’s report, which subsequently becomes public (Auditing Act, Section 19).
88. The Auditing Act (Section 16) obliges all auditors to comply with good auditing practices, which means *inter alia* to adhere to the code of ethics of professional accountants (International Standards of Auditing, ISA).
89. The GET was also informed that the Finnish organisations of auditors have implemented standards, such as ISA standards, IFAC (International Federation of Accountants) IAASB (International Auditing and Assurance Standards Board). Furthermore, the Finnish Institute of Authorised Public Accountants is a member of FEE (*la Fédération des Experts Comptables Européens*) and the Finnish Association of Certified HTM-Auditors is a member of EFAA (European Federation of Auditors and Accountants) and these have committed themselves to fight against corruption, organised crime, etc.

b. Analysis

90. Finland has a well-defined legal system comprising a variety of legal persons. They are subject to registration, even if registration is not always a prerequisite for establishing the legal person. The registering authority makes a formal as well as a material control before a legal person is admitted to the registry and data from various other registers are consulted *ex officio* in this process. Moreover, the registry is continuously updated with regard to changes relating to the legal person and the physical persons involved. For example, a ban on business operations of a physical person would be noticed in this process. Each legal person has its own identity number which makes the identification process easy.
91. Above all, the high degree of transparency of the Finnish administration in general is also very apparent with regard to legal persons. The transparency requirements concerning legal persons go beyond that of public administrations as it enters into the private law field. For example, information on owners' shares in limited companies, which is kept by the companies, is also public information which must be available to the general public, according to the Company Act. The GET considered this wide transparency of the system as an important safeguard against the use of legal persons to shield criminal activity, etc. The Ban on Business Operations Act has effects in the same direction.
92. The GET noted that there is an obligation under the Law on Money Laundering upon accountants and other legal professions to report suspicious business transactions to the appropriate authorities. No specific crime to report is mentioned (except financing of terrorism). The GET was concerned that corruption is not neglected in this respect and **recommends that the Finnish authorities ensure that accountants and other legal professions are trained to take into account corruption when suspicious transactions are being reported.**
93. The GET noticed that tax authorities may at their own initiative or upon request disclose tax information for reasons of crime prevention and/or detection. Moreover, there are "joint activities" established between tax authorities and the police for the prevention of illegal economic activities. Furthermore, tax deductibility for facilitation payments and bribes is not allowed.
94. The Penal Code covers intentional accounting offences and is in compliance with Article 14 of the CrCC. The Penal Code goes further in that it also covers offences committed through negligence.
95. The Penal Code provides for criminal liability of legal persons. This applies when a natural person who has a leading position in the legal person has acted or omitted to act for the benefit of the legal person or following his/her lack of supervision or control. The liability is not dependent upon conviction of the physical person, nor does it exclude criminal proceedings against the natural person suspected of the offence. Such proceedings may run in parallel. The criminal liability of legal persons covers, among many other offences, active bribery and money laundering. Trading in influence, which is also required by Article 18 of the CrCC is, however, not an offence under Finnish law and Finland has made a reservation in this regard when that Convention was ratified. The GET is of the opinion that the Finnish legislation on corporate liability complies with Article 18 of the Convention.
96. Finnish law provides for obligatory monetary sanctions for legal persons. There were no statistics available on convictions and sanctions of legal persons. In the absence of such information, the GET could not assess whether the sanctions provided for in the law were effective, proportionate and dissuasive.

97. The GET noted that there is in place a criminal record registry for legal persons having been convicted of a criminal offence. This registry is not public. However, it may be accessed by certain public institutions. By contrast, there is a public registry of natural persons who are subject to a ban on business operations (as private entrepreneurs or acting on behalf of legal persons).

V. CONCLUSIONS

98. Finland has a very low level of reported and detected corruption and is since long held as one of the less corrupt countries in the world. It has a comprehensive legal system covering to a very large extent the anti-corruption standards subjected to the present evaluation. Only limited shortcomings have been detected. Above all, Finland should be commended for its transparent and in this respect pro-active administration and e-governance.

99. In view of the above, GRECO addresses the following recommendations to Finland:

- i. **to enhance the special training for police and prosecutors on confiscation and provisional measures in cases of corruption and to this end use experience in other countries to the extent possible (paragraph 28);**
- ii. **to introduce clear rules/guidelines and training for civil servants to report suspicions of corruption in State administration (paragraph 65);**
- iii. **to introduce clear rules/guidelines for situations where public officials move to the private sector (“pantouflage”), in order to avoid conflicts of interests (paragraph 66);**
- iv. **to ensure that accountants and other legal professions are trained to take into account corruption when suspicious transactions are being reported (paragraph 92);**

100. Moreover GRECO invites the Finnish authorities to take account of the observations made in the analytical part of this report.

101. Finally, in conformity with Rule 30.2 of the Rules of Procedure, GRECO invites the Finnish authorities to present a report on the implementation of the above-mentioned recommendations by 31 December 2005.