

Adoption: 21 June 2024
Publication: 1 August 2024

Public
GrecoRC5(2024)11

FIFTH EVALUATION ROUND

Preventing corruption and promoting integrity in
central governments (top executive functions) and
law enforcement agencies

ADDENDUM TO THE SECOND COMPLIANCE REPORT

ICELAND



Adopted by GRECO
at its 97th Plenary Meeting (Strasbourg, 17 -21 June 2024)



Group of States against Corruption
Groupe d'États contre la corruption

COUNCIL OF EUROPE



CONSEIL DE L'EUROPE

I. INTRODUCTION

1. GRECO's Fifth Evaluation Round deals with "Preventing corruption and promoting integrity in central governments (persons entrusted with top executive functions - PTEF) and law enforcement agencies (LEA)".
2. This Addendum to the Second Compliance Report assesses the measures taken by the authorities of Iceland to implement the recommendations issued in the Fifth Round Evaluation Report on Iceland which was adopted at GRECO's 79th Plenary Meeting (23 March 2018) and made public on 12 April 2018, following authorisation by Iceland ([GRECOEval5Rep\(2017\)4](#)). The corresponding Compliance Report was adopted by GRECO at its 86th Plenary Meeting (29 October 2020) and made public on 16 November 2020, following authorisation by Iceland ([GrecoRC5\(2020\)5](#)). The Second Compliance Report was adopted by GRECO at its 92nd Plenary Meeting (2 December 2022) and made public on 6 December 2022, following authorisation by Iceland ([GrecoRC5\(2022\)3](#)).
3. As required by GRECO's Rules of Procedure,¹ the authorities of Iceland submitted a Situation Report on measures taken to implement the recommendations contained in the Evaluation Report. This report was received on 29 December 2023 and served, together with additional information received on 5 January, 13 March and 21-23 May 2024, as a basis for this Addendum to the Second Compliance Report.
4. GRECO selected Denmark (with respect to top executive functions in central governments) and Latvia (with respect to law enforcement agencies) to appoint Rapporteurs for the compliance procedure. The Rapporteurs appointed were Mr Thomas ØSTERGAARD WIENAND on behalf of Denmark, and Ms Ana AĻOŠINA on behalf of Latvia. They were assisted by GRECO's Secretariat in drawing up the Addendum to the Second Compliance Report.

II. ANALYSIS

5. GRECO, in its Fifth Round Evaluation Report, addressed eighteen recommendations to Iceland. In the Second Compliance Report, GRECO concluded recommendation i, v, vi, vii, viii and x have been implemented satisfactorily or dealt with in a satisfactory manner, recommendations ii, iii, iv, ix, xii, xiii, xv-xviii have been partly implemented, and recommendations xi and xiv have not been implemented. Compliance with the outstanding recommendations is dealt with below.

Preventing corruption and promoting integrity in central governments (top executive functions)

Recommendation ii

6. *GRECO recommended that (i) the codes of conduct for persons entrusted with top executive functions be harmonised or consolidated as the case may be, and complemented with appropriate guidance, including explanatory comments and*

¹ The Compliance procedure of GRECO's Fifth Evaluation Round is governed by its Rules of Procedure, as amended: Rule 31 revised bis and Rule 32 revised bis.

concrete examples, as well as with confidential counselling and (ii) a credible mechanism of supervision and sanctions be put in place.

7. It is recalled that this recommendation was partly implemented in the Second Compliance Report. The revision of relevant codes of conduct aimed at PTEFs was in progress and legislation enabling PTEFs to seek confidential counselling on integrity-related matters had been adopted and applied in practice. No new information had been reported to illustrate the strengthening of supervision and sanctions in cases of violations of codes of conduct.
8. The authorities of Iceland now report that the revision of the Code of Conduct for Government Offices Staff and the Code of Conduct for Ministers was completed in 2023 and the adopted Codes were published in the Legal Gazette on 13 October and 8 December 2023 respectively. As a result, the provisions of both Codes were aligned and their applicability to different categories of officials was clarified. In particular, it has been specified that the ministers are to adhere by to the Code of Conduct for Ministers when acting in that capacity, and in cases of ministers serving also as Members of Parliament, the Code of Conduct for parliamentarians would apply, when acting in their capacity as MPs. As regards other PTEFs, they are bound by the Code of Conduct for Government Offices Staff and the General Code of Ethics for the Civil Service. The latter contains overarching rules, addressing specific responsibilities and integrity requirements for all staff falling under its scope. In addition, the authorities indicate that in April 2024, the Institute of Ethics at the University of Iceland, in cooperation with the Prime Minister's Office, finalised the drafting of a handbook on the Code of Conduct for Ministers. The handbook provides detailed explanations of the rules contained in the Code, outlines the requirements they entail, and provides concrete examples illustrating their application in practice.
9. The authorities indicate that the process of the revision of the relevant codes of conduct was overseen by a Working Group appointed for this purpose by Prime Minister. Following the recommendations of the Working Group, the ministers approved the proposed amendments during a Cabinet meeting of 5 December 2023. The revision of the Code of Conduct for Government Offices Staff was also conducted through extensive consultation, which included a survey among civil servants on the existing Code and setting up an information page on the Intranet of the Government Offices regarding the provisions of the Code and consequences of its violations. This was followed by workshops in each ministry to discuss the Code and to provide practical examples of the expected behaviour. Based on these initiatives, the Working Group prepared amendments to the Code, which were published on the Intranet for comments from staff members prior to final adoption.
10. The authorities further submit that the revision of the Codes also aimed at achieving a better understanding among ministers and civil servants of the two Codes, raising awareness of the conduct expected, any uncertainties as to the compliance with the Codes, and consequences of non-compliance. The revision process also drew the attention to responsibilities of the Parliamentary Ombudsman, mandated to oversee that public administration is conducted in conformity with the law, good administrative practice, and applicable Codes of Conduct. In addition, the revision aimed at increasing awareness of role of the Prime Minister's Office in integrity-related matters and

emphasise the responsibility of each ministry in ensuring compliance. Finally, the authorities report that in June 2023, the Prime Minister's Office signed an agreement with the Ethical Institute of the University of Iceland, stipulating that the Institute is to provide advisory services to the Office on ethical matters. Following this, the Institute of Ethics has been tasked with developing educational material² concerning the two Codes of Conduct, encompassing courses and manuals with practical examples, complemented by seminars dedicated to ethics in public service.

11. GRECO takes note of the information provided by the authorities. The comprehensive process of revision of the two Codes of Ethics and the clarification of their applicability to relevant categories of officials, including ministers and other PTEFs is to be welcomed. The publication of a handbook on the Code of Ethics for Ministers will clearly advance this objective. It is also encouraging that further measures to raise awareness of them are in the making, including preparation of guiding and educational materials with specific examples regarding ethics in public service. With the confidential counselling already in place, as noted in the previous compliance report, GRECO is now satisfied that the first part of this recommendation has been complied with. As to the second part, the authorities provide no new information to illustrate that the supervisory mechanism envisaging sanctions for violations of the Codes of Conduct has been strengthened.
12. GRECO concludes that recommendation ii remains partly implemented.

Recommendation iii

13. *GRECO recommended that efficient internal mechanisms to promote and raise awareness of integrity matters among persons entrusted with top executive functions be established and properly implemented, including training at regular intervals.*
14. GRECO recalls that this recommendation was partly implemented in the Second Compliance Report. GRECO noted the on-going work to revise the relevant codes of conduct aimed at PTEFs, the provision of information materials and training for Government staff. However, these measures were not being pursued at regular intervals at the time, and most of them constituted work in progress, which was insufficient.
15. The authorities of Iceland now report that improving Ethics in Public Administration was among the priorities of the Prime Minister in 2023. Therefore, considerable emphasis has been placed by the Prime Minister's Office on promoting awareness of integrity matters. The authorities indicate that the revised Code of Conduct for Ministers makes it incumbent upon the Prime Minister to ensure regular training for ministers on the Code and to promote active dialogue within the Cabinet in this respect. The adoption of the revised Code of Conduct for Government Offices Staff and the Code of Conduct for Ministers (see paragraph 8 above) provided an occasion to raise public awareness of the significance of integrity in public administration. Further, in January 2023, the Prime

² The educational material mainly consists of a handbook for Government Offices Staff and five videos, each four to six minutes in length. The publication of the handbook is scheduled for June 2024. It provides detailed explanation of the Code of Conduct for governmental staff, and practical examples of their application. The educational videos, which will be made available on the website of the School for Central Government, cover topics such as the nature and purpose of codes of ethics, the importance of integrity for maintaining public trust, and the rationale behind each chapter of the Code of Conduct for ministers and Government Offices Staff.

Minister appointed a high-level Working Group, consisting of three permanent secretaries and a public administration specialist from the University of Iceland, tasked with evaluating the civil service system and the working conditions of government employees, in particular, with regard to top civil servants. Among other activities, the Working Group examined integrity matters and conducted workshops and seminars focusing on ethical and legal duties of public officials. Moreover, on 23 March 2023, the Prime Minister's Office hosted an open seminar entitled "Civil Servants in a Modern Democracy". The seminar focussed on the duty of public officials to uphold integrity in their official duties and stressed the importance of reporting illegal activities. On the same occasion, a workshop for all permanent secretaries took place, with the participation of the lecturers of the seminar. The workshop participants discussed legal and ethical framework for top civil servants in Iceland and other countries, as well as their duties in relation to elected officials. In addition, on 1-2 November 2023, another workshop for permanent secretaries has been conducted, focussing on integrity in public administration and responsibilities of top civil servants.

16. As previously mentioned, the Prime Minister's Office, in cooperation with the Institute of Ethics at the University of Iceland, is developing educational material focusing on the Code of Conduct for Ministers and the Code of Conduct for Government Offices staff (see paragraph 10 above). The Institute of Ethics is also preparing guidelines for annual discussions on integrity matters during staff meetings in ministries. In the autumn of 2024, the School for Central Government intends to launch a webinar on the Codes and ethics in public work and deliver a discussion-focused course on ethics in public work. Further training and awareness raising for PTEFs and other staff of the Governmental Offices regarding the Codes of Conduct and integrity matters will continue to be implemented by the Prime Minister's Office in the course of 2024.
17. GRECO takes note of the information provided. It notes with satisfaction the enhanced efforts to raise awareness among different officials, including PTEFs, of the existing integrity rules and their application in practice. An increasing participation in these trainings and the distribution of educational materials are also encouraging. Training and education activities on ethics and integrity in public service have now become more regular and the authorities seem to be adamant on continuing these initiatives, especially in light of the amended Codes of Conduct for ministers and civil servants. In light of these developments, GRECO is now satisfied that the requirements of this recommendation have been met.
18. GRECO concludes that recommendation iii has been implemented satisfactorily.

Recommendation iv

19. *GRECO recommended introducing rules on how persons entrusted with top executive functions engage in contacts with lobbyists and other third parties who seek to influence governmental legislative and other work.*
20. It is recalled that this recommendation was partly implemented in the Second Compliance Report. It was noted that guidance for public officials on their contacts with lobbyists and third parties was under preparation, but had not been finalised at the time.

21. The authorities of Iceland now report that on 5 December 2023, the Prime Minister's Office has issued guidelines for public officials covering the conduct of PTEF's (and other public officials) in their interaction with third parties and lobbyists. The guidelines outline the legal and ethical standards that govern communication between public officials and lobbyists and emphasise the obligation of lobbyists to report on their activities and the duty of public officials to guide lobbyists on this requirement. Furthermore, the guidelines include specific examples of expected behaviour, e.g. when gifts or other benefits are offered and emphasise the duty of public officials to report illegal behaviour of lobbyists. The guidelines also stress the duty of officials to uphold principles of equal and objective treatment, ensuring transparency, and taking all decisions on the basis of objective criteria. Finally, the guidelines also set out logging requirements and underline the obligation to provide information in the explanatory notes accompanying legal acts about individuals or private entities involved in formulating such acts. The authorities indicate that the guidelines have been distributed to ministries and published on the official website of the Prime Minister's Office.³
22. GRECO takes note of the information provided by the authorities. It welcomes the adoption of guidelines for public officials regarding their interaction with third parties and lobbyists, which appear to cover the necessary areas to promote transparency in this regard, including the duty to report illegal behaviour and the obligation to make public information as regards the legislative footprint of draft legal acts, disclosing the involvement of private persons and entities in their preparation. GRECO considers that the adoption of the guidelines, along with the previously adopted Act on Conflicts of Interest in the Government Offices (in force since 2021), addresses the concerns underlying this recommendation in an adequate manner.
23. GRECO concludes that recommendation iv has been implemented satisfactorily.

Recommendation ix

24. *GRECO recommended strengthening the credibility of the registration system for declarations of financial interests in respect of persons exercising top executive functions, by ensuring greater adherence to the rules through a system of monitoring, providing adequate advice and guidance, and implementing a mechanism of sanction when requirements are not observed.*
25. It is recalled that this recommendation was partly implemented in the Second Compliance Report. The fulfilment by nearly all PTEFs of their financial interest declarations obligations and the monitoring role of the Prime Minister in this regard had been noted. At the time, the authorities also intended introducing rules on the monitoring of adherence to the financial declaration system. However, GRECO underlined that specific sanctions for violations of declaratory obligations by PTEFs were still necessary, as "political consequences" alone were considered insufficient.
26. The authorities of Iceland now report that on 19 December 2023, the Prime Minister's Office presented to the Cabinet of Ministers the guidelines for PTEFs on the obligation to declare financial interests, which were adopted, distributed to permanent secretaries

³ <https://www.stjornarradid.is/rikisstjorn/sidareglur-hagsmunir-og-hagsmunaverdir/leidbeiningar-um-samskipti-vid-hagsmunaverdi/>

of ministries and published on the official website. The guidelines set out in detail the monitoring role of the Prime Minister's Office and the procedures in case of non-compliance with the Act on Conflicts of Interest in the Government Offices. According to the guidelines, the Prime Minister's Office must inform ministers, permanent secretaries and political advisers of their obligation to submit declarations. Permanent secretaries, in turn, must instruct of this obligation their office directors and ambassadors. The guidelines also establish the timeframe for submitting declarations to the Prime Minister's Office and outline repercussions of failing to adhere to submission deadlines. Any actual or suspected violations by PTEFs, except ministers, are to be reported to the relevant ministry, which has the authority to impose sanctions, including reprimand for minor breaches and dismissal for serious or repeated violations. As to ministers, individual breaches in this regard are to be notified by the Prime Minister to the Cabinet. According to the authorities, the guidelines further strengthen the monitoring role of the Prime Minister's Office and highlight specific responsibilities and duties of each ministry in ensuring compliance with the obligation to declare financial interests.

27. GRECO takes note of the information provided by the authorities. The adoption of the guidelines on the submission of declarations of financial interests by PTEFs is a welcome development, as it contributes to greater clarity regarding the rules and procedures, relevant responsibilities of the Prime Minister's Office and ministries, as well as consequences for failure to comply. That said, the authorities maintain a system where sanctions for violations of these rules by PTEFs, excluding ministers, are to be decided by ministries, and are limited to "political responsibility" in respect of ministers. Therefore, this aspect of the recommendation remains to be addressed.
28. GRECO concludes that recommendation ix remains partly implemented.

Preventing corruption and promoting integrity in law enforcement agencies

Recommendation xi

29. *GRECO recommended that (i) the Codes of Conduct for the Police and the Icelandic Coast Guard be complemented to address more broadly conflicts of interest and political activities, and so as to offer practical guidance through explanatory comments and practical examples on all corruption-related subjects, as well as confidential counselling and (ii) a credible mechanism of supervision and sanctions be clearly provided for.*
30. It is recalled that this recommendation was not implemented in the Second Compliance Report. GRECO noted the adoption of amendments to the Codes of Conduct for the Police and the Coast Guard, but did not have an opportunity to examine on substance these texts, as they had been adopted only recently at the time.
31. The authorities of Iceland now report that on 23 November 2023 the Code of Conduct for the Police and the draft Code of Conduct for the Coast Guard have been further updated and published on the official website of the Police and on the Intranet. The authorities specify that the draft Code of Conduct for the Coast Guard is based on the

updated Code for the Police and sets out the principles⁴ to be observed by staff of the Coast Guard, highlights the risks of conflicts of interest, including in recruitment procedures, respect for confidentiality, and establishes rules on seeking agreement prior to pursuing parallel activities and participation in political activity. The draft Code also stipulates that its violations may lead to complaints or reprimands. According to the authorities, its final adoption is planned for June 2024.

32. As to the confidential counselling, the authorities indicate that all police employees may benefit from at least 10 free consultations annually and provide an extensive description of various initiatives taken as of 2003 to address psychological and personal issues faced by police officers in relation to trauma and occupational environment. These include the setting an experimental contract, concluded by the Police in 2023 with the trauma and psychology centre for psychological services⁵ with an emphasis on trauma-related services. According to the authorities, one of the critical risk factors identified in the context of corruption in the police was personal issues, often associated with trauma and the occupational environment. In response to this risk, confidential psychological services for all police personnel were introduced in 2007, also providing a confidential platform for discussing ethical dilemmas. The authorities indicate that these services are used annually by 20-25% of police staff. Finally, the authorities inform of the intention to carry out a research project collaboration between the National Police Commissioners Office and the University of Akureyri later in 2024.⁶
33. Further, the Integrity Review Policy Document,⁷ issued by the National Commissioner of the Icelandic Police on 9 January 2024, envisages, in particular, safeguarding ethical values and providing guidance within the Police regarding main obligations and responsibilities of employees and facilitating decision-making in cases of ethical dilemmas. In this regard, the Integrity Review envisages three main categories of measures and lines of action: tools of integrity control,⁸ development process for the integrity management,⁹ and organisation of the integrity management programme.¹⁰ According to the Integrity Review Policy, police chiefs “shall take account of” this document in their daily work.
34. GRECO takes note of the information provided. It welcomes the adoption of the revised Code of Conduct for the Police, which sets out main principles relating to ethical conduct and integrity, such as transparency, confidentiality, gifts or concessions, conflicts of interest, conduct during and outside of the performance of official duties, as well as the

⁴ Including, in particular, honesty, objectivity, fairness, consideration, fidelity, discretion and professionalism.

⁵ The service provided under this contract include: 1. emergency services for groups following a traumatic experience 2. emergency services for individuals 3. introduction at the centre for Police training and professional development about occupational trauma and reactions related to them. According to the authorities, the counselling also includes discussions on ethical dilemmas.

⁶ According to the research model established by Fekjær and Peterson (2018) <https://www.tandfonline.com/doi/full/10.1080/10439463.2018.1467417>

⁷ The Integrity Review Policy Document consolidates key ethical standards and operating procedures to be applied in the Police to ensure integrity, transparency in recruitment and promotions, responsible financial management, observance of rules on gifts and concessions, the protection of whistleblowers, and envisages a revision of the human resource policy in the Police.

⁸ Consisting of the definition of integrity, instructions, education policy and monitoring.

⁹ Continuous cycles of organization, compliance, monitoring and implementation of integrity management and its maintenance within police offices.

¹⁰ Entailing division of responsibilities and coordination of continuous compliance.

use of social media. The Code also establishes that violations of its provisions may give rise to disciplinary measures, such as written reprimands.¹¹ The ethics and integrity principles feature prominently in a comprehensive Integrity Review Policy (see above), which provides a holistic approach to the implementation of the Code of Conduct for the Police, as well as training of Police employees regarding its content. These are without doubt encouraging steps, as they go in the right direction. Nonetheless, GRECO notes that the provisions of the Code do not sufficiently address the concerns which led to the present recommendation (see paragraphs 139 and 140 of the Evaluation Report). In particular, the Code does not contain any definitions of the principles it sets out. What is more, the Code contains no clear requirement of political neutrality of the police officers in their daily work. Further, while Appendix 1 to the Code contains certain questions for self-reflection for police employees, questions alone are not sufficient for providing the necessary guidance. Therefore, the Code would need to be complemented by practical examples of how a police officer is to act in a specific situation, as recommended. As to the Coast Guard, GRECO calls on the authorities to adopt the revised Code of Conduct, incorporating the additional aspects outlined in the present recommendation. Finally, no new measures have been reported regarding confidential counselling on ethics and integrity matters available to police employees.

35. GRECO concludes that recommendation xi has been partly implemented.

Recommendation xii

36. *GRECO recommended that regular training programmes and awareness raising measures on integrity and professional ethics be developed (covering conflicts of interest and other corruption prevention-related matters) for law enforcement bodies, taking into consideration their specificity, the variety of duties and their vulnerabilities.*
37. It is recalled that this recommendation was partly implemented in the Second Compliance Report. Training to the Police employees was being provided at the Education Centre of the National Commissioner of the Icelandic Police and the University of Akureyri. However, no information was submitted regarding training on anti-corruption matters for the Icelandic Coast Guard. At the time, training courses for the employees of the Coast Guard were expected to be reviewed by the end of 2022.
38. The authorities of Iceland now inform of the intention of the National Commissioner of the Icelandic Police to develop, as of the third quarter of 2024, specialised integrity training programmes and awareness-raising activities for all police employees at the Police Training and Professional Development Centre. Training courses under these programmes are expected to be in 2025 and will consist of a review and presentation of the procedures and policies of the Integrity Review Policy Document and will be integrated into basic education for criminal investigations, middle management courses and other education programmes. The authorities further report that a handbook on the integrity review for police employees has been published and includes examples of ethical problems and the ways of resolving them. As to the Coast Guard, training courses established for its employees cover the rights and duties of public servants, the

¹¹ In accordance with the Act on the Rights and Obligations of Government Employees (No.70/1996).

administrative law, integrity and professional ethics, conflict of interest issues and privacy and security law.

39. GRECO takes note of the information provided. It notes with interest the intention to transfer the training activities to the Police Training and Professional Development Centre and to develop a dedicated integrity training programme as of the third quarter of 2024. GRECO also notes that the induction and annual in-service training are among the measures envisaged under the Integrity Review Policy Document (see paragraph 32). The planned training arrangements, as described, appear to take into account the need to develop and provide regular training for police employees on integrity and ethics, covering conflicts of interest and other anti-corruption matters. However, these trainings are yet to be implemented. No new details regarding the number of training sessions conducted for the staff of the Coast Guard during the reporting period on ethics and integrity and the number of participants have been reported.
40. GRECO concludes that recommendation xii remains partly implemented.

Recommendation xiii

41. *GRECO recommended that (i) the role of the competence assessment committee in the selection of candidates at all levels be strengthened and that integrity checks be included in the recruitment process and periodically used (ii) vacancies as a rule be advertised and filled following a selection process based on clear criteria.*
42. It is recalled that this recommendation was partly implemented in the Second Compliance Report. GRECO took note of the abolition of the competence assessment committee and the transfer of the responsibility for recruitment decisions to Police Commissioners. GRECO also noted with satisfaction that the Minister of Justice has been overseeing the regular advertising of vacant positions within the Police and their appointment in accordance with clear criteria. However, it was not in a position to analyse the new recruitment procedures, which were in the making at the time as to whether they include the necessary integrity checks, and whether it envisages advertising of the vacancies in the Police, as recommended.
43. The authorities of Iceland now report that the Integrity Review Policy Document (see paragraph 32), also aims at ensuring observance of rules on competitive and transparent recruitment, promotion and reappointment procedures based on clear criteria and carrying out background checks where appropriate.
44. Further, the authorities indicate that on 2 May 2024, the National Commissioner of the Icelandic Police issued Operating Procedures on Police Recruitment, consisting of seven articles, which regulate in detail the scope of application of the Procedures, assessment of recruitment needs, preparation for the recruitment process, selection committee, recruitment interviews, hiring and storage of data and the right to access information generated during the recruitment process. In particular, the Operating Procedures stipulate that all vacancies in the Police should, as a general rule, be advertised, with some exceptions.¹² Vacancies for public servant jobs in the Police should be published

¹² Exemptions from obligation to advertise vacant posts include projects of a duration of two months or less; temporary positions (to fill in for employees on leave, sickness etc.) of no longer than one consecutive year;

in the Legal Gazette and the state jobs forum and should allow at least a 14-day deadline to apply, while vacancies for general state employees – at least 10-day application deadline. While the Procedures make it possible to establish a selection committee, the main responsibility for recruitment decisions upon completion of the competition is vested with the relevant police chiefs, who may conduct the recruitment procedure without setting up a selection committee.¹³ The criteria for the assessment of candidates is determined on the basis of the requirements of the vacant post, including any necessary changes in these requirements. The initial examination of applicants' files may lead to interviews, which are to be conducted through standardised questions, addressed in the same order to every applicant, with the purpose of selecting the most qualified candidate.

45. As regards background checks, the Integrity Review Policy stipulates that no one can be appointed or hired with the Police who has been convicted of a criminal act, after 18 years of age, that can be regarded as disgraceful in the eyes of the ordinary public or have displayed conduct that may diminish the trust that police employees are generally required to enjoy.¹⁴ Background checks¹⁵ to verify previous criminal records are made by consulting the criminal records register and the police case logbook prior to making decisions on recruitment, transfer of employees between offices, promotions and reappointments. According to the authorities, a standardised background check procedure for integrity assessment will be implemented as of the second quarter of 2024 and will include verification of previous criminal records and broader checks regarding corruption risks, covering all information and data available to the police, including applicants' behaviour in previous work or personal lives.
46. Finally, the authorities refer to the checklist issued in 2014 by the Ministry of Finance and Economic Affairs entitled "The Beginning of a job – Recruitment" and the manual on "Recruitment for state agencies". This checklist requires, in particular, that all vacancies be advertised, both official positions, as well as other civil service jobs.¹⁶
47. GRECO takes note of the information provided. Regarding the first part of the recommendation, GRECO notes that the role of selection committees has been clearly

vacancies advertised within the past six specifying that they would be in effect for six months; vacancies under temporary market measures provided by the government and labour market entities; part-time jobs for persons with reduced working capacity; temporary acting appointments.

¹³ Each police jurisdiction (usually, the Police Chief) determines the composition of the selection committee in accordance with each appointment. Compared to previously abolished competence assessment committees, selection committees have a broader role in selecting the most qualified candidate, as they take part throughout the entire hiring procedure, including interviews. At the end of the procedure, the selection committee presents a comprehensive analysis on individual candidates and an assessment to the Police Chief as to which candidate is most qualified for the relevant position. While the decision as to whether to set up a selection committee for a particular recruitment procedure pertains to the Police Chief, and the assessment of the committee is advisory, should a Police Chief not select the candidate recommended by the selection committee, such decision must be reasoned. This reasoning may be used by an unsuccessful candidate in administrative and judicial review proceedings.

¹⁴ As per Article 28 (e) of the Police Act No. 90/1996.

¹⁵ The Integrity Review Policy further states that background checks are to be conducted in accordance with Item a, Articles 28 and 38 of the Police Act, the Code of Conduct for the Police, the Government Employees Act, the Administrative Procedures Act No. 37/1993, and applicable procedures set out by the National Commissioner of the Icelandic Police.

¹⁶ As per Article 7 of the Government Employees Act No. 70/1996.

defined in the Operating Procedures on Police Recruitment. The involvement of this collective body in the recruitment procedure is optional and, while its role appears to have been strengthened, the final decision rests with the relevant chief of police. An obligation of a police chief to present a reasoned justification for not recruiting the candidate assessed by the selection committee as the most qualified provides an adequate safeguard in recruitment procedures. However, a decision of a police chief not to appoint a selection committee for a specific recruitment procedure requires no such justification. Further, the proportion of recruitment decisions taken individually by police chiefs, without the involvement of a selection committee, is not known, which does not allow assessing whether the current recruitment procedures are in line with the recommendation. As regards integrity checks, GRECO notes that the Integrity Review Policy Document requires conducting of background checks to verify any previous criminal records, compliance with the Code of Conduct for the Police and other relevant legislation. A new procedure envisaging broader integrity checks is expected to be put to use as of the second quarter of 2024. This goes in the right direction and would strengthen the comprehensive nature of integrity checks in the context of police recruitment.

48. As to the second part of the recommendation, GRECO notes with satisfaction that the newly adopted Operating Procedures on Police Recruitment aim to achieve a homogenous approach in hiring, establish a general rule to advertise vacant jobs, and put in place a selection procedure based on clear criteria, stemming from specific requirements of advertised vacant posts. The second part of the recommendation has therefore been complied with.
49. Overall, GRECO recognises the progress made. However, until further evidence is available of the regular resorting to selection committees, which now have a more instrumental role than their predecessor competence assessment committees, and the broadened scope of integrity checks is in use, GRECO cannot consider this recommendation as implemented more than partly.
50. GRECO concludes that recommendation xiii remains partly implemented.

Recommendation xiv

51. GRECO recommended that clear, fair and transparent criteria, based on merit, be introduced for the non-renewing of contracts for law enforcement officers as well as clear appeal possibilities to challenge such decisions.
52. It is recalled that this recommendation was not implemented in the Second Compliance Report. The authorities reiterated the provisions already in force at the time of the adoption of the Evaluation Report and indicated that an analysis of legislation on the non-renewal of police officers' contracts was necessary. However, no tangible progress was demonstrated at the time.
53. The authorities of Iceland now submit that a working group established by the National Commissioner of the Icelandic Police is developing specific procedures for reappointments and non-renewal of contracts, which will be issued in the last quarter of 2024. In addition, the authorities also refer to the Integrity Review Policy Document

(see paragraph 32 above), which stipulates that “*decisions on career advancements and reappointments are based on existing objective and transparent data by which the employees are assessed. This includes the former performance of the employee, such as results from career development meetings, management assessment, criticism, written complaints, and lodged complaints.*”

54. GRECO takes note of the information submitted by the authorities. The on-going work on procedures regarding reappointments and renewal of contracts for police officers is promising, but it has not materialised yet. GRECO notes that, according to the Operating Procedures on Police Recruitment, public servants are appointed to their position for five years, including in the Police. This maintains the risks and vulnerabilities in the career of law enforcement officials, highlighted in the Evaluation Report (paragraph 167). GRECO will be in a position to reassess the implementation of the present recommendation, once the relevant text has been provided, and adopted by the Icelandic authorities. At present, given the absence of tangible steps to remedy the concerns underlying this recommendation, it cannot be considered as implemented, even partly.
55. GRECO concludes that recommendation xiv remains not implemented.

Recommendation xv

56. *GRECO recommended that robust sets of rules be elaborated for the Police and for the Icelandic Coast Guard concerning the acceptance of gifts, hospitality and other benefits.*
57. It is recalled that this recommendation was partly implemented in the Second Compliance Report. The adoption of rules on gifts and other benefits applicable to all police officers, defining relevant concepts, providing detailed exceptions regarding acceptable gifts, concrete examples and sanctions for violations was welcomed. However, similar rules had not been adopted in respect of the Coast Guard staff at the time.
58. The authorities of Iceland now report that the adoption of Rules and Guidelines for gifts and other benefits in connection with the activities of the Icelandic Coast Guard regarding gifts is expected in the course of June 2024. The draft Rules and Guidelines prohibit the use of the position by the Coast Guard employees to obtain personal favours of such a nature that may allow assuming to influence the processing, actions or decisions regarding the activities of the Coast Guard. Such favours include gifts, trips, hotel accommodation, refreshments, discount terms, loans, or other favours. The Rules also establish that exceptionally, employees are permitted to receive or give gifts on special occasions, but these should be “modest and in accordance with normal standards”, with their value not exceeding €100. Observance of these rules is to be ensured by the Director, and violations may lead to written complaints or reprimands. Finally, the draft Rules provide for a checklist of questions to guide the Coast Guard staff in determining whether gifts or discounts offered may be accepted.
59. GRECO takes note of the information provided. It notes that the draft Rules on Gifts and other benefits contains clear restrictions as to whether and when gifts and other favours may be accepted, or should be declined. The forthcoming adoption of these Rules would

adequately address the present recommendation. GRECO therefore calls upon the authorities to enact the relevant rules on gifts and other benefits applicable to all staff of the Coast Guard and to ensure their effective implementation in practice, through appropriate supervision and sanctions for any violations.

60. GRECO concludes that recommendation xv remains partly implemented.

Recommendation xvi

61. *GRECO recommended that a study be conducted on the practice of parallel or post-employment activities of law enforcement officers and in the light of the results, to adopt a stricter framework which would limit risks of conflicts of interest.*
62. It is recalled that this recommendation was partly implemented in the Second Compliance Report. While the regulatory framework on parallel activities had been adopted earlier, a similar regulation regarding post-employment restrictions was in the making, but was not finalised at the time.
63. The authorities of Iceland now submit that the National Commissioner for the Icelandic Police carried out an informal review¹⁷ of the need for restrictions on post-employment activities of police officers. According to the authorities, the findings suggest that post-employment activities do not in general pose a risk of conflicts of interest and the National Commissioner received no information on any concrete cases containing such risks. In addition, the authorities reiterate that all police employees sign a confidentiality agreement, which must be observed both during and after their employment. In light of the conclusions of the above review, the Ministry of Justice takes the view that there is no need to conduct a study on post-employment activities of police employees. According to the Ministry, the rules on restrictions on parallel employment are considered to provide a sufficiently strict framework in the Police.
64. GRECO takes note of the information provided. It would appear that the intention to adopt specific regulations regarding post-employment restrictions applicable to all employees of the Police has been rescinded. While GRECO appreciates an informal review by the National Commissioner on possible risks of conflicts of interest once police officers leave office, a verification of notifications received by the National Commissioner cannot be regarded as a study in the meaning of the present recommendation. Further, GRECO remains concerned over the absence of any safeguards to prevent conflict-of-interest risks regarding post-employment activities of former police officers in the future. In this regard, GRECO refers to the findings of the Evaluation Report (paragraph 181), which refer to *“significant movements to the private sector given the absence of “revolving doors” limitations and related cooling-off periods”*, as well as *“cases in which former officers of law enforcement agencies started to work in companies or do business linked to their previous job in the police.”* In GRECO’s view, such situation would be at odds with the requirement that *“the public official should not take improper advantage of his or her public office to obtain the opportunity*

¹⁷ According to the authorities, the informal review consisted of checking whether the NCIP received any notifications on cases of post-employment conflict of interests. It revealed that no such information or notifications have been received. The results of the review were communicated to the Ministry of Justice, but no written report or other document has been prepared as a result of the review.

of employment outside the public service” (Article 26 of Recommendation no. R(2000) 10 on codes of conduct for public officials). Therefore, this aspect of the recommendation remains to be addressed in a comprehensive manner.

65. GRECO concludes that recommendation xvi remains partly implemented.

Recommendation xvii

66. *GRECO recommended that (i) a central unit be established or designated within the police structure to deal with internal supervision and inquiries, under the responsibility of the National Police Commissioner who should have in practice a clear leadership for internal policies, including on integrity, and risk management and supervision; and (ii) the chain of command be reviewed to ensure the effective implementation of such policies, without ministerial and political interference.*
67. It is recalled that this recommendation was partly implemented in the Second Compliance Report. The adoption of new regulation, clarifying the role of the National Commissioner of the Icelandic Police, setting up the Police Council and enhancing the role of the Police Supervisory Committee in relation to violations of ethical or integrity-related conduct was welcomed. However, further reorganisation within the Police was yet to be completed at the time, with a view to strengthening internal control and the role of the National Commissioner in this respect, in light of the conclusions of the audit carried out in 2020 by the Independent Audit of State Accounts.
68. The authorities of Iceland now report that, following the approval in 2021 of new regulation regarding the National Commissioner of the Icelandic Police, the role of this institution as a central coordinating authority within law enforcement has been enhanced. In carrying out its newly established coordinating functions, the National Commissioner issued, for instance, the new Code of Conduct for the Police, rules for the protection of whistleblowers, the Integrity Review Policy Document, and procedural rules on the provision of files and documents to the Police Supervisory Committee.
69. Further, the authorities report that draft amendments to the Police Act were submitted to Parliament in 2023 to reflect the findings of the administrative audit carried out in 2020. According to the authorities, the amendments aim to establish an independent internal quality control unit within the National Commissioner, to be headed by an independent commissioner to be appointed by the Minister of Justice for a period of five years with the task of promoting better law enforcement and supervising performance of Police employees’ duties in accordance with the legislation, regulations and procedures in force. In addition, the draft envisages further strengthening of the Police Supervisory Committee by increasing the number of its members will be increased from three to five and transforming the position of the Chair of the Police Supervisory Committee into a full-time position, appointed by the Minister of Justice for a period of five years. Finally, the authorities take the view that the approval of the regulation regarding the National Commissioner, and the expected adoption of amendments to the Police Act, the chain of command in the Police will be clarified and will contribute to the effective implementation of the recommended policies and internal controls. The authorities submit that the draft amendments will be submitted to Parliament in January 2024 with the intention of final adoption in June 2024.

70. GRECO takes note of the information provided by the authorities. It is pleased to see that the previously reported strengthening of the role and function of the National Commissioner is evidenced by practical steps taken by this office in the areas of promoting ethics and integrity (issuing of the Code of Conduct for the Police, the Integrity Review Policy and other relevant procedures). These positive steps had already been recognised in the previous compliance report. GRECO notes that a proposal has been tabled before Parliament to further strengthen internal control through the establishment of a dedicated unit under the National Commissioner. This initiative, which addresses the first component of recommendation xvii, is yet to effectively materialise.
71. As to reviewing the chain of command in the Police to ensure the effective implementation of internal policies without ministerial and political interference, GRECO takes note that legislative amendments have been submitted to Parliament with the intention to address these issues, among others. However, the adoption of these amendments is still pending.
72. GRECO concludes that recommendation xvii remains partly implemented.

Recommendation xviii

73. *GRECO recommended that clear rules on whistleblower protection be developed and implemented for law enforcement officers, to complement the existing reporting duty under the rules of conduct.*
74. It is recalled that this recommendation was partly implemented in the Second Compliance Report. The entry into force of the Act on Whistleblower Protection (No. 40/2020) was welcomed and GRECO was looking forward to examining awareness-raising and training measures to ensure the implementation of this legislation in practice.
75. The authorities of Iceland now report that to further complement the Act on Whistleblower Protection and provide effective protection to Police employees reporting in good faith possible corruption and other violations, the National Commissioner of the Icelandic Police issued, on 23 November 2023, the “Procedures on the Protection of Whistleblowers when employees disclose information on violations of law or other objectionable conduct.” These Procedures consist of six operational articles, setting out the scope and object, definitions, internal and external disclosure, measures for whistleblower protection, and registration of whistleblower cases. Training on whistleblower protection is provided to Police officers in the form of regular seminars at the Centre for Police Training and Professional Development and through online seminars for the police in general.
76. GRECO takes note of the information reported. It welcomes the adoption of the Procedures on the Protection of Whistleblowers, which provides greater clarity on several key issues in this area. In particular, the Procedures allow reporting, in good faith, violations of law or other conduct which may be contrary to the legislation and regulations, including on ethics and integrity, internally, i.e. within the police (to

immediate or another supervisor within the office), including anonymously through the whistleblower portal of the police, as well as to other public bodies, such as the District Prosecutor, the Police Supervisory Committee, the Parliamentary Commissioner, the State Auditor, the Administration of Occupational Safety and Health, as well as the Minister of Justice. Upon exhaustion of these internal reporting channels, police employees may also report wrongdoings to external channels, including the media. The Procedures also set out detailed measures to protect whistleblowers, including the exclusion of criminal or administrative liability for such reporting, as well as protection from discriminatory, disciplinary or retaliatory measures at workplace. In cases of court disputes as to the lawfulness of disclosures, whistleblowers are entitled to legal aid in district courts, the Appeal Court and the Supreme Court. The Procedures stipulate that the protective measures remain in place even after the role of the whistleblower in the Police is terminated.

77. GRECO concludes that recommendation xviii has been implemented satisfactorily.

III. CONCLUSIONS

78. **In view of the foregoing, GRECO concludes that Iceland has implemented satisfactorily or dealt with in a satisfactory manner nine of the eighteen recommendations contained in the Fifth Round Evaluation Report.** Of the remaining recommendations, eight have been partly implemented and one not been implemented.
79. More specifically, recommendations i, iii-viii, x and xviii have been implemented satisfactorily or dealt with in a satisfactory manner, recommendations ii, ix, xi-xiii, xv-xvii have been partly implemented, and recommendation xiv has not been implemented.
80. With respect to persons entrusted with top executive functions (PTEFs), tangible measures have been taken to address some of the recommendations. GRECO welcomes the revision of the Codes of Ethics applicable to PTEFs. Efforts to raise awareness among public officials, including PTEFs, of the existing integrity rules, and their increasing participation in trainings, now provided more frequently, are also encouraging. Further, the recently adopted guidelines for interaction with lobbyists and other third parties aiming to influence the decision-making adequately address the need to promote transparency in this regard. Putting in place clear rules on the submission of declarations of financial interests by PTEFs is another welcome development. A supervisory mechanism envisaging specific sanctions for breaches, be it of the rules of ethical conduct, or of the rules on the submission of financial interest declarations, is yet to be established. At present, the accountability system of ministers is still limited to political responsibility.
81. As regards law enforcement agencies, GRECO welcomes the comprehensive Integrity Review Policy, which puts to the forefront the need to safeguard and promote integrity, sets out the principles of transparent recruitment, establishes detailed rules and procedures for the protection of whistleblowers, and envisages enhanced training of police employees on ethics and integrity. The new rules requiring advertising of vacancies in the Police and fostering a consistent approach to recruitment, through a selection procedure based on clear criteria, are also a welcome development. However,

public servants in the Police continue being appointed for a limited duration, and fair and transparent criteria for the non-renewal of their employment contracts are still lacking. Several other issues remain to be addressed. While a revised Code of Conduct for the Police and the rules on gifts for its employees have been enacted, and a roll-out of a revamped training programme for police employees on integrity-related matters is imminent, similar steps need to be taken in respect of the Icelandic Coast Guard. The practice of post-employment activities of law enforcement officers needs to be thoroughly examined, and, based on the results of a proper study, a stricter framework be developed in this respect. Finally, the amendments to the Police Act, currently under consideration, should bring about a review of the chain of command so as to minimise risks of undue political influence in daily operation of the Police. Further developments are also in the pipeline to strengthen internal control in the Police, notably, by establishing a dedicated unit under the National Commissioner.

82. In view of the above, GRECO concludes that Iceland is not in sufficient compliance with the recommendations contained in the Fifth Round Evaluation Report within the meaning of Rule 31 revised bis, paragraph 10 of the Rules of Procedure. GRECO therefore decides to apply Rule 32 revised, paragraph 2 (i) and asks the Head of delegation of Iceland to provide a report on the progress in implementing the outstanding recommendations (i.e. recommendations ii, ix, and xi-xvii) by 30 June 2025.
83. In addition, in accordance with Rule 32 revised, paragraph 2, sub-paragraph (ii.c) of the Rules of Procedure, GRECO invites the Secretary General of the Council of Europe to send a letter – with a copy to the Head of delegation of Iceland – to the Minister of Foreign Affairs of Iceland, drawing attention to non-compliance with the relevant recommendations and the need to take determined action with a view to achieving tangible progress as soon as possible.
84. Finally, GRECO invites the authorities of Iceland to authorise, as soon as possible, the publication of the report, to translate it into the national language and to make the translation public.