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United Nations Office on Drugs and Crime

Reference: CU 2015/58/DTA/CEB

The Secretariat of the Conference of the States Parties to the United Nations Convention against Corruption presents its compliments to the permanent missions and permanent observer missions to the United Nations (Vienna and New York) and has the honour to draw the attention of the Government to the recommendations of the Open-ended Intergovernmental Working Group on Prevention, established by the Conference of States Parties to the United Nations Convention against Corruption in its resolution 3/2 entitled “Preventive Measures”.

As approved by the Conference in its resolution 5/4 entitled “Follow-up to the Marrakech Declaration on the Prevention of Corruption” and in accordance with the conclusions of the Working Group at its fifth intersessional meeting held in Vienna from 8 to 10 September 2014 (CAC/COSP/WG.4/2014/5, paragraph 8), the topics for discussion at the forthcoming sixth intersessional meeting of the Working Group to be held in Vienna from 31 August to 2 September 2015 will be:

- (a) Measures to prevent money-laundering (art. 14);
- (b) Integrity in public procurement processes and transparency and accountability in the management of public finances (arts. 9 and 10).

Collection of information prior to the sixth meeting of the Working Group: The Working Group had recommended at its second intersessional meeting that in advance of each future meeting of the Working Group, States parties should be invited to share their experiences of implementing the provisions under consideration, preferably by using the self-assessment checklist and including, where possible, successes, challenges, technical assistance needs, and lessons learned in implementation (CAC/COSP/WG.4/2011/4, paragraph 12).

The United Nations Office on Drugs and Crime therefore seeks the cooperation of all States parties and signatories to the Convention in providing pertinent information on their relevant initiatives and practices to the Secretariat in relation to the topics for discussion at the sixth intersessional Working Group meeting as outlined above.

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..... In order to assist States parties and signatories in the provision of the requested information, the Secretariat has produced a Guidance Note (attached as Annex I) outlining the type of information States parties and signatories may wish to provide in relation to each topic under consideration.

States parties are also encouraged to provide the Secretariat with information on other preventive anti-corruption measures they have adopted in accordance with Chapter II of the Convention that they consider as being of particular interest to the Working Group or information on any action they have taken following meetings of the Working Group, using material produced by the Working Group or the Secretariat, through the sharing of good practice examples, the facilitation of exchanges or the provision of support to or from other States parties, in fulfilment of the mandates received by the Conference. In collecting and disseminating this information the Secretariat hopes to facilitate the sharing of best practices between States parties and signatories and to continue to fulfil its role as an observatory of good practices in relation to the prevention of corruption as mandated in resolution 5/4 of the Conference. As in previous years, the Secretariat will make all submissions provided available online on the website of the Working Group unless a contrary wish is indicated by States parties when providing the relevant information.

The Secretariat would be grateful if the Government send any pertinent information to the Secretary of the Conference of the States Parties to the United Nations Convention against Corruption, Corruption and Economic Crime Branch, United Nations Office on Drugs and Crime, Vienna International Centre, P.O. Box 500, 1400 Vienna, Austria, Fax: +43 1 26060 6711 or to e-mail uncac.cop@unodc.org, at its earliest convenience, **but not later than 24 April 2015**.

10 March 2015



Annex I

Guidance Note for the provision of information by States parties and signatories for the sixth intersessional meeting of the Working Group on Prevention on 31 August to 2 September 2015;

1. The Secretariat has produced this Guidance Note to assist States parties and signatories in providing information on initiatives and practices they have implemented regarding the two topics under consideration at the sixth intersessional meeting of the Working Group on Prevention taking place from 31 August to 2 September 2015.

2. The Secretariat wishes to recall paragraph 12 of the report of the Working Group on Prevention on its second intersessional meeting, which noted that in advance of each meeting, States parties and signatories should be invited to share their experiences of implementing the provisions of the Convention under consideration, preferably by using the self-assessment checklist.

3. In furtherance of this, the Secretariat outlines a set of questions, based on those in the self-assessment checklist, which States parties and signatories may wish to use as a guide when providing information regarding the two topics under consideration. States parties and signatories are encouraged to view the questions below only as guidance and are free to provide any information believed to be relevant to the topics under consideration.

I - Information requested from States parties and signatories in relation to integrity in public procurement processes and transparency and accountability in the management of public finances (arts. 9 and 10).

- 1. Please describe (cite and summarize) the measures/steps your country has taken has taken (or is planning to take) to implement this provision of the Convention.**

In relation to integrity in public procurement processes, States parties and signatories may wish to cite and describe measures that:

- Ensure the national procurement system is based on principles of transparency, competition and objective criteria in decision-making; establishing in advance the conditions for participation, including selection and award criteria and tendering rules;
- Provide for sufficient time to potential tenders to prepare and submit their tenders and using by default an open tender procedure;
- Provide for transparent publishing of all procurement decisions including publishing the invitations to tender;

- Establish procedures, rules and regulations for review of the procurement process, including a system of appeal;
- Provide for a thorough selection of personnel responsible for procurement, including screening procedures; as well as establishing a conflict of interest management system with declarations of interest and methods to resolve conflicts in particular cases;
- Put in place other administrative practices promoting integrity in procurement (such as the rotation of personnel, debarment procedures, etc.).

In relation to measures to promote transparency and accountability in the management of public finances, States parties and signatories may wish to cite and describe measures that:

- Provide for transparent and public procedures for adopting of the national budget, that specify the type of information required as part of the submission to the legislature, with opportunity for public input and debate;
- Ensure that reporting on revenue and expenditure is public, timely and regular, and that there are consequences for the responsible agency and officials for failure to report at all or in a timely fashion;
- Ensure that effective system of accounting and auditing is put in place and that there is effective oversight over the budgetary revenue and expenditure with regular training and accreditation requirements for government accountants and auditors;
- Ensure that effective and efficient system of risk management and internal control is put in place, with clear allocation and description of the roles and responsibilities and description of how the offices responsible for risk management and internal control maintain, organize and store records;
- Provide for corrective action in case of failure to comply with the legal requirements, with description of the procedure for oversight and implementation.

In relation to civil and administrative measures to preserve the integrity of accounting books, records, financial statements or other documents related to public expenditure and revenue to prevent the falsification of such documents, States parties and signatories may wish to cite and describe measures that:

- Put in place a mechanism for recording, storing and preserving the integrity of accounting books, records, financial statements and other related documents, including national archiving or other recordkeeping institution; and sanctioning for falsification;
- Define a general schedule of records retention and disposition, including controls or security standards;
- Establish policies and procedures regarding the storage and preservation of electronic records, including security measures;

In relation to public reporting, States parties and signatories may wish to cite and describe measures that

- Put in place a system of transparency for the public administration including obligation to proactively publish information on the risks of corruption;

- Provide for members of the public to have the right and opportunity to access information on the organization, functioning and decision-making processes of the public administration, as well as their decisions and legal acts;
- Facilitate public access to the competent decision-making authorities.

2. Please outline actions required to strengthen or improve the measures described above and any specific challenges you might be facing in this respect.

Examples of the types of challenges States parties and signatories may have faced include:

- Challenges in developing the proper legislative framework;
- Coordination challenges between government agencies responsible for integrity in procurement and management of public finances and other bodies;
- Communication challenges between government bodies, agencies responsible for integrity in procurement and management of public finances, and business community representatives;
- Other implementation challenges; and
- Financial challenges with respect to maintaining sufficient and consistent funding for government bodies and other government agencies responsible for integrity in procurement and management of public finances.

3. Do you require technical assistance in relation to the measures described above? If so, please specify the forms of technical assistance that would be required. In case you have received or are receiving technical assistance to implement these measures, please indicate so in your response.

II. Information requested from States parties and signatories in relation to measures to prevent money-laundering (art. 14)

1. Please describe (cite and summarize) the measures/steps your country has taken has taken (or is planning to take) to implement this provision of the Convention.

States parties and signatories may wish to cite and describe measures that:

- Establish a comprehensive domestic regulatory and oversight regime to deter and detect money-laundering;
- Show that, at minimum, banks and non-bank financial institutions ensure effective customer and beneficial owner identification, monitoring of transactions accurate record-keeping, and have in place a reporting mechanism on suspicious transactions;
- Extend the requirements mentioned above to other bodies particularly susceptible of money-laundering;

- Ensure that agencies involved in anti-money laundering can cooperate and exchange information at national and international levels;
- Consider or establish financial intelligence units (FIUs);
- Consider or become part of anti-money laundering (AML) networks (such as FATF, FSRBs, Egmont Group);
- Require individuals and businesses to declare/disclose cash border transportation and other negotiable instruments;
- Require financial institutions, including money remitters to meaningfully identify originator of electronic transfer of funds; maintain such information throughout the payment chain and apply enhanced scrutiny to transfers lacking complete information on originator or beneficiary;
- Refer to or use as a guideline regional or multilateral anti-money laundering initiatives;
- Demonstrate use of mutual legal assistance, administrative or judicial cooperation in cases of money-laundering among law enforcement, judicial authorities and financial regulatory authorities;
- Regulate cooperation and information exchange with relevant agencies (for instance on matters related to asset declarations, real estate transactions, tax matters).

Please note that measures that you have taken in relation to article 52 may also be relevant to your implementation of this provision. Likewise, measures you have taken in relation to articles 38-39 of UNCAC may also be relevant here.

2. Please outline actions required to strengthen or improve the measures described above and any specific challenges you might be facing in this respect.

Examples of the types of challenges States parties and signatories may have faced include:

- Financial and technical capacity challenges with regard to the ability of agencies involved in combating money-laundering to cooperate and exchange information at the national and international levels;
- Coordination challenges among relevant agencies responsible for combating money-laundering with regard to global, regional and bilateral cooperation;
- Challenges with regard to monitoring the compliance of banks and other reporting entities with the AML preventive measures.

3. Do you require technical assistance in relation to the measures described above? If so, please specify the forms of technical assistance that would be required. In case you have received or are receiving technical assistance to implement these measures, please indicate so in your response.