

Strasbourg, 30 September 2013

Greco (2013) 9E

60th GRECO Plenary Meeting
(Strasbourg, 17 - 21 June 2013)

SUMMARY REPORT

I. Opening of the meeting

1. The 60th Plenary Meeting was chaired by Marin MRČELA, President of GRECO (Croatia) and by Helena LIŠUCHOVÁ, Bureau member (Czech Republic) during the absence of the President from Wednesday afternoon to the close of the meeting.

2. The President opened the meeting by welcoming all participants, referring in particular to newly nominated heads of delegation and representatives. The list of participants appears in Appendix I.

II. Adoption of the Agenda

3. The agenda was adopted as it appears in Appendix II.

III. Information

4. The **President** provided the plenary with the information outlined below.

i. He had represented GRECO in a meeting of the anti-corruption committee of the Parliament of Croatia and presented GRECO's current work to a group of lawyers in Delaware (United States of America). He had also delivered a speech on corruption prevention in parliaments, governments and the judiciary at a symposium organised jointly by the Ministry of Justice of Luxembourg and the International Anti-Corruption Academy (IACA) on the theme "Public – Private Cooperation in the fight against Corruption" (Laxenburg, 5 June 2013).

ii. The President's traditional, annual exchange of views with the Committee of Ministers (Ministers' Deputies, 1173rd meeting) had been held on 12 June 2013. On that occasion, GRECO's Thirteenth General Activity Report on its activities in 2012 had been well received. The questions raised - covering issues such as GRECO's approach to dealing with non-compliant countries, European Union accession and relations with the Parliamentary Assembly of the Council of Europe (PACE) - showed again the high interest taken by the Committee of Ministers in GRECO's work.

iii. The Bureau (Bureau 64, May 2013) had appreciated the information gathered under the new agenda item 4 "topical anti-corruption developments/events in member States" at the previous plenary meeting and had asked the Secretariat to approach members likely to have information of interest to report to GRECO at the present meeting. The floor would be given to the delegations of France, Moldova, Sweden and Turkey under that item later in the week. Any other member wishing to do so would also be welcome to speak. Furthermore, so that delegations could prepare themselves in advance, the President drew attention to the fact that Bureau 64 had agreed that under the same item during the 61st Plenary Meeting (October 2013) exchanges should be dedicated to reporting on the state of play in member States as regards ratification of the Council of Europe's anti-corruption instruments (ETS 173, 174 and 191) as well as withdrawal of declarations and reservations.

iv. Drago KOS, President of GRECO between 2003 and 2011, who had served as the first elected President of the Commission for the Prevention of Corruption of Slovenia between 2004 and 2010 had been designated by the OECD Working Group on Bribery in International Business Transactions as its Chair. Mr KOS, who would take up the position in January 2014, looked forward to heightened cooperation between GRECO and the OECD Working Group in the future.

5. The floor was handed to **Helena LIŠUCHOVÁ, Bureau member** (Czech Republic) and GRECO's **Gender Rapporteur** who briefed the plenary on her involvement in the following work underway within the Organisation.

i. She had represented GRECO and the European Committee on Crime Problems (CDPC) at the third meeting of the Drafting group focusing on law-enforcement aspects of a ***draft international convention against the manipulation of sports competitions***, organised by the Enlarged Partial Agreement on Sport (EPAS) in Strasbourg on 13 – 15 June 2013. A joint CDPC/EPAS working group would meet end August 2013 in order to prepare a set of draft criminal law provisions. The question of future monitoring of the convention had also been discussed and she had specifically requested that no decision be taken in that regard until it was clear which criminal law provisions would be included as GRECO would wish to be involved if they led to overlap with its work. EPAS intended to forward the draft convention to the Committee of Ministers by end 2013 but both the CDPC and GRECO (scheduled to meet in December 2013) should be consulted on the text beforehand.

ii. In her capacity as **GRECO's Gender Rapporteur**, she had been invited to attend a Gender Equality Conference on "Media and the Image of Women" (Amsterdam, 4 – 5 July) organised by the Council of Europe and the Ministry of Education, Culture and Science of the Netherlands. On that occasion she would meet with the head of the Gender Equality Committee of the Council of Europe. She would also participate in training for all Council of Europe Gender Equality Rapporteurs (Strasbourg, November). A meeting had been held with representatives of UNDP (Bratislava, 19 April) involved in regional initiatives on gender equality and representation of women in politics (including aspects related to gender and corruption). They had sought GRECO involvement in a UNDP project that would draw on information and statistics provided during the Second Evaluation Round. It had been agreed that Vita HABJAN (Bureau member, Slovenia) would act as the GRECO contact person in that context. Finally, Ms LIŠUCHOVA proposed that a workshop or conference on gender and corruption be organised in Prague, most probably during the second half of December. She invited all countries that had taken initiatives in that area to send proposals for speakers or themes. She urged GRECO members to respond to the short ***Gender Equality*** questionnaire previously forwarded to them. She acknowledged that some of the information requested was simply not available but France, Croatia, Finland, Sweden, Switzerland, "the former Yugoslav Republic of Macedonia" had responded, and a number of other members had already been in touch with her to announce that they would do so soon.

6. The floor was handed to the **Executive Secretary**.

i. He informed the plenary that copies of the most recent edition of GRECO's **General Activity Report (2012)** were available as was the statement made by the President when presenting the report to the Committee of Ministers (1173rd meeting of the Ministers' Deputies, 12 June) [Appendix III to the present report].

ii. Renewed interest in joining GRECO had been expressed by **Mexico** following a meeting between the Deputy Secretary General of the Council of Europe and representatives of the Mexican Senate. The Chair of the Foreign Affairs Committee of the Senate intended to address the General Auditor for an official opinion on GRECO membership. Mexico had been involved in the preparations leading to the setting up of GRECO and had signed the Criminal Law Convention on Corruption (ETS 173).

iii. During a meeting on 30 April, Jean-Claude MIGNON, President of the **Parliamentary Assembly of the Council of Europe (PACE)**, had emphasised the interest PACE takes in GRECO's work and the wish of its members to assist in facilitating the implementation of GRECO recommendations. It had been agreed that once reports were made public, they

would be officially communicated to the PACE delegation of the country concerned. The Legal Affairs and Human Rights Committee of PACE planned to issue a report entitled "Corruption as a threat to the rule of law" prepared by Rapporteur, Mailis REPS (Estonia) during the June 2013 Session.

- iv. The Executive Secretary had also met with Andrew BRADLEY, Director of the Office of the **International Institute for Democracy and Electoral Assistance (International IDEA)** to the European Union. GRECO would be invited to contribute a speaker for a roundtable on safeguarding integrity in the electoral process that was planned for end 2013/early 2014. International IDEA had participated in an exchange of views with GRECO at its 59th Plenary Meeting (cf. the Summary Report of that meeting – Greco (2013) 6E).
- v. In comments adopted by the Group of Experts on Action against Trafficking in Human Beings (GRETA) on PACE Recommendation 2011(2013) "Trafficking of migrant workers for forced labour", GRETA had indicated an interest in cooperating with GRECO and the possibility of holding exchanges of views would be looked into. GRECO's comments on the same recommendation had been adopted at its 59th Plenary Meeting (Greco (2013) 4E).
- vi. At its last meeting (Bureau 64 - Greco (2013) 5E) the Bureau had continued discussing the issues raised by protracted **compliance** and **non-compliance procedures** – in particular appropriate time limits before terminating procedures. One could identify three stages at which a compliance procedure might be terminated. First, when there is an acceptable level of compliance on adoption of the 2nd Compliance Report – clearly, the most desirable situation. Secondly, at one of the stages of a non-compliance procedure. It could be noted in that respect, that when discussing some potentially lengthy non-compliance procedures, the Bureau had provisionally concluded that a maximum duration period of 4 to 5 years – that would run from the moment when a country enters a non-compliance procedure - could be envisaged. The Executive Secretary pointed out, in addition, that one needed to bear in mind that non-compliance procedures could be initiated not only on adoption of a 1st Compliance Report, but also a 2nd Compliance Report, which could prolong the procedure for another 4-5 years. And, thirdly, at the stage when a country reports on implementation after having been asked in a 2nd Compliance Report to provide additional information under Rule 31, paragraph 9 of the Rules of Procedure (i.e. not within a non-compliance procedure). The first examples of the latter situation would soon appear on GRECO's agenda. How GRECO deals with them remained to be seen, but one could envisage for example to analyse that information in an Addendum to the 2nd Compliance Report. If that Addendum concluded that the compliance procedure could be terminated, it should certainly contain a global assessment of a country's overall compliance within that round.

These questions would remain on the Bureau's agenda.

- vii. Anna MYERS reported on behalf of the Secretariat on recent developments within the European Committee on Legal Cooperation (CDCJ) on the drafting of a recommendation on the **protection of whistleblowers**. It was hoped that the text would be finalised by end 2013, then approved by the CDCJ and submitted to the Committee of Ministers for adoption. As part of the process she and Vita HABJAN (Bureau member, Slovenia) had participated in a consultative conference organised by the CDCJ (Strasbourg, 30 - 31 May). Within the three key issues dealt with: free speech, transparency and privacy, discussions centred on the balance between anonymity and confidentiality, a legal framework to protect whistleblowing, whether and to what extent the public interest should be defined, the diversity of legal systems, internal reporting (responsibility and accountability within national frameworks) as well as remedies and proceedings. Consultations were broad including judges, lawyers, CDCJ members, regulators, academics, NGOs, media representatives as well as two individuals who had experience of whistleblowing in the private and public sectors. Having worked in the area of whistleblowing protection for a

number of years, she stressed the high calibre of the discussions and evolution of the debate. The Vice-Chair of the CDCJ had acted as Rapporteur and speakers included the Swedish Judge at the European Court of Human Rights, the Honorary Dean of the French Court of Cassation and Pieter OMTZIGT, Member of the House of Representatives of the Netherlands, member of the PACE Committee on Legal Affairs and Human Rights and former PACE Rapporteur on the protection of whistleblowers. The recommendation and explanatory memorandum were being designed to act as a guide to member States when looking at this issue and trying to implement safe, responsible, sensible whistleblowing legislative frameworks as a democratic accountability mechanism.

IV. Fourth Evaluation Round

Prevention of corruption in respect of members of parliament, judges and prosecutors

Evaluation procedures

7. The procedure for the detailed examination by the plenary of draft evaluation reports consists in paragraphs previously flagged by the Evaluation Team, the authorities or the Secretariat being read in full by the President and discussed with the participation of the Evaluation Teams that carried out the on-site visits and contributed to the drawing up of the draft reports. Delegations may also take the floor to open a discussion on any other section. Executive Summaries are dealt with once the body of the text has been looked at. A second reading of revisions made in light of the first is carried out by the plenary before formal adoption of the text.

8. GRECO adopted Fourth Round Evaluation Reports – including formal recommendations - on **Luxembourg** (Greco Eval IV Rep (2012) 9E) and the **Netherlands** (Greco Eval IV Rep (2012) 7E). The deadline of 31 December 2014 was set for the submission of Situation Reports on measures taken to implement the recommendations in both cases.

9. The above evaluation reports were released for publication by the authorities of Luxembourg and the Netherlands on 1 and 18 July 2013 respectively.

10. GRECO noted that the following countries would be evaluated in 2014 (on-site visits) in the fourth round: Armenia, Azerbaijan, Bulgaria, Germany, Greece, Hungary, Ireland, Lithuania, Malta, Montenegro, Portugal and Serbia (alphabetical order).

V. Third Evaluation Round

Theme I “Incriminations” / Theme II “Transparency of party funding”

11. In a set of compliance reports examined by the plenary, GRECO pronounced itself on the level of compliance with GRECO recommendations reached by member States. Situation Reports submitted by the authorities of each member State provide the basis for the assessments made. Rapporteurs designated by other member States are associated with the preparation of the draft compliance reports tabled.

Compliance procedures

12. The rapporteur countries for the future Third Round compliance procedures were selected. Thus, Estonia and Portugal would designate rapporteurs for the assessment of Austria; Iceland and Montenegro for Italy; San Marino and France for Monaco; the Czech Republic and Slovenia for the Russian Federation; and Lithuania and Ireland for the United States of America (Greco Eval III (2013) 2 – Eng. Only).

13. The Third Round Compliance Report on **Georgia** (Greco RC-III (2013) 9E) was adopted. The deadline for submission of a Situation Report on further implementation of recommendations was fixed at 31 December 2014.

14. GRECO adopted Second Third Round Compliance Reports on **Albania** (Greco RC-III (2013) 7E), **Lithuania** (Greco RC-III (2013) 6E) and **Spain** (Greco RC-III (2013) 6E). The procedure was terminated in respect of both Albania and Lithuania and Spain was asked to submit additional information regarding the implementation of a number of recommendations by 31 March 2014.

15. The above compliance reports were released for publication by the national authorities as follows: Albania and Lithuania on 27 June, Georgia on 5 July, Spain on 11 July 2013.

Rule 32 procedures – non-compliance

16. Having examined the Third Round *Interim* Compliance Report on the **Netherlands** (Greco RC-III (2013) 8E), GRECO decided to discontinue the application of Rule 32 and requested that the Head of Delegation of the Netherlands submit additional information on the implementation of recommendations by 31 March 2014.

17. In the Third Round *Interim* Compliance Report on **Greece** (Greco RC-III (2013) 13E) GRECO concluded that the level of compliance with GRECO's recommendations remained "globally unsatisfactory" in the meaning of Rule 31, paragraph 8.3. The Head of Delegation was asked, pursuant to Rule 32, paragraph 2(i), to report again on progress in implementing the recommendations by 31 March 2014. Pursuant to paragraph 2 (ii) a) of the same Rule, GRECO's President was invited to send a letter – with a copy to the President of the Statutory Committee - to the Head of Delegation of Greece on the need to take determined action with a view to achieving tangible progress as soon as possible¹.

18. The above *interim* compliance reports were released for publication by the authorities of the Netherlands and Greece on 27 June and 26 August 2013 respectively.

Evaluation procedures

19. The plenary was informed of the Bureau 64 decision that, as regards its most recent member States, Third Round Evaluation visits should be carried out no later than four years after the Joint First and Second Round visits. Third round evaluation visits to Belarus, Liechtenstein and San Marino would therefore be organised in 2015.

VI. Joint First and Second Evaluation Rounds

Combined content of the first two evaluation rounds

Compliance procedures

20. GRECO adopted the Addendum to the Joint First and Second Round Compliance Report on **Italy** (Greco RC-I/II (2011) 1E) and closed the joint first and second round compliance procedure in respect of that country.

21. The authorities of Italy released the above Addendum for publication on 1 July 2013.

¹ The letter was sent on 4 July 2013.

VII. Publication, translation and availability of adopted reports (www.coe.int/greco)

22. Following previous decisions aimed at greater visibility of GRECO's work, members were reminded of the action to be taken when publishing an adopted report.²

VIII. Special Session – Financial Disclosure

23. A special session to present the characteristics of a sample of declaration systems was held to provide delegations with insight into options for evaluating what is the most fitting system bearing in mind the other elements of national set-ups for corruption prevention, in particular with regard to the Group's work in the Fourth Round concerning those holding public office as members of parliament, judges and prosecutors.

24. Presentations were made by Jane LEY, Head of the Delegation of the United States of America in GRECO, Deputy Director of the US Office of Government Ethics – who also chaired the session, Horia GEORGESCU, President of the National Integrity Agency of Romania and Ivana ROSSI, World Bank.

25. The US Federal level model based on Asset Declarations and Personal Financial Disclosure Reports aims to prevent and detect conflicts of interest/corruption, not to detect illicit/unexplained enrichment. A set of the financial and non-financial information needed to apply conflict of interest laws and standards of conduct is required upon appointment or selection, subsequent reporting is required annually and, finally, when leaving a position. Declarations are made public. Reports are reviewed prior to Presidential appointment so that potential conflicts can be identified and addressed rapidly.

26. The track record between 2008 and 2013 of the National Integrity Agency of Romania in investigating incompatibilities, conflicts of interest and unjustified assets as well as fines imposed was presented to the plenary. Declarations are required upon appointment/election, then annually and shortly after leaving a position as well as when standing as a candidate in elections. Declarations are publicly available but identifications are anonymised. The Agency performs its evaluation activity *ex officio*. Depending on its findings, the Agency's reports can be referred to court via the Wealth Investigation Commission, to the Prosecutor's Office, the tax authorities or Financial Investigation Units. Its reports can be challenged in court. It also plays a strong awareness-raising role.

27. World Bank analysis of disclosure mechanisms across the world was presented to the plenary. The principle objectives are generally either i) to prevent and detect unexplained wealth variations (sometimes illicit enrichment) by capturing information on assets, income, liabilities, etc., and ii) to prevent and detect conflicts of interest by capturing information on interests, commitments and business connections that may compromise impartiality. Some systems combine both. Findings show that well implemented disclosure constitutes a powerful tool that can increase trust in public institutions by achieving transparency to promote public officials' accountability and ensure government decision-making is not compromised by conflicts of interest as well as provide information and evidence for the detection, investigation and prosecution of corruption. Statistics

² GRECO asks its members to:

- agree a same-day publication date with the Secretariat
- clearly mark both the date of adoption and date of publication on the cover page
- make the national language version available and easily accessible on a domestic website
- notify the Secretariat of the location of the report by communicating the internet link to it
- include a link on the domestic website to the official language versions on GRECO's website.

show that the development of disclosure mechanisms has truly gained momentum in the past 20 years. The following database and publications support the World Bank initiatives in the field of asset disclosure:

- Financial Disclosure Law Library (legislation from 176 jurisdictions) :
www.worldbank.org/fpd/financialdisclosure/lawlibrary
- Public Office, Private Interests – Accountability through Income and Asset Disclosure, available at: <http://star.worldbank.org/star/>
- Using Asset Disclosure for Identifying Politically Exposed Persons, available at :
www.worldbank.org/amlcft

28. Members of GRECO delegations can obtain the presentations made by the three speakers from the Secretariat.

IX. Exchange of views

29. GRECO held an exchange of views with Arman KHAGHAGHORDYAN, Coordinator, European Research Centre for Anti-Corruption and State-Building (ERCAS) at the Hertie School of Governance, Berlin (www.againstcorruption.eu). ERCAS was created to study state-building and corruption from a state-society perspective. It provides policy advice to governments, development agencies and the EU. Its main current research project, ANTICORRP (Anticorruption Policies Revisited: Global Trends and European Responses to the Challenge of Corruption) is funded by the European Commission. Through 21 research groups based in 16 European countries, the project investigates the causes of corruption, how corruption can be conceptualised and measured as well as the impact of corruption on various aspects of human well-being. The primary objective being to investigate factors that promote or hinder the development of effective anti-corruption policies.

30. The conclusions that had been drawn from the research were of significant interest to Delegations. While acknowledging that quantifying corruption is a near impossible task, some reticence was nevertheless voiced with regard to corruption related research that is heavily based on perceptions. In that context, the President expressed his commitment to the GRECO process in which concrete progress in individual countries is mapped through the detailed analysis contained in evaluation and compliance reports.

31. All delegations had been provided with a link to a policy paper written by Alina MUNGIU-PIPPIDI, Director of ERCAS, entitled *The Good, the Bad and the Ugly: Controlling Corruption in the European Union*. The paper presents an approach to the measurement and analysis of corruption in EU member States and an analysis, dealing *inter alia* with the consequences of corruption for fiscal deficit, vulnerable employment, gender equality, government spending, tax collection, electoral turnout and “brain-drain” across the EU.

X. Topical anti-corruption developments/events

32. Delegations reported as follows.

33. The representative of **Sweden** reported on a memorandum containing a legislative proposal aimed at increasing the transparency of political party funding prepared by the Ministry of Justice. The analysis and recommendations issued by GRECO in the Third Evaluation Round (Theme II) had been very valuable and taken into account in the drafting process. The memorandum was currently subject to the national, mandatory referral process. The referral bodies are, *inter alia*, political parties (central, regional and local level), municipalities, authorities and NGOs. The views and comments by the referral bodies will be taken into account in the legislative process that will follow.

The intention is that legislation will come into force on 1 April 2014 before the 2014 national elections to the *Riksdag*, county and municipal councils and the European Parliament.

34. The memorandum sets out a proposal for a new law on transparency in party funding, i.e. the financing of political parties participating in elections to the *Riksdag*, county and municipal councils or the European Parliament. The draft law aims to ensure public insight on how the political parties finance their political activities and how electoral candidates finance their personal election campaigns. According to the proposal, a political party would annually submit to the Legal Financial and Administrative Services Agency an income statement with details of the revenue received by the party at the central, regional and local level. The party's revenue report would also contain information on revenue related to personal election campaigns conducted by the electoral candidates. If a political party receives contributions with a value of at least a certain threshold (currently 22 000 Swedish Kroners) the identity of the contributor, what the contribution consists of and its size would be reported. A political party would not need to provide a revenue report if the total revenue, with the exception of public financing, is less than half the threshold amount. The party would instead make a notification thereon to the Legal, Financial and Administrative Services Agency. The Agency would publish on its Internet site the revenue reports and notifications that a political party's income is below the threshold amount.

35. The proposed law also contains provisions on supervision and administrative sanctions and on appeal to the administrative courts. Sweden is committed to implementing the recommendations issued by GRECO.

36. In **Ukraine** a package of anti-corruption laws - including amendments to the Criminal Code - had been adopted by Parliament as a result of recommendations issued by GRECO. Financial disclosure and monitoring of situations that might lead to conflicts of interest had been introduced and guarantees for the protection of whistleblowers had been improved. The liability of legal persons had been established and confiscation procedures had been reviewed to include third parties and equivalent confiscation.

37. The Council of Europe was currently implementing an EU funded project in **Turkey**, aimed at strengthening the coordination of anti-corruption policies and practices. The Prime Ministry Inspection Board was the main beneficiary, the General Directorate of International Law and Foreign Relations of the Ministry of Justice and the Inspection Boards of another seven line ministries were co-beneficiaries of the project. The project had been launched at a high level conference held in Ankara. Areas where national legislation would need review in light of the standards laid down in the Council of Europe's Criminal and Civil Law Conventions (ETS nos. 173 and 174) and the United Nations Convention against Corruption (UNCAC) had been identified. A lot of attention had been paid to the results of GRECO monitoring as a reliable, impartial and coherent source of information and analysis. The importance of national coordination – between public bodies, but also involving international organisations, civil society, academia and the private sector had also been stressed. Representatives of the business community had participated and would continue to be associated with work undertaken in the project. The development of specific software was planned to facilitate the data collection and analysis needed to inform policy making and improve implementation. Finally, training would need to be provided to inspectors and auditors on data collection, analysis, mapping risk areas, modern investigative techniques, etc. and help in that area from GRECO members who would be willing to host study visits would be highly appreciated.

38. In **Germany**, where legal persons incur administrative - not criminal - liability for criminal offences such as corruption offences, the maximum fine had been increased to 10 times the original fine of 1 million Euros. As the confiscation of illicit gains (e.g. proceeds of corruption) can also be ordered and no ceiling is applied, the cumulative effect of both could be quite severe. Moreover, by providing for liability of a successor company for offences committed by a company that has merged with another, the new law has closed a lacuna identified whereby, in the context of restructuring,

company A could have previously avoided paying fines by merging with company B to create a new legal entity.

39. In **France**, the Prime Minister had made a statement on 10 April 2013 on transparency in public life and the strengthening of measures to combat serious economic and financial crime. Then, at a Cabinet meeting on 24 April, he had introduced two Government Bills which had immediately been tabled in the National Assembly. Two main policy directions were proposed:

40. The first was to impose stricter transparency requirements on people involved in public life and to set up a new independent administrative authority to verify compliance with them. The new body, to be set up in place of a committee which lacked real powers, would be chaired by a person appointed by the Government after consultation with Parliament and would consist of six members drawn from the Court of Cassation, the *Conseil d'État* and the Court of Auditors. Its function would be to verify compliance with the transparency requirements placed on the country's key political and administrative officials, involving a declaration of assets and interests by the members of the Government and their staff, MPs and MEPs, the members of the Constitutional Council, the mayors of municipalities above a certain minimum population size, the chairs of *département* and regional councils, the members of independent administrative authorities, office-holders appointed by the Cabinet and the heads of public enterprises.

41. The high authority for financial transparency in public life would have wider powers than the committee it was set to replace. For example, it would be empowered to request the tax authorities to disclose a person's tax situation. In such cases, tax officials would be released from professional secrecy. The high authority would also be given the power to make orders. It would be able to investigate matters of its own motion or at the request of the Prime Minister, the Presidents of the National Assembly and the Senate, and approved anti-corruption organisations. Lastly, the high authority would be empowered to publish a special report when it found a violation and refer the matter to the prosecuting authorities. The declarations of assets and interests by members of the Government and MPs would be made public.

42. In the case of ministers, the criminal sanctions for making an untruthful declaration of assets and interests would be 5 years' imprisonment, a fine of 75 000 euros, loss of civic rights, a ban on holding public office, and a ban on standing for election for at least 10 years. In other cases, the penalties would be 3 years' imprisonment, a fine of 45 000 euros and the same bans as above. A fine of 15 000 euros would be imposed for failure to provide information.

43. One of the Government Bills contained the following definition of conflict of interest: a situation of interference between the public interest and a private interest such as to jeopardise, or appear to jeopardise, the independent, impartial and objective performance of public duties.

44. With the same aim of increasing transparency and preventing conflicts of interest, the Government proposed introducing a ban on combining a parliamentary mandate with the exercise of a professional activity, in particular consultancy work, except in the cases specified in the legislation.

45. The second major policy direction emerging from the Prime Minister's statement and the subsequent Government Bills was the strengthening of measures to combat serious economic and financial crime. It was proposed to set up a financial public prosecutor's office with nationwide jurisdiction. This office would be provided with appropriate financial and human resources and draw on the support of a Central Office against Fraud and Corruption. Its jurisdiction would cover all offences constituting a breach of integrity (corruption, influence peddling, favouritism, embezzlement, tax evasion etc).

46. The criminal sanctions for elected officials found guilty of corruption or tax evasion would be increased, and they would be banned from standing for election for ten years or for life. In the case

of the most serious offences, a change in the time-limit for bringing a prosecution would be proposed.

47. So far in the parliamentary debate, problems had arisen with regard to the following points:

- the President of the National Assembly and a number of MPs were strongly opposed to the disclosure of their assets and, therefore, it was currently proposed that, unlike those of ministers, MPs' assets declarations should only be available for consultation at the Prefecture, and only by voters registered in the *département*. Publication of any part of them would carry a prison sentence of one year and a fine of 45 000 euros;
- there were no professions incompatible with a parliamentary mandate, including consultancy work;
- there was still very little regulation of lobbying;
- the setting up of a financial public prosecutor's office with a team of specialist prosecutors raised concerns in a context of budget restrictions, which might have a negative impact on the number of prosecutors actually assigned to this office.

48. This draft legislation was currently being debated. It had already been amended by MPs, but had yet to be discussed in the Senate before going back to the National Assembly. It would then be possible to assess the exact implications of the provisions as finally adopted.

49. In **Moldova**, the government was pursuing the reform of the Centre for combating Economic Crimes and Corruption initiated by its predecessor as a key component of the strategy for justice sector reform (2011 – 2016). In that context, Parliament had approved a strategy and adopted laws for the institutional strengthening of the centre. The key components were to ensure the centre's independence from improper pressure and influence, increase its capacity to prevent and fight corruption at all levels and to obtain public support. The Centre is now called the National Anti-Corruption Centre. Responsibility for investigating economic crime had been transferred to the Ministry of Internal Affairs and the Customs Service. The Centre investigates money laundering, financing of terrorism, corruption (active/passive bribery, trading in influence) and related offences (abuse of power, excess of power/official authority, forgery of public documents). Since the adoption of Law 106 (3 May 2013) the centre has been placed under the Government, and its director is appointed by the President of the Republic on the basis of a proposal by the Prime Minister. This structural change was motivated by a need to remove opportunities for political pressure on the institution – it was previously under direct parliamentary control - and it has no impact on its functional and operational independence which are guaranteed by law. Staff undergo a number of integrity tests and monitoring before recruitment and are required to register with the Internal Affairs Division details of any attempt by a third party to influence them in the exercise of their duties.

50. A draft law amending the Law on the Constitutional Court was awaiting presidential promulgation. The law had been designed to provide that an initiative by at least 25 Deputies would be needed to launch a procedure to terminate the mandate of a Constitutional Court judge and that, for a decision to end a mandate to take effect, the support of at least 3/5 of the Deputies in parliament would be needed. It foresaw reducing the period for finalising cases from 6 to 3 months (extendable by 1 month). The President had returned the draft law to Parliament for review, objecting to the grounds on which Parliament would be able to end the mandate of a Constitutional Court judge, insisting that those grounds should only include professional and ethical failings and in no circumstances a political assessment of their activity. He also stated that it must be clear that although the Constitutional Court is composed of 6 judges appointed proportionally by the Parliament, Government and the Superior Council of the Magistracy that does not make it accountable to those institutions. If Parliament were nevertheless to retain the original text, the President would be obliged by the Constitution to promulgate the law.

51. Finally, it was reported that a draft law on Financing of Political Parties had been sent by the Government to Parliament and a law amending the Criminal Code to include new provisions criminalising the manipulation of events (including sports events) and arranged bets had been adopted.

52. In "the former Yugoslav Republic of Macedonia", the National intergovernmental body responsible for coordinating the activities on anti-corruption policies had developed a Methodology for a Relevant Monitoring Anti-corruption Policy Statistical System which contains templates for tracking corruption cases in the criminal and misdemeanours fields, including collecting data on the gender dimension with respect to accused persons and victims of the crimes. The authorities would welcome any advice and would ask the Secretariat to forward a questionnaire to all GRECO members aimed at collecting information on best practices and further development of the system (software, etc.), as well as any technical assistance from the countries that have already developed or are preparing such statistics (responsibilities of the state bodies for updating and maintaining the system, sharing of data, accessibility of the statistics, data protection etc.).

53. The representative of Malta reported on the implementation of amendments to the Criminal Code that raised the sanctions imposed in relation to bribery of members of the judiciary; liability had been extended to include foreign arbitrators and a prescriptive period for offences of bribery committed by members of parliament no longer applied. A draft Bill on political party funding was being developed that would not only address GRECO's Third Round recommendations in that field, but would also be relevant to aspects of the Fourth Round. In addition to a series of consultation meetings on the text of the draft, expert advice on how to best adapt the text to the legal system of Malta had also been sought from Italy.

54. In the Russian Federation a new law (April 2013) had introduced a system for the declaration by all officials of expenditure over three times the person's annual income and provided for the auditing of declarations. The law provides for the non-conviction based confiscation (by court decision at the request of the prosecutor) of assets in cases where an official fails to prove that expenditure has been made from legally obtained sources, thus introducing the reversal of the burden of proof which is now on the defendant who needs to prove the legal origin of his/her assets in order to escape prosecution. This measure was the subject of extensive debate before the law was adopted. The scope of the regime of declaration of assets, income and expenditure had been broadened to cover public corporations and other institutions and structures, such as the Central Bank, pension funds and public social insurance funds and each is to include a staff unit to deal with the prevention of corruption and which would have access to information from the tax authorities, the banks and the real estate registry.

55. Spain reported that a draft Law on Transparency in Public Life was being examined in Parliament – it foresaw obliging political parties, trade unions and any organisation in receipt of public funds to provide information on expenditure and to make them subject to verification of their accounts.

56. In Latvia amendments to criminal law bribery provisions had entered into force in April 2013 that made the promise of a bribe a completed offence. The authorities had analysed the defence of effective regret and had decided to derogate from the previous compulsory release from liability. In such instances a person may be released from liability only if he/she has actively assisted the disclosure and investigation of the offence. Latvia has significantly amended its legislation regarding the liability of legal persons including state owned/controlled companies. Corporate liability may be imposed for offences resulting not only from a natural person's actions but also from a lack of supervision or control within the company. The person directing proceedings can now decide whether proceedings against a legal and natural person should be conducted jointly or separately so that prosecution is not delayed or hindered by difficulties in identifying the natural or legal persons responsible.

57. Finally, it was reported that Latvia had been invited to join the Organisation for Economic Co-operation and Development (OECD) and the OECD Working Group on Bribery has recommended to the OECD Council to invite Latvia to become a full member of the Working Group and to accede to the OECD Anti-Bribery Convention.

58. The representative of **Montenegro** reported that her authorities had completed the action plan for the EU integration chapters on Rule of Law, Home Affairs and Human Rights which included issues related to GRECO's Third Round recommendations. Croatia – soon to accede to the EU – had been an inspirational example. Regarding implementation, risk assessments and the preparation of integrity plans were underway for more than 60 State bodies. Support from counterparts in Germany and Slovenia had been provided in the context of twinning projects.

59. In **Georgia**, following the most recent elections, the composition of the Anti-corruption Council, the interagency body that sets policies and monitors compliance, had been extended to include more civil society representatives. The Anti-corruption Strategy to follow on from the 2010-2013 strategy was being prepared. Attention was being paid to good policy planning. Important steps had already been taken with regard to the independence of the judiciary with the entry into force of a law that provides for a stronger High Council of Judges with a more balanced composition. A further law to increase the independence of the prosecution service had been adopted by parliament and was awaiting presidential approval. Although the prosecution service stays within the system of the Ministry of Justice, the Minister would retain only responsibility for developing general criminal justice policy guidelines and would no longer have the power to intervene. It was planned to extend the list of persons subject to asset declaration and public oversight would be facilitated through an electronic system. Monitoring had not yet been established but was the aim. Even though whistleblower protection was already provided for, it had been felt that more should be done and the Civil Service Bureau had drafted legislation for that purpose.

60. The recommendations issued to **Switzerland** under Theme I of the Third Evaluation Round – Incriminations had been dealt with in a draft law (15 May 2013) that proposes inter alia that private corruption be prosecuted *ex officio* in future and clarifies the question of third party corruption. Public consultation on the draft legislation would run until September 2013 to allow any political party, Canton (State), association or individual to take a stand before the draft to be submitted to parliament is prepared.

61. Finally, in the **Czech Republic**, draft legislation – on party funding and the prosecution service - had been put on hold, pending the formation of a new government.

XI. Feasibility of an Additional Protocol to the Criminal Law Convention on Corruption (ETS 173) to cover the non-profit sector

62. The Committee of Minister of the Council of Europe had invited the European Committee on Crime Problems (CDPC), in co-operation with GRECO and the European Partial Agreement on Sport (EPAS) to consider the feasibility of an Additional Protocol to the Criminal Law Convention on Corruption (ETS 173) which could expand the scope of application of its provisions to the private non-profit sector, notably sport. GRECO was informed by Helena LISUCHOVA (Head of Delegation, Czech Republic), who sits both in the CDPC and in GRECO, of the conclusions contained in a summary of replies to a questionnaire on the matter sent to CDPC and GRECO delegations (questionnaire : document CDPC (2012) 19 Bil rev.; summary: document CDPC (2013) 3). The majority opinion in the CDPC had been that an additional instrument was not needed.

63. Following a *tour de table*, GRECO decided that its position was that it was premature to take a firm decision on the matter as the question merited further consideration, notably in light of the outcome of the work underway within EPAS on a draft Convention against the manipulation of sports competitions.

XII. European Union (EU) participation in GRECO

64. GRECO held an exchange of views on EU participation in GRECO with Reinhard PRIEBE, Director for Internal Security, DG Home Affairs, European Commission in the presence of Ambassador Luisella PAVAN-WOOLFE, Head of the Delegation of the EU to the Council of Europe.

65. Mr PRIEBE reported that the ultimate goal of both the European Commission and EU member States was to ensure a reinforced European anti-corruption policy and the Commission remained committed to finding a workable solution for an eventual EU accession to GRECO. As the GRECO evaluation process had not yet been applied to international institutions, a careful analysis of the practicalities and legal aspects of such an evaluation would be necessary on both sides. For that purpose an impact assessment in close cooperation with the other EU institutions (including the European Parliament, the Court of Justice, the Court of Auditors, the Council of Ministers) had been launched to analyse the feasibility and modalities of accession and evaluation and to seek their agreement, which was a necessary first step before submitting a draft mandate for negotiations to the Council of Ministers.

66. GRECO welcomed the fact that the European Commission had launched an impact assessment with a view to full membership of the EU in GRECO and, pending the finalisation of the impact assessment, it expressed its willingness to pursue informal cooperation as had been requested by the European Commission.

67. GRECO noted that the EU Anti-Corruption Report that was due to be published in the autumn would draw widely on GRECO's reports and findings which the European Commission considered reliable sources of information and evidence to support its report and recommendations.

XIII. Miscellaneous

68. The President informed the plenary that due to the need to create more balance in the time allocated to the reading of the 3 main sections of fourth round evaluation reports, the plenary would in future not necessarily follow the order in the reports (members of parliament, judges, prosecutors).

XIV. Adoption of decisions

69. The decisions of the 60th Plenary Meeting were adopted as they appear in document Greco (2013) 8E.

XV. Forthcoming meetings

70. The Bureau would hold its 65th meeting in Strasbourg on 6 September 2013. GRECO's 61st Plenary Meeting would be held in Strasbourg on 14 – 18 October 2013.

APPENDIX I

LIST OF PARTICIPANTS

ALBANIA / ALBANIE

Ms Helena PAPA

Inspector/Coordinator, Department of Internal Administrative Control and Anti-Corruption (DIACA), Council of Ministers

ANDORRA / ANDORRE

Ms Meritxell SALVAT PERARNAU

Specialist in International Relations, Ministry of Finance

Ms Marta FELIPÓ

Ministry of Finance

ARMENIA / ARMENIE

Mr Karen GEVORGYAN

Deputy Dean of International Relations, Faculty of Law, Yerevan State University

AUSTRIA / AUTRICHE

Apologised / excusée

AZERBAIJAN / AZERBAIDJAN

Apologised / excusée

BELARUS

Ms Nadzeya SHAKEL

Assistant Director, Research and Practical Centre for Problems of Reinforcing Law and Order, General Prosecutor's Office

BELGIUM / BELGIQUE

M. Frederik DECRUYENAERE (Chef de délégation)

Attaché au Service des Infractions et Procédures Particulières, Service Public Fédéral Justice (SPF Justice)

M. Geert VERVAEKE (Evalueur - Pays-Bas)

Professeur de psychologie à la Faculté de Droit de la KU Leuven, Faculté de Droit de l'Université de Leuven

BOSNIA AND HERZEGOVINA / BOSNIE-HERZEGOVINE

Mr Vjekoslav VUKOVIC (Head of delegation)

Assistant Minister, Sector for Fight against Terrorism, Organised Crime and Drugs Abuse, Ministry of Security

BULGARIA / BULGARIE

Mr Georgi RUPCHEV (Head of delegation)

State Expert, Directorate of International Cooperation and European Affairs, Ministry of Justice

CROATIA / CROATIE

Mr Marin MRČELA (**President of GRECO**)

Justice at the Supreme Court

Mr Dražen JELENIĆ (Head of delegation)

Deputy State Attorney General

CYPRUS / CHYPRE

Mr Philippos KOMODROMOS (Head of delegation)

Counsel of the Republic, Law Office of the Republic of Cyprus

CZECH REPUBLIC / REPUBLIQUE TCHEQUE

Ms Helena LIŠUCHOVÁ (Head of delegation)

Acting Head, International Cooperation Department, Ministry of Justice

Mr Václav MLYNAŘÍK

Security Expert, Security policy department, Ministry of the Interior

DENMARK / DANEMARK

Ms Marie TULLIN (Head of delegation)

Senior Prosecutor, State Prosecutor for Serious Economic Crime

ESTONIA / ESTONIE

Mr Urvo KLOPETS

Advisor of Analysis Division, Criminal Policy Department, Ministry of Justice

FINLAND / FINLANDE

Mr Juha KERÄNEN (Head of delegation)

Ministerial Counsellor, Ministry of Justice, Department of Criminal Policy

Mr Jouko HUHTAMÄKI

Ministerial Adviser, Police department, Ministry of the Interior

Ms Marja TUOKILA (Evaluator - Netherlands)

Counsel to the Legal Affairs Committee, Parliament

FRANCE

M. Paul HIERNARD (Chef de délégation)

Magistrat, Chargé de mission auprès du Directeur des affaires juridiques, Ministère des Affaires étrangères et européennes

M. Richard GHEVONTIAN (Evalueur – Luxembourg)

Professeur des Universités, Vice-Président de l'Université Paul Cézanne d'Aix-Marseille III, Chargé des affaires juridiques et statutaires, Directeur de recherches à l'Institut Louis Favoreu, Groupe d'Etudes et de Recherches sur la Justice Constitutionnelle

GEORGIA / GEORGIE

Ms Rusudan MIKHELIDZE

Director of Analytical Department, Secretariat of the Anti-Corruption Council, Ministry of Justice

Ms Nino SARISHVILI

Deputy Director of Analytical Department, Secretariat of the Anti-Corruption Council, Ministry of Justice

Ms Natalia BARATASHVILI

Legal Advisor at Analytical Department, Secretariat of the Anti-Corruption Council, Ministry of Justice

Mr Vakhtang KEZHERADZE

Director of Risk and Quality Assurance, State Audit Office of Georgia

GERMANY / ALLEMAGNE

Mr Markus BUSCH (Head of delegation)

Head of Division, Economic, Computer, Corruption-related and Environmental Crime, Federal Ministry of Justice,

Mr Frank RAUE

Deputy Head of Division PM1, Remuneration of Members, Administration - German *Bundestag*

GREECE / GRECE

Mrs Panagiota VATIKALOU

Investigative Judge, Court of First Instance of Chania

HUNGARY / HONGRIE

Ms Viktória SOÓS

Legal Advisor, Department of Criminal Law Legislation, Ministry of Public Administration and Justice

ICELAND / ISLANDE

Apologised / excusée

IRELAND / IRLANDE

Mr Andrew MUNRO (Head of delegation)

Principal Officer, Criminal Law Reform Division, Department of Justice and Equality

Ms Mairead EMERSON

Assistant Principal, Government Reform Unit, Department of Public Expenditure and Reform

ITALY / ITALIE

Mr Luca DE MATTEIS

Judge, Ministry of Justice

LATVIA / LETTONIE

Mr Jaroslavs STRELČENOKS (Head of delegation)

Director, Corruption Prevention and Combating Bureau

LIECHTENSTEIN

Mr Manuel FRICK, Deputy Permanent Representative to the Council of Europe, Office for Foreign Affairs

LITHUANIA / LITUANIE

Mr Paulius GRICIUNAS (Head of delegation)

Vice Minister, Ministry of Justice

Ms Elena KONCEVICIUTE

International Relations Officer, International Cooperation Division, Special Investigation Service

LUXEMBOURG

M. Jean BOUR (Chef de délégation)

Procureur d'Etat (retired/retraité), Parquet du Tribunal d'Arrondissement de Diekirch

Mme Doris WOLTZ

Procureur d'Etat adjoint, Tribunal d'Arrondissement de Luxembourg, Cité Judiciaire

Mme Claudine KONSBRUCK

Conseiller de direction, 1ère classe, Ministère de la Justice

Mme Anne BRASSEUR

Député

M. Georges RAVARANI

Président de la Cour administrative

M. Jean-Claude WIWINIUS

Président de Chambre à la Cour d'Appel

M. Jeannot NIES

1^{er} Avocat Général au Parquet Général

Mme Anne KAYSER-ATTUIL

Représentante Permanente Adjointe du Luxembourg auprès du Conseil de l'Europe

MALTA / MALTE

Ms Lara LANFRANCO

Criminal Prosecutor before the Superior Courts, Office of the Attorney General

REPUBLIC OF MOLDOVA / REPUBLIQUE DE MOLDOVA

Mr Valeriu CUPCEA

Senior Inspector, Legislation and Anti-corruption Expertise Directorate, National Anti-corruption Centre

MONACO

M. Frédéric COTTALORDA

Adjoint au Directeur, Service d'Information et de Contrôle sur les Circuits Financiers (SICCFIN), Département des Finances et de l'Economie

MONTENEGRO

Ms Vesna RATKOVIC (Head of delegation)

Director, Directorate for Anti-Corruption Initiative

NETHERLANDS / PAYS-BAS

Mr Don O'FLOINN (Head of delegation)

Policy Advisor, Ministry of Security and Justice, Law Enforcement Department

Mr Richard HAGEDOORN

Ministry of the Interior and Kingdom Relations

Ms Kitty NOOY

Prosecution Service

Ms Yvonne ROOIJERS

Ministry of Security and Justice

Ms Merel BERLING
Council for the Judiciary

Mr Christward GRADENWITCH
on behalf of both chambers of Parliament

Mr Joep SEVERENS
Ministry of the Interior and Kingdom Relations

Ms Iris PRINS
Intern

NORWAY / NORVEGE

Mr Atle ROALDSOY (Head of delegation)
Senior Adviser, Section for European and International Affairs, Ministry of Justice and Public Security

Ms Ingrid SAND
Special Adviser, Constitutional Department, Parliament

Mr Jens-Oscar NERGARD (Member of delegation + evaluator – Iceland)
Senior Adviser, Ministry of Government Administration, Reform and Church Affairs

POLAND / POLOGNE

Ms Alicja KLAMCZYNSKA
Chief specialist, European Criminal Law Division, Criminal Law Department, Ministry of Justice

PORTUGAL

Mr Daniel MARINHO PIRES
Legal Adviser, Directorate General for Justice Policy, International Affairs Department, Ministry of Justice

Ms Natália Fernanda PEREIRA DE LIMA E SILVA (Evaluator – Luxembourg)
Deputy Public Prosecutor, Court of Appeal of Lisbon

ROMANIA / ROUMANIE

Ms Anca-Luminita STROE (Head of delegation)
Counsellor, National Office for Crime Prevention and Cooperation for Asset Recovery, Ministry of Justice

Ms Oana Andrea SCHIMIDT HAINEALA
Prosecutor, President of the Superior Council of Magistracy

RUSSIAN FEDERATION / FEDERATION DE RUSSIE

Mr Aleksandr BUKSMAN (Head of delegation)
First Deputy Prosecutor General, Prosecutor General's Office

Mr Aslan YUSUFOV
Deputy Head of Directorate, Head of Section of supervision over implementation of anti-corruption legislation, Prosecutor General's Office

Mr Konstantin KOSORUKOV
Deputy to the Permanent Representative of the Russian Federation to the Council of Europe

Mr Pavel VOLCHIKHIN
Deputy to the Permanent Representative of the Russian Federation to the Council of Europe

SAN MARINO / SAINT MARIN

M. Eros GASPERONI (Chef de délégation)
Premier Secrétaire, Ministère des affaires Etrangères

REPUBLIC OF SERBIA / REPUBLIQUE DE SERBIE

Ms Biljana PAVLOVIC
Director, Ministry of Justice and Public Administration

Ms Lilijana BLAGOJEVIC
Assistant Minister for Judiciary, Ministry of Justice and Public Administration

SLOVAK REPUBLIC / REPUBLIQUE SLOVAQUE

Mr Ronald KAKAS

Senior Police Officer, National Criminal Agency , Police Headquarters, Ministry of the Interior

SLOVENIA / SLOVENIE

Ms Vita HABJAN

Chief Project Manager for Corruption Prevention, Commission for the Prevention of Corruption

Ms Nina BETETTO (Evaluator - Netherlands)

Supreme Court Judge, Vice-President of the Supreme Court, Member of the Consultative Council of European Judges (CCJE)

SPAIN / ESPAGNE

Mr Rafael VAILLO RAMOS

Technical Adviser, D.G. for International Cooperation, Ministry of Justice, San Bernardo, 62, 28071 MADRID

SWEDEN / SUEDE

Ms Elin CARBELL-BRUNNER (Head of delegation)

Legal Advisor, Division for Criminal Law, Ministry of Justice

SWITZERLAND / SUISSE

M. Ernst GNAEGI (Chef de délégation)

Chef de l'unité du droit pénal international, Office fédéral de la Justice

M. Olivier GONIN (Membre de la délégation et évaluateur - Pays-Bas)

Collaborateur scientifique, Unité Droit pénal international, Office fédéral de la justice

Mme Muriel BARRELET (Evaluatrice - Luxembourg)

Juge d'instance, Tribunal régional des Montagnes et du Val-de-Ruz

"THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA" /**« L'EX-RÉPUBLIQUE YOUGOSLAVE DE MACÉDOINE »**

Ms Aneta ARNAUDOVSKA (Head of delegation)

Judge, Director of the Academy for Judges and Public Prosecutors

TURKEY / TURQUIE

Mr Harun MERT (Head of delegation)

Judge / Deputy General Director, General Directorate of International Law and Foreign Relations, Ministry of Justice

Mr Mete DEMIRCI

Chief Inspector, Prime Ministry Inspection Board

Mr Mustafa Burak ÇİL

Judge, General Directorate of International Law and Foreign Relations, Ministry of Justice

UKRAINE

Mr Robert SIVERS

Acting Head of the Anticorruption Legislation and Legislation on Judiciary Department, Ministry of Justice

Mr Andrii KUKHARUK

Supervisor, Anticorruption Policy Development Unit , Anticorruption Legislation and Legislation on Judiciary Department
Ministry of Justice

UNITED KINGDOM / ROYAUME-UNI

Ms Sarah MACKIE

Bribery and Corruption Policy Lead, Cyber and Financial Crime Unit, Home Office

UNITED STATES OF AMERICA / ETATS-UNIS D'AMERIQUE

Ms Jane LEY (Head of delegation)

Deputy Director, US Office of Government Ethics

EUROPEAN COMMITTEE ON CRIME PROBLEMS (CDPC) /**COMITE EUROPEEN POUR LES PROBLEMES CRIMINELS (CDPC)**

Ms Helena LIŠUCHOVÁ (Head of delegation)

Acting Head, International Cooperation Department, Ministry of Justice

**EUROPEAN COMMITTEE ON LEGAL CO-OPERATION (CDCJ) /
COMITE EUROPEEN DE COOPERATION JURIDIQUE (CDCJ)**

...

**PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE /
ASSEMBLEE PARLEMENTAIRE DU CONSEIL DE L'EUROPE**
Mr Robert NEILL (United Kingdom)
Member of the Committee on Legal Affairs and Human Rights

**COUNCIL OF EUROPE DEVELOPMENT BANK /
BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE**
Apologised / excusée

OBSERVERS / OBSERVATEURS

**UNITED NATIONS – UNITED NATIONS OFFICE ON DRUGS AND CRIME (UNODC)
NATIONS UNIES – OFFICE DES NATIONS UNIES CONTRE LA DROGUE ET LE CRIME (ONUDC)**

...

**ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD) /
ORGANISATION DE COOPERATION ET DE DEVELOPPEMENT ECONOMIQUES (OCDE)**
Apologised / excusée

**INTERNATIONAL ANTI-CORRUPTION ACADEMY /
L'ACADEMIE INTERNATIONALE DE LUTTE CONTRE LA CORRUPTION (IACA)**
Apologised / excusée

ORGANIZATION OF AMERICAN STATES (OAS) / ORGANISATION DES ETATS AMERICAINS (OEA)
Apologised / excusée

EVALUATION TEAMS / EQUIPES D'EVALUATION

Fourth Round Evaluation report on Luxembourg/ Rapport d'évaluation du Quatrième Cycle sur le Luxembourg

M. Richard GHEVONTIAN
Professeur des Universités, Vice-Président de l'Université Paul Cézanne d'Aix-Marseille III, Chargé des affaires juridiques et statutaires, Directeur de recherches à l'Institut Louis Favoreu, Groupe d'Etudes et de Recherches sur la Justice Constitutionnelle

Ms Natália Fernanda PEREIRA DE LIMA E SILVA
Deputy Public Prosecutor, Court of Appeal of Lisbon

Mme Muriel BARRELET
Juge d'instance, Tribunal régional des Montagnes et du Val-de-Ruz, Hôtel Judiciaire, Avenue Léopold-Robert 10
Case postale 2284, 2300 LA CHAUX-DE-FONDS

Fourth Round Evaluation report on the Netherlands / Rapport d'évaluation du Quatrième Cycle sur les Pays-Bas

M. Geert VERVAEKE
Professeur de psychologie à la Faculté de Droit de la KU Leuven, Faculté de Droit de l'Université de Leuven

Ms Marja TUOKILA
Counsel to the Legal Affairs Committee, Parliament

Ms Nina BETETTO
Supreme Court Judge, Vice-President of the Supreme Court, Member of the Consultative Council of European Judges (CCJE)

M. Olivier GONIN
Collaborateur scientifique, Unité Droit pénal international, Office fédéral de la justice

RAPPORTEURS

Third Round Compliance Report/ Rapport de Conformité du Troisième Cycle

Georgia / Géorgie

Mr Andrii KUKHARUK – Ukraine (Th. I)

Mr Jens-Oscar NERGÅRD – Norway / Norvège (Th. II)

Third Round - Interim Compliance Reports / Rapports de Conformité Intérimaire du Troisième Cycle

Greece / Grèce

Ms Nino SARISHVILI – Georgia / Géorgie (Th. I)

Ms Jane LEY, United States of America / Etats-Unis d'Amérique (Th. I)

Netherlands / Pays-Bas

Mr Rafael VAILLO RAMOS – Spain / Espagne (Th. II)

Second Third Round Compliance Reports / Deuxième Rapport de Conformité du Troisième Cycle

Albania / Albanie

Mr Karen GEVORGYAN – Armenia / Arménie (Th. I)

Ms Vita HABJAN – Slovenia / Slovénie (Th. II)

Lithuania / Lituanie

Ms Aneta ARNAUDOVSKA – “The former Yugoslav Republic of Macedonia” / « L'ex-République yougoslave de Macédoine » (Th. I)

Mr Daniel PIRES – Portugal (Th. II)

Spain / Espagne

Mr Urvo KLOPETS – Estonia / Estonie (Th. I)

Mr Luca DE MATTEIS – Italy / Italie (Th. II)

GUESTS / INVITES

Exchange of views with the European Research Center for Anti-Corruption and State-Building (ERCAS) / Echange de vues avec le European Research Center for Anti-Corruption and State-Building (ERCAS)

Mr Aram KHAGHAGHORDYAN, Coordinator, European Research Center for Anti-Corruption and State-Building (ERCAS), Hertie School of Governance GmbH

Special Session – Financial Disclosure / Séance spéciale – Déclaration de patrimoine

Ms Ivana ROSSI

World Bank, Buenos Aires Office

Mr Horia GEORGESCU

President, National Integrity Agency, B - dul Lascar Catargiu nr. 15, Sector 1, BUCAREST

Ms Ioana LAZĂR

General Director of the Legal Department, National Integrity Agency

Exchange of views with the European Commission Secretariat / Echange de vues avec le Secrétariat de la Commission européenne

Ms Luisella PAVAN-WOOLFE

Ambassador, Head of the Delegation of the European Union to the Council of Europe

Mr Reinhard PRIEBE

Director for Internal Security, DG Home Affairs

Mr Jakub BORATYŃSKI

Head of Unit, Fight against Organised Crime, DG Home Affairs

COUNCIL OF EUROPE SECRETARIAT / SECRETARIAT DU CONSEIL DE L'EUROPE

Mr Wolfgang RAU, Executive Secretary of GRECO / *Secrétaire Exécutif du GRECO*

Ms Elspeth REILLY, Personal Assistant to the Executive Secretary / *Assistante Particulière du Secrétaire Exécutif*

Administrative Officers / Administrateurs

M. Christophe SPECKBACHER

Ms Sophie MEUDAL-LEENDERS

Mr Michael JANSSEN

Ms Liubov SAMOKHINA

Mr Yüksel YILMAZ

Mr Suranga SOYSA

Ms Anna MYERS

Central Office / Bureau Central

Ms Penelope PREBENSEN, Administrative Assistant / *Assistante Administrative*

Mme Laure PINCEMAILLE, Assistant / *Assistante*

Mme Marie-Rose PREVOST, Assistant / *Assistante*

Webmaster

Ms Simona GHITA, Directorate General 1 - Human Rights and Rule of Law / *Direction générale des droits de l'Homme et état de droit*

Mme Marie-Rose PREVOST, GRECO

Interpreters / Interprètes

Ms Sally BAILEY-RAVET

Ms Julia TANNER

Ms Chloé CHENETIER

APPENDIX II

60th GRECO PLENARY MEETING

Strasbourg, 17-21 June 2013
Council of Europe, Palais de l'Europe - room 9

AGENDA

60^{ème} REUNION PLENIERE DU GRECO

Strasbourg, 17-21 juin 2013
Conseil de l'Europe, Palais de l'Europe - salle 9

D'ORDRE DU JOUR

| | | | | | |
|-----|---|-----------------------|--|--|---------------------|
| 1. | Opening of the meeting | <u>9.30 am</u> | | Ouverture de la réunion | <u>09h30</u> |
| 2. | Adoption of the agenda | | | Adoption de l'ordre du jour | |
| 3. | Information from the President and the Executive Secretary | | | Communication du Président et du Secrétaire Exécutif | |
| 4. | Topical anti-corruption developments/events in member States | | | Développements/événements anti-corruption d'actualité dans les Etats membres | |
| 5. | First reading Evaluation Reports –Fourth Round Netherlands Monday Luxembourg Tuesday | | | Première lecture Rapports d'Evaluation - Quatrième Cycle Pays-Bas Lundi Luxembourg Mardi | |
| 6. | Adoption Addendum to Compliance Report - Joint First and Second Rounds Italy | | | Adoption Addendum au Rapport de Conformité - Premier et Deuxième Cycles Conjoints Italie | |
| 7. | Adoption Compliance Report – Third Round Georgia | | | Adoption Rapport de Conformité - Troisième Cycle Géorgie | |
| 8. | Adoption 2 nd Compliance Reports – Third Round Albania Lithuania Spain | | | Adoption 2 ^e Rapports de Conformité - Troisième Cycle Albanie Lituanie Espagne | |
| 9. | Adoption <i>Interim</i> Compliance Reports – Third Round Greece Netherlands | | | Adoption Rapports de Conformité <i>intérimaires</i> - Troisième Cycle Grèce Pays-Bas | |
| 10. | Exchange of views Aram KHAGHAGHORDYAN, Coordinator, European Research Center for Anti-Corruption and State-Building (ERCAS), Hertie School of Governance, Germany Tuesday, <u>9 am</u> | | | Echange de vues Aram KHAGHAGHORDYAN, <i>Coordinator, European Research Center for Anti-Corruption and State-Building (ERCAS), Hertie School of Governance, Germany</i> Mardi, <u>09h00</u> | |
| 11. | Special Session – Financial Disclosure Presentations and discussions <u>Speakers</u> : Jane LEY, Head of the US delegation Horia GEORGESCU, President of National Integrity Agency, Romania Ivana ROSSI, World Bank Wednesday, <u>2.30 – 5 pm</u> | | | Séance spéciale – Déclaration de patrimoine Présentations et débat <u>Intervenants</u> : Jane LEY, Chef de la délégation des Etats-Unis Horia GEORGESCU, <i>President of National Integrity Agency, Roumanie</i> Ivana ROSSI, Banque Mondiale Mercredi, <u>14h30 – 17h00</u> | |

| | | |
|-----|--|---|
| 12. | <p>European Union participation in GRECO Exchange of views with the Secretariat of the European Commission Reinhard PRIEBE Director for Internal Security, DG Home Affairs Jakub BORATYŃSKI Head of Unit, Fight against Organised Crime DG Home Affairs</p> <p style="text-align: right;">Thursday, 2.00pm</p> | <p>Participation de l'Union européenne au GRECO Echange de vues avec le Secrétariat de la Commission européenne Reinhard PRIEBE Directeur de la Sécurité intérieure, Direction générale des Affaires intérieures Jakub BORATYŃSKI Chef d'unité, Lutte contre la criminalité organisée, Direction générale des Affaires intérieures</p> <p style="text-align: right;">Jeudi, 14h00</p> |
| 13. | <p>Tour de table Feasibility of an Additional Protocol to the Criminal Law Convention on Corruption to cover the non-profit sector – in light of the study carried out by the CDPC [CDPC (2013) 3] and the results of its meeting of 28-31 May 2013</p> | <p>Tour de table Faisabilité d'un Protocol additionnel à la Convention pénale sur la corruption relatif aux secteurs à but non lucratif –à la lumière de l'étude menée par le CDPC [CDPC (2013) 3] et des résultats de sa réunion du 28 au 31 mai 2013</p> |
| 14. | <p>Selection of rapporteur countries Third Round Compliance Procedures - Austria, Italy, Monaco, Russian Federation, United States of America (Bureau 64 proposals)</p> | <p>Sélection des pays rapporteurs Procédures de conformité du Troisième Cycle - Autriche, Italie, Monaco, Fédération de Russie, Etats-Unis d'Amérique (propositions du Bureau 64)</p> |
| 15. | <p>Second reading and adoption Evaluation Reports – Fourth Round Netherlands Friday Luxembourg Friday</p> | <p>Deuxième lecture et adoption Rapports d'évaluation - Quatrième Cycle Pays-Bas..... Vendredi Luxembourg Vendredi</p> |
| 16. | Miscellaneous | Divers |
| 17. | Adoption of decisions | Adoption des décisions |
| 18. | Dates of next meetings | Dates des prochaines réunions |
| 19. | Close of the meeting <u>1 pm</u> | Fin de la réunion <u>13h00</u> |

APPENDIX III

**Statement delivered by GRECO's President
1173rd Meeting of the Ministers' Deputies of the Council of Europe
(Strasbourg, 12 June 2013)**

Distinguished Chairman³
Deputy Secretary General,
Ladies and Gentlemen,

I am delighted to present to you today the thirteenth edition of the General Activity Report of the Group of States against Corruption (GRECO). This report marks the completion of the first year of GRECO's latest evaluation round focusing on the prevention of corruption in respect of members of parliament, judges and prosecutors.

I believe, as I am sure you do as well, that the on-going economic crisis in Europe with its attendant political and social tensions highlights the continuing relevance of the Council of Europe's work. It also reveals how important is our commitment to tackling corruption in all its forms – not least because the longer the economic stagnation, the greater the competition for fewer resources; the higher the potential, therefore, of resorting to corrupt practices to access those resources and the greater the risk of further damage to our democratic values, institutions and stability.

For these reasons and more, GRECO welcomed the words of the Secretary General in his speech to the Parliamentary Assembly at the start of this year that the first priority of the Council of Europe "should be on the fight against corruption and other forms of misuse of power."

It goes without saying that the visibility of GRECO's work is crucial in a world where numerous international organisations and institutional stakeholders are struggling for attention. Member States repeatedly emphasise the credibility and professionalism of the GRECO mechanism and many bodies including national governments, international organisations and independent groups frequently seek our advice and feedback.

While GRECO must prioritise any additional commitment of time and resources, these outreach activities are vital to ensuring a deeper understanding and awareness of corruption prevention, avoiding the duplication of efforts, and for focusing attention on the barriers to progress that we face.

In 2012, for example, GRECO was asked to contribute to OECD meetings on reinforcing the political will to fight corruption in Eastern Europe and Central Asia, and the independence and integrity of the judiciary. As well, GRECO attended UN meetings on implementing and reviewing the United Nations Convention against Corruption, participated in the European Commission Group of Experts on Corruption, and in a number of OSCE events including one on security and stability through good governance.

These are only a few examples. However, they indicate the range of topics covered and confirm the relevance of the body of expertise that GRECO has built up over many years.

We have also noticed a rise in the number of press stories and media interest in GRECO's work. While there will be, of course, spikes of interest when a particular theme coincides with a domestic news story, efforts to draw attention to GRECO's work also have a clear policy purpose - namely to

³ Mr Armen PAPIKYAN, Permanent Representative of Armenia to the Council of Europe

mobilise domestic actors, including civil society, for the practical implementation of our country-related recommendations.

The 2012 General Activity Report, contains – for the first time ever - a review of Member States' compliance levels. This focused on the first two evaluation rounds for which there is near complete data.

The good news is that some three years after they were first evaluated more than three-quarters of Member States had complied with GRECO's recommendations fully. This is clearly impressive and demonstrates the sense of ownership and commitment of Member States to the process of reflection and reform advocated by GRECO.

Of course it is not all good news – not least because while some countries have made great progress in some areas, or took steps to meet the recommendations at the time, others did not and in some cases, there are signs of regression. One area that remains a concern for GRECO is the range and extent of immunities from prosecution enjoyed by public officials and elected representatives in some Member States and which poses a genuine obstacle to fighting corruption effectively.

While GRECO cannot yet provide similar statistical breakdowns for the 3rd Round – I remain concerned that compliance levels have gone down. The performance of a number of Member States has been identified as “globally unsatisfactory”. While it has to be acknowledged that GRECO monitoring in the 3rd round was extended to areas beyond direct governmental control and within the remit of political parties and parliaments, we count on them to lend a constructive ear to our message.

Ladies and gentlemen,

Now let me turn briefly to the issue of gender and corruption. GRECO noted in January 2012 the Committee of Ministers' decision with regards to gender equality and its invitation to Council of Europe bodies to include a gender perspective in their terms of reference. Clearly preventing corruption and improving and strengthening democracy for the benefit of all citizens, women and men, is at the heart of GRECO's remit, and so GRECO decided to explore further how a gender perspective might impact on its work.

While research consistently shows that in countries where there is greater female participation in public life there is less corruption, no causal link has been established. A quick poll among GRECO Member States revealed an interest in this issue and in particular, a desire to understand better the potentially disproportionate impact corruption may have on women. There is convincing evidence that the feminisation of poverty that can be observed in many countries is exacerbated by corruption in public service provision - and that there is a disproportionate impact on women and girls in the trafficking of human beings.

If such gender differences are better understood, then anti-corruption strategies may well be enhanced by being better tailored to meet and respond to these differences. GRECO is in the process of collecting more data from its Member States; we also plan to organise a round table at the end of the year to discuss these issues more fully. I hope that GRECO's contribution in this area will serve as a springboard for other interested parties in the Council of Europe and more widely to examine the many links between corruption and gender in the context of their work as well.

Mr Chairman,

As you know, GRECO's 4th evaluation round focuses on corruption prevention with respect to MPs, judges and prosecutors. Each of these groups works within key national institutions in the fight against corruption; their effectiveness and integrity help determine whether the seeds of corruption grow and flourish in the country or not. Importantly, in order to fulfil their democratic function and

maintain the principles of democracy, each group also needs to prevent and unequivocally address any corruption in their own ranks.

The first five reports for the UK, Slovenia, Latvia, Poland and Estonia respectively were adopted in 2012 and by the end of 2013 we will have evaluated and adopted reports for 14 Member States. I am happy to say that these first reports engendered some tough but constructive discussions within the plenary. I will make some brief observations here and trust that the highlights we have identified in our General Activity Report give you an idea of the types of issues that are likely to arise during this round.

Political parties and elected representatives are of the least trusted public institutions and this appears to be a generalised trend across Europe. The picture is more mixed, however when it comes to judges and prosecutors. Judges enjoy high levels of public trust in the UK, for example, and lower than European average levels of trust in Slovenia and in Estonia. Some of this may be due to specific cases of corruption involving judges, or as indicated in some of these early reports, a combination of such cases, a weak legal system and a lack of public awareness of the steps already taken to strengthen the institutional independence of the judiciary.

That said I would like to emphasise that any corruption scandal involving a judge has a strong and negative impact on public confidence in the judiciary as a whole. In the five reports adopted in 2012 GRECO made recommendations to strengthen the capacity of the judiciary to address corruption prevention: for example, to limit political interference in judicial appointments in Slovenia and to ensure security of tenure in the UK; as well as to encourage judicial capacity to self-govern, for example, to strengthen independent judicial bodies in the appointment and career progression of judges in Estonia.

These early reports also highlight the need for MPs to be proactive; to demonstrate their commitment to corruption prevention as a matter of individual conduct as well as public duty and to ensure that an ethos of prevention takes root within national parliaments themselves.

Interestingly the early reports indicate that one reason fuelling MPs' reticence may be due, in part, to a lack of understanding about what is expected, particularly as regards conflicts *beyond* those related to financial interest. This prompted recommendations from GRECO, for example, to Poland and, more recently, to Iceland as well, to promote a system of ad hoc declarations to deal with the broad range of interests that may impact on the impartiality of an MP's involvement in a particular legislative initiative.

Ladies and Gentlemen,

Looking towards the future, I will now turn to a matter that for quite a number of years has been included in this annual exchange of views between you and the GRECO President – namely EU participation in GRECO. As you are aware, formal participation of the European Union in GRECO has been on the agenda since the adoption by the EU of the 2010 Stockholm Programme and the publication of the European Commission's "Anti-corruption package" in June 2011. This has been strongly welcomed by GRECO whose statute has provided for such participation from the outset.

Although much time has passed since, and without any major progress, I am still convinced that EU participation in GRECO will almost certainly help strengthen the impact of our respective anti-corruption activities; it should also have the benefit of minimising the risk of generating conflicting standards and performance benchmarks.

It would appear that the discussions triggered at EU level by the Commission's Communication of October 2012 on participation in GRECO will be completed soon and that we can then start concrete talks on the precise format and content of such participation.

We have been informed in this connection that during discussions in COREPER a majority of EU Member States expressed a preference for starting immediate negotiations with a view to full accession - as opposed to following the two-step approach advocated in the Commission's Communication. As a consequence, the Commission is now performing an Impact Assessment on EU accession to GRECO, which should cover the issue of mutual evaluation - which is a fundamental principle of the GRECO process. I trust that this assessment can be completed promptly and in consultation with GRECO.

We have invited the Commission Secretariat for an exchange of views during GRECO's 60th plenary meeting next week. I very much hope that this will help take matters forward. Let me reiterate that I am convinced that a full participation of the European Union in GRECO will boost co-ordinated anti-corruption policies in Europe and significantly strengthen the impact of these policies.

Full participation will be a clear sign of strong political will to fight corruption in all EU Member States and, importantly, at all EU institutions because no-one is immune to corruption.

In conclusion, when the Secretary General addressed the Group of States against Corruption on the occasion of its March plenary he emphasised that the ultimate purpose of our work was to mobilise governments, parliaments, administrations and civil society for the practical implementation of Council of Europe anti-corruption standards in general and GRECO recommendations in particular; all this is to be done in an endeavour to generate the necessary political will.

I couldn't agree more.

In this connection, political support, notably from your committee and also from the Parliamentary Assembly is especially important. You can, along with national parliaments and other stakeholders, certainly make an essential contribution to generating the political will on which any real progress in the fight against corruption ultimately depends.

I remain confident that your committee will continue to fully support our efforts.

Thank you very much for your attention.