

Annex 1 [Note verbale reference: CU 2023/225/DTA/CEB/CSS]

“Links between corruption and other forms of crime”

States parties are invited to provide relevant information in line with paragraph 22 of resolution 9/1¹, in which the Conference:

*Encourage[d] States parties to further explore and enhance their knowledge of the **links between corruption and other forms of crime, in particular organized crime and economic crime, including money-laundering, including during times of emergencies and crisis response and recovery**, to better strengthen integrity, transparency and accountability, and invite[d] the secretariat, within existing resources, to compile a report in this regard on the voluntary information provided by States parties and submit it to the Conference at its tenth session [emphasis added].*

States parties may wish to take a broad view of “other forms of crime” when responding to this questionnaire, which may include all forms of organized crime and economic crime, as well as other crime, among others.

Contact Information

Please provide contact details for potential follow-up questions. Contact details will be treated confidentially.

Country: European Union

Government Agency: EU Commission

Department: DG HOME

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¹ In July 2022, the secretariat sent out note verbale CU 2022/264(A)/DTA/CEB/CSS inviting States parties to provide information on good practices and challenges concerning international cooperation to further prevent, identify, investigate and prosecute corruption during times of emergencies and crisis response and recovery, in line with paragraphs 22 and 23 of resolution 9/1 entitled “Sharm el-Sheikh declaration on strengthening international cooperation in the prevention of and fight against corruption during times of emergencies and crisis response and recovery”. As at 11 October 2022, the secretariat had received responses from 23 States parties, which were analysed in a note prepared by the secretariat, entitled “Best practices and challenges concerning international cooperation in combating corruption during times of emergencies and crisis response and recovery, and efforts to further explore and enhance knowledge of the links between corruption and other forms of crime” [CAC/COSP/EG.1/2022/CRP.1]. Responses were received from the following States parties: Australia, Bahrain, Belarus, Brazil, Bulgaria, Chad, Chile, Egypt, El Salvador, European Union, France, Georgia, Italy, Mexico, Republic of Moldova, Myanmar, Panama, Portugal, Romania, Saudi Arabia, Spain, Türkiye and the United States of America.

Questionnaire

Corruption may contribute to impunity for other types of crime by providing the leverage to facilitate and execute them, and to make them invisible, and often exacerbates those crimes through the involvement of powerful elites and individuals. Corrupt behaviour (such as violating duties, accepting or transferring bribes, and facilitating transactions, as well as ignoring or failing to follow-up on information that a crime may be taking place) may serve an enabler of other crimes by allowing for the enrichment of criminals and incentivizing individuals in the public and private sector to facilitate their operation. Other crimes can therefore flourish and in turn provide a basis for a wide range of corrupt behaviour.

This questionnaire is structured into two parts: Part 1 considers steps taken to understand the links between corruption and other forms of crime, while Part 2 focuses on the measures aimed at responding to corruption linked with other forms of crime.

I. Understanding the links between corruption and other forms of crime

1. Has your country undertaken any analyses or assessments to better understand the interlinkages between corruption and other forms of crime, including typologies of crime and how corruption may be used to facilitate and enable organized crime, economic and other crime, and vice versa? **YES/NO.**

Yes

- a. If **YES**, was such analysis carried out through formal risk assessments or other methods? Please describe.

In accordance with the EU Strategy to tackle Organised Crime 2021-2025 (available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021DC0170&qid=1632306192409>) the Commission will (...): Propose a way forward to address lawful and targeted access by law enforcement authorities to encrypted information in the context of criminal investigations. This approach should be based on a thorough **mapping** of how member states deal with encryption and on a multi-stakeholder process to explore and assess the concrete lawful options. The mapping and the process are ongoing at this time.

The economic and social harms from serious and organised crime (SOC) are multifaceted and wide-reaching, and span the individual, community and societal level. Appropriate targeting of resources to tackle SOC relies upon accurate information about the extent and nature of the phenomenon. However, the hidden nature of SOC means that measuring its size and scale is inherently challenging. The European Commission, DG Migration and Home Affairs, commissioned and published a study ‘Mapping the risk of serious and organised crime infiltrating legitimate businesses’ to improve the evidence-base in relation to SOC in the EU, available at <https://op.europa.eu/en/publication-detail/-/publication/ab3534a2-87a0-11eb-ac4c-01aa75ed71a1/language-en>

In line with the commitment made in the EU’s 2021-2025 Organised Crime Strategy, the European Commission contracted a study to review the EU’s body of law in the fight against corruption. The study “Strengthening the fight against corruption: assessing the EU legislative and policy framework”, carried out by a consortium of EY and the RAND Corporation, was

published on 3 January 2023². It analysed the gaps in the EU legislative framework in the area of corruption prevention and repression, and provided recommendations for possible EU measures to address these gaps, by assessing and comparing the impacts of such measures.

The study concluded that closer legislative alignment between EU Member States, flanked by supporting soft measures, would have the biggest impact on the fight against corruption. Specifically, the study called for laying down common minimum rules on the definition of corruption offences and related penalties, alongside common rules to improve investigation and prosecution of corruption crimes across the Member States (e.g. boosting reporting, harmonising approaches to immunity and statutes of limitation, as well as to enablers of corruption).

In the framework of the preparation of the draft Directive to combat corruption, in 2022 and 2023 the Commission consulted Member States about their existing provisions at national level regarding the criminalisation of and fight against corruption, by requesting updated information through two questionnaires, as described in the explanatory memorandum of the proposal with reference COM (2023/234).

2. Please list the main typologies of other crime that have interlinkages with corruption in your country.

Drug trafficking

Money-laundering

Human trafficking

Migrant smuggling

Firearms trafficking

Crimes that affect the environment

Trafficking in cultural property

Cybercrime

Terrorism

Other forms of economic crime, organized crime or other crime with links to corruption (**please list**)

Fraud

3. Please provide examples of corruption linked to these other crimes.

Corruption and organised crimes:

² European Commission, Gaglio, I., Guzzon, J., Bartz, K., et al., Strengthening the fight against corruption. Assessing the EU legislative and policy framework: final report for acceptance, Publications Office, 2023.

Corruption is highly damaging to society, to our democracies, to the economy and to individuals. It undermines the institutions on which we depend, diluting their credibility as well as their ability to deliver public policies and quality public services. It acts as an enabler for organised crime and hostile foreign interference. Successfully preventing and fighting against corruption is essential both to safeguard EU values and the effectiveness of EU policies, and to maintain the rule of law and trust in those who govern and public institutions.

Corruption is integral to almost every organised crime activity, with 60 % of organised crime using corruption to infiltrate the public or private sectors (See: https://www.europol.europa.eu/cms/sites/default/files/documents/socta2021_1.pdf)

The proposal for a EU Directive on combating corruption (COM 2023/234) complements the EU Security Union Strategy (2020-2025)³. In April 2021, the Commission also adopted the 2021-2025 EU Strategy to tackle Organised Crime⁴ with dedicated measures to combat corruption as an enabler of organised crime. As a follow up, the Commission assessed the current state of play of both the legislative and the operational dimension in preventing and fighting corruption in the context of an external study, which was finalised at the end of 2022⁵.

As highlighted in the latest **European Union Serious and Organised Crime Threat Assessment** (2021 EU SOCTA)⁶, organised crime groups are present across all Member States. The organised crime landscape is characterised by a networked environment where cooperation between criminals is fluid, systematic and driven by a profit-oriented focus. Organised crime groups use their large illegal profits to infiltrate the licit economy and public institutions, including via corruption, eroding the rule of law and fundamental rights and undermining people's right to safety as well as their trust in public authorities. Criminal revenues in the nine main criminal markets in the European Union amounted to €139 billion in 2019⁷, corresponding to 1% of the Union's Gross Domestic Product. As underlined in the Security Union Strategy⁸, action taken at EU level to support Member States in the fight against organised crime must be continued and enhanced.

The complexity of the business model of organised crime groups was, in particular, exposed in 2020 in the joint investigation, led by French and Dutch authorities with the support of Europol and Eurojust, to dismantle **EncroChat**, an encrypted phone network widely used by criminal networks. The EncroChat case has so far led to more than 1,800 arrests and more than 1,500 new investigations. In addition, it displayed the extent to which organised crime groups operate transnationally and online across all criminal markets in a networked environment, using increasingly sophisticated modi operandi and new technologies. In March 2021, another joint operation following the cracking of Sky ECC, an encrypted network to which many former

³ Communication of 24 July 2020 on the EU Security Union Strategy, COM/2020/605 final.

⁴ Communication of 14 April 2021 on the EU strategy to tackle organised crime 2021-2025, COM(2021) 170 final.

⁵ European Commission, Gaglio, I., Guzzon, J., Bartz, K., et al., Strengthening the fight against corruption. Assessing the EU legislative and policy framework: final report for acceptance, Publications Office, 2023.

⁶ Europol, 2021 European Union Serious and Organised Crime Threat Assessment (EU SOCTA), 12 April 2021, <https://www.europol.europa.eu/activities-services/main-reports/european-union-serious-and-organised-crime-threat-assessment>. The EU SOCTA is a comprehensive organised crime threat analysis identifying high priority crime areas produced every four years by Europol, on the basis of Member States' contributions.

⁷ Illicit drugs, trafficking in human beings, smuggling of migrants, fraud (MTIC fraud, IPR infringements, food fraud), environmental crime (illicit waste and illicit wildlife), illicit firearms, illicit tobacco, cybercrime activities, organised property crime – Study on Mapping the risk of serious and organised crime infiltration in legitimate businesses, March 2021, DR0221244ENN, <https://data.europa.eu/doi/10.2837/64101>.

⁸ Commission Communication on the EU Security Union Strategy, COM(2020) 605 final, 24.7.2020.

EncroChat users had migrated, led to the prevention of more than 70 violent incidents, the seizure of more than 28 tons of drug substances and the arrest of more than 80 suspects involved in organised crime and drugs trafficking in Belgium and the Netherlands. More than 400 new investigations against high risk organised crime groups have been initiated.

Trafficking in Human Beings

The EU Strategy on Combatting Trafficking in Human Beings (2021-2025)⁹, adopted in April 2021, is closely interlinked with the EU Strategy to tackle Organised Crime. It highlights that organised crime groups involved in trafficking in human beings increasingly exploit legal businesses in their operations and are involved in other serious crimes, such as corruption, to support their core activities. Corruption may further hinder detection of trafficking in human beings, for instance if the authorities responsible for identifying the victims are involved in corruption.

Corruption and money laundering

Corruption and **money laundering** are intrinsically linked. Similar to other proceeds-generating crimes, corruption offences are committed with the objective of obtaining a private gain. Combating money laundering is the cornerstone of the broader agenda to fight serious crime, including corruption, by depriving criminals of their ill-gotten gains and by prosecuting those who assist in the laundering of such gains. The Directive on combating money laundering by criminal law (EU) 2018/1673¹⁰ establishes ground rules on the criminalisation of money laundering and sets out that corruption must be a predicate offence to money laundering.

In July 2021, the Commission adopted legislative proposals to strengthen the Union's rules to combat money laundering and the financing of **terrorism** (AML/CFT)¹¹, in particular by strengthening the ability of Financial Intelligence Units (FIUs) to detect, analyse and disseminate financial intelligence related to the laundering of proceeds of crime. This is a key prerequisite for effectively investigate and prosecute corruption offences.

Trafficking in cultural goods is a lucrative business for organised crime. Beyond trafficking, criminals can abuse even legally acquired cultural goods, for money laundering and sanctions evasion. On 13 December 2022, the European Commission presented the **EU action plan against trafficking in cultural goods** (<https://eur-lex.europa.eu/legal-content/AUTO/?uri=CELEX:52022DC0800>). This action plan aims to deter criminals effectively, to address evolving security threats and to protect cultural heritage within and beyond the EU. The action plan builds on existing EU activity and addresses ongoing challenges through: improving prevention and detection of crimes by market participants and cultural heritage institutions; strengthening law enforcement and judicial capabilities; and boosting international cooperation, including with source and transit countries of cultural goods in conflicts and crises.

Link between antifraud and anticorruption

⁹ Communication of 14 April 2021 on the EU Strategy on Combatting Trafficking in Human Beings 2021- 2025, COM/2021/171 final.

¹⁰ Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (OJ L 284, 12.11.2018).

¹¹ Anti-money laundering and countering the financing of terrorism legislative package, https://finance.ec.europa.eu/publications/anti-money-laundering-and-countering-financing-terrorism-legislative-package_en.

The EU's work to combat fraud supports anti-corruption efforts. The EU and its Member States share responsibility for protecting the EU's financial interests. Very often action to combat fraud – where people try to secure illicit gains from the EU budget – also helps action against corruption – where public power is being misused for the same purpose. The EU Financial Regulation includes general provisions on fraud prevention and detection, setting out rules on public procurement and the award of funding, to minimise the risks of corruption affecting EU funds. This includes rules on the avoidance of conflict of interests. The Commission's current Anti-Fraud Strategy provides a framework for the coordinated application of the rules protecting the EU budget from fraud, corruption and other intentional irregularities. For the implementation of the EU budget, different tools are in place to ensure strict controls are carried out, adapted to whether financial programmes are implemented in direct management by the Commission, in indirect management, or in shared management with Member States. Tools such as the early detection and exclusion system (EDES) help to detect fraudulent or unreliable economic operators and disqualify them from obtaining EU funds. A recent proposal to revise the Financial Regulation would also improve the quality of data on the recipients of EU funding (including their beneficial owners), including through the compulsory use of a single integrated IT system for data mining and risk scoring provided by the Commission. The proposal would also extend the EDES to new areas of spending. Rigorous ex-ante assessments help ensure that entities implementing EU funds have effective internal control systems in place to notably prevent fraud and corruption. Anti-fraud and anticorruption safeguards are key requirements of the control systems for EU funds at national level, and Member States have an obligation to prevent, detect, correct and report on irregularities, which may be linked to corruption. Audit bodies also have an important role to play in ensuring that effective systems are in place to detect and prevent corrupt practices. The European Court of Auditors and the Commission's Internal Audit Service complement Member State and programme-specific audits, and clawback mechanisms are applied to all EU funds affected by corruption. As well as preventing corruption in EU funds, the EU has also developed a strong institutional architecture to help identify and prosecute any corruption linked to the EU budget. This includes OLAF, the EPPO, the coordinating role of Eurojust, and the analytical capacity of Europol, all in close cooperation with national authorities.

The EPPO has been operational since June 2021, and is responsible for investigating, prosecuting and bringing to judgment the perpetrators of, and accomplices to, criminal offences affecting the EU's financial interests, including corruption that can damage the EU budget. Within this scope, it undertakes investigations and exercises the functions of prosecutor in the competent courts of the participating Member States. The proper functioning of investigation and public prosecution services in tackling corruption is key to ensuring that the rule of law is upheld. The general regime of conditionality protects the EU budget from breaches of the principles of the rule of law that affect or seriously risk affecting the budget. This includes systemic failures by Member States to address corruption. Under this Conditionality Regulation, the Council may, on a proposal of the Commission, suspend commitments or payments or adopt other measures if breaches of the principles of the rule of law in that Member State affect or seriously risk affecting the sound financial management of the EU budget or the protection of the EU's financial interests in a sufficiently direct way.

Criminals use corruption in some sectors of critical importance to Member States, such as healthcare and pharmaceuticals, transportation, construction, tourism, education and research, waste management, aerospace and defence, agriculture, and labour and social protection.

Key actors

Complicit legal and financial advisors as well as lawyers and notaries provide information to criminals on police records and criminal proceedings and assist in setting up fraud schemes and networks of companies to acquire and launder money. They provide advice in setting up shell companies, foundations, trusts and also sometimes facilitate the takeover of legitimate

companies to be used for criminal ends. When genuine, they can be important partners in the fight against organised crime.

Drugs Trafficking and Corruption.

The EU Drugs Strategy 2021-2025 (<https://data.consilium.europa.eu/doc/document/ST-14178-2020-INIT/en/pdf>) provides the overarching political framework and priorities for the European Union's drugs policy for the period 2021-2025. The framework, aim and objectives of this Strategy will serve as the basis for the EU Action Plan on Drugs from 2021 to 2025. To effectively tackle drug trafficking, we must ensure that illegal profits do not go back into the illicit drug supply chain and do not enable criminal behaviour such as corruption and violence, or other forms of serious and organised crime, such as trafficking in human beings or even terrorism. It is important to recognise the impact of drug-related crime, in particular on communities, and to counter the threats posed by these crimes, such as violence and intimidation, corruption and money laundering, and their associated negative effect on the legal economy. Attention should also be given to further developing and extending anticorruption measures in relation to these hubs and to detecting any displacement effects resulting from effective interventions.

Strategic priority 1: Disrupt and dismantle high-risk drug-related organised crime groups operating in, originating in or targeting the EU Member States; address links with other security threats and improve crime prevention.

Priority areas to address:

1.1. Target high-risk organised crime groups active across the EU and cross-border drug markets; set priorities in synergy with the EU policy cycle for organised and serious international crime (EMPACT); disrupt criminal business models especially those that foster collaboration between different organised crime groups; and address links with other security threats.

1.2. Track, trace, freeze and confiscate the proceeds of and instruments used by organised crime groups involved in the illicit drug markets.

1.3. Prevent drug related crime with particular focus on the need to counter violence, limit corruption and address the exploitation of vulnerable groups by addressing the underlying factors that lead to their involvement in illicit drug markets.

Please elaborate if you have or had any cases of the following in your country:

See answers above –

A. Corruption as an enabler of crime

- a. Cases of public officials abusing their office to facilitate criminal activity or to protect certain criminal individuals and entities – or to gain support from them – for example, by providing funding or protection or to gain and control public resources?
- b. Cases of corruption being used to facilitate other types of crime, such as trafficking in persons, illicit trade or smuggling of drugs across borders? For example, have any cases involved the following:
 - the issuance of permits, licenses, visas or documents for border crossings
 - the purchasing of firearms
 - bribery of border agents

- falsification of data in public registries
- other

- c. Cases of corruption in public procurement to advance the interests of public officials and their associates? Cases of officials giving preferred access to contracts and tenders to their associates in cases involving other crimes?
- d. Cases of the protection of victims of crime and corruption being impeded by corruption involving public officials or persons in the private sector?

B. Corruption and crime linked to political patronage

- a. Criminal individuals and entities attempting to use corruption to obtain access to political leadership or to gain power and influence, such as through:
 - political party financing
 - trading in influence
 - other
- b. Cases of crime and corruption being used to attempt to influence or disrupt elections?
- c. Cases of criminal involvement, including through the use of corruption, to attempt to influence appointments of public officials to build dependency?

C. Corruption to make organized and other crime invisible

- a. Cases of criminals and their associates using proceeds of crime and corruption for personal enrichment and to conceal the origin of the crimes and for money-laundering? In particular, cases of concealment of ownership being used to facilitate corruption and other forms of crime?
- b. Cases of corruption being used to impede investigations, prosecutions and adjudications of organized and other crime, such as through bribery or allocation of political and other favors to law enforcement and judicial officers? Are there cases of corruption linked to organized and other crime not being pursued by the authorities ('blind eye')?
- c. Cases of individuals and entities using corruption and other crimes to generate the funds needed to buy protection from the police? Cases of corruption in law enforcement authorities used to shield organized crime?
- d. Cases of law enforcement being impeded due to a lack of information and data, as well as reporting of crimes related to corruption?

4. Has your country collected data or statistics to track and/or analyze trends related to the links between corruption and the types of crime outlined in Question 2 above?
YES

Since 2023, the EU Justice Scoreboard adds anti-corruption data to its annual findings

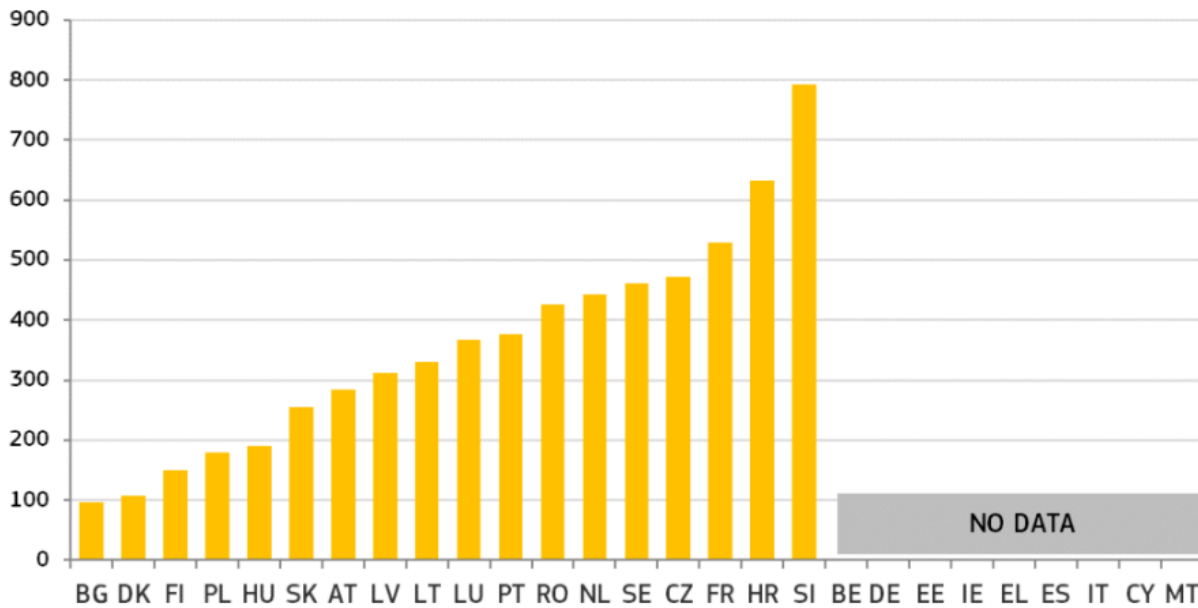


Figure 23 of the 2023 EU Justice Scoreboard. Corruption (bribery): average length of court cases in 2021 (1st instance/in days) (source: European Commission with the National Contact Points for Anti-corruption)

On 8 June 2023, the Commission published the 2023 EU Justice Scoreboard https://commission.europa.eu/document/db44e228-db4e-43f5-99ce-17ca3f2f2933_en. The Scoreboard gives an annual overview of the efficiency, quality and independence of the Member States’ justice systems by providing objective, reliable and comparable data. This tool makes it easier to identify best practices and keep track of challenges and progress made.

For the first time ever, the EU Justice Scoreboard includes anti-corruption data. As a result of the answers that the Member States provided to a specific questionnaire, the 2023 EU Justice Scoreboard includes an overview of the length of legal proceedings on bribery and describes powers of bodies specialised in the prevention and repression of corruption.

The figure on top of the page shows that the average length of court cases on bribery until the first instance judgment differs from 100 days to 1400 days among Member States.

Corruption offences are a difficult category of crime to identify and investigate, as they mostly occur as part of a conspiracy between two or more willing parties and lack an immediate and obvious victim who could complain. Thus, a significant proportion of corruption crime remains undetected, and investigations and prosecutions can take a long time. To ensure that the competent authorities have sufficient time to conduct complex investigations and prosecutions, this recently adopted proposal for a Directive on combating corruption provides for a minimum limitation period that enables the detection, investigation, prosecution and judicial decision of corruption offences for a sufficient period of time after the commission of such offences.

Specialised bodies in the prevention and repression against corruption bring the necessary expertise to combat corruption. To ensure that they can fulfil their mandate adequately, the Commission proposes that they are functionally independent from the government and have a sufficient number of qualified staff and the financial, technical and technological resources, as well as the powers and tools necessary to ensure the proper administration of their tasks. The

proposal for a Directive will now be discussed by the European Parliament and the Member States. The Commission hopes that an agreement on this important file will soon be reached.

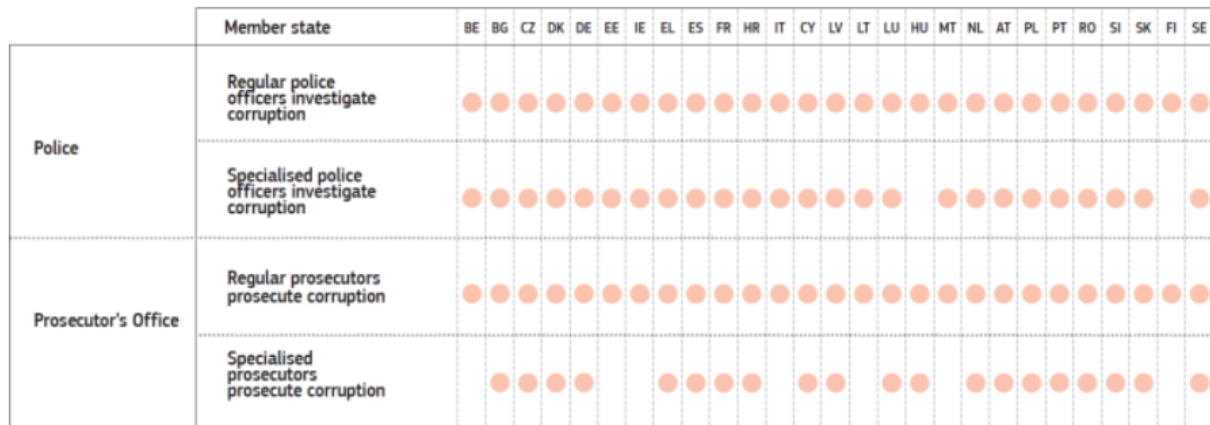


Figure 60 of the 2023 EU Justice Scoreboard. Authorities involved in the investigation and prosecution of corruption - overview (Source: European Commission with the National Contact Points for Anti-corruption)

Figure 60 of the 2023 EU Justice Scoreboard shows that all but two Member States also have in place some form of a specialised police to investigate specific corruption cases, for instance when they are more serious, complex or relating to a certain category of suspects.

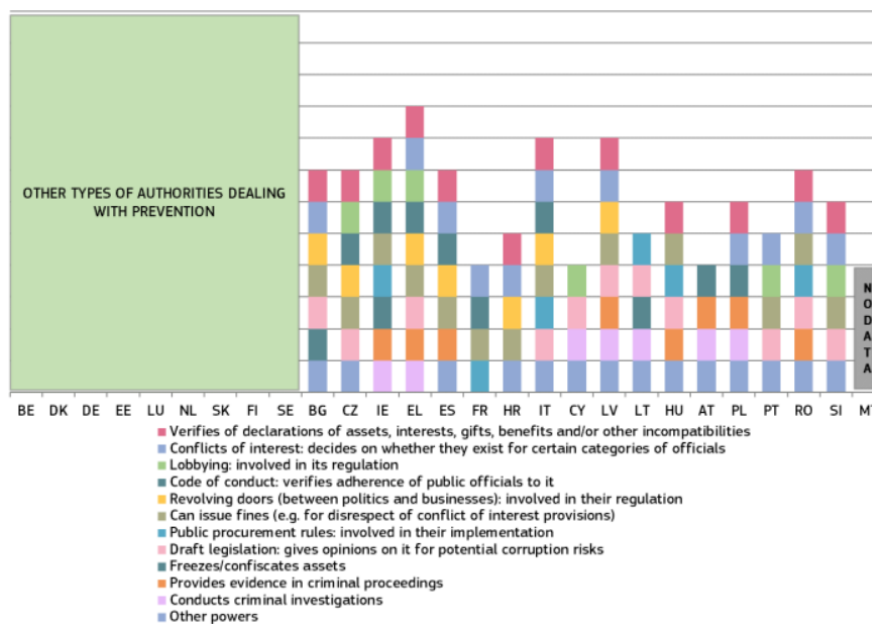


Figure 58 of the 2023 EU Justice Scoreboard. Powers of specialised bodies dealing with the prevention of corruption (Source: European Commission with the National Contact Points for Anti-corruption)

Figure 58 of the 2023 EU Justice Scoreboard gives an overview of the powers of preventive bodies and shows that there is a huge variety between national bodies. While many Member States have multiple bodies with each their own competences, other Member States have a single body with more comprehensive powers. Their powers may vary from control of asset

declarations, interests, or gifts to being involved in lobbying regulation or revolving doors. Figure 59 details the rules of appointment and dismissal for the heads of preventive bodies, which is an indication of their independence.

Additionally, the proposed directive on combating corruption by criminal instruments (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A234%3AFIN>) includes specific measures on the collection, use and publication of data on anticorruption, namely:

- (recital 32) Member States should collect and publish data concerning the application of this Directive, which can be analysed and used by the Commission in the context of the monitoring, implementation and evaluation of the Directive, as well as the application of any of the Rule of Law tools, such as the annual Rule of Law report.
- Article 26: Data collection and statistics – This provision requires Member States to collect statistical data to monitor the effectiveness of their systems to combat corruption. The provision lists, in a non-exhaustive manner, the statistical data that should be collected by the Member States and obliges them to publish such data annually.

Article 26

Data collection and statistics

1. Member States shall collect statistical data on the criminal offences as referred to in Articles 7 to 14 of this Directive.

2. The statistical data referred to in paragraph 1 shall include at least the following:

- (a) the number of cases reported;
- (b) the number of cases investigated;
- (c) the number of indictments;
- (d) the average length of the criminal investigations of cases;
- (e) the average length of courts proceedings of cases in first instance, second instance and cassation;
- (f) the number of convictions ;
- (g) the number of natural persons convicted and sanctioned, with specification of the number of public officials and high level officials;
- (h) the number of legal persons held liable and sanctioned;
- (i) the number of dismissed court cases for corruption, distinguishing between dismissals on the substance or not and including non-trial resolutions;
- (j) the types and levels of sanctions imposed for each of the criminal offences referred to in Articles 7 to 14;
- (k) the number of convictions pardoned, with specification of the number of pardons to public officials and to high level official.

3. Member States shall, on an annual basis and by 1 June, publish, in a machine-readable and disaggregated format, the statistical data referred to in paragraph 2 for the previous year and inform the Commission thereof.

- a. Are these data analysed and used systematically, such as in prevention and investigations or prosecutions?

- b. Please describe any methodologies used for strengthening measurement and terminological clarity, and achieving a deeper understanding of the different contexts (e.g. in times of peace or in emergencies or conflict situations) and sectors (e.g. law enforcement, border crossing, immigration, intelligence and security, procurement), as well as any corruption or organized crime threat assessments that take into account the interlinkages between corruption and other forms of crime.
5. Has your country collected data or statistics to track and/or analyse trends concerning international cooperation in this regard? **YES/NO.**
 - a. Please elaborate and share any findings with regard to the good practices and challenges in international cooperation with regard to countering corruption as it relates to other forms of crime

Eurojust Casework on Corruption: 2016–2021 Insights presents key findings based on Eurojust's corruption casework and expertise built up over the years.

<https://www.eurojust.europa.eu/publication/eurojust-casework-corruption-2016-2021-insights>

6. Has your country taken any steps at national, regional or local levels to better understand and study the linkages between corruption and other crimes, such as criminological research, training or awareness raising? **YES.**
 - a. If **YES**, please elaborate, providing examples.

See the answers under question 1.

7. Which aspects of corruption as it relates to other forms of crime do you consider require further research, and what are the gaps in knowledge or understanding that, if addressed, could facilitate countering these crimes?

II. Measures aimed at responding to corruption linked with other forms of crime

8. Has your government adopted or utilized any measures at national, regional or local levels aimed at **preventing** corruption linked with other forms of crime? **YES.**
 - a. If **YES**, please elaborate. *Measures may include:*
 - ✓ safeguards in specific sectors (e.g. law enforcement, border crossing, immigration, intelligence and security, procurement, local officials)
 - ✓ development of targeted strategies, policies, action plans at national or sectoral level specifically addressing the links between corruption and other crime
 - ✓ establishment of dedicated institutional frameworks
 - ✓ specific rules, codes of conduct, or standards of transparency and integrity for public officials who are most exposed to the risk of being involved in crime and corruption
 - ✓ systems for the disclosure of assets and private interests
 - ✓ control mechanisms, such as internal approval systems to avoid having one-to-one meetings

- ✓ controls on issuances of visas, work permits, firearms licenses
- ✓ the use of information and communication technology (ICT) based tools to prevent (or detect) such crimes
- ✓ awareness raising and prevention measures for public officials that are vulnerable to corruption and other forms of crime
- other

9. Has your government adopted or utilized any measures aimed at **detecting, investigating and prosecuting** corruption linked with other forms of crime? **YES.**

a. If **YES**, please elaborate. *Measures may include:*

- ✓ legislation criminalizing all forms of corruption related to other types of crime
- ✓ legislation providing for the liability of legal persons for their role in corruption linked to other forms of crime
- ✓ measures to identify beneficial owners of legal persons
- ✓ specialized investigative techniques
- ✓ strengthened institutional frameworks, including the establishment of dedicated bodies (such as those mandated to identify links between corruption and other crime), task forces or coordination mechanisms between authorities responsible for corruption and other crime
- ✓ capacity-building, including targeted training and peer-learning for relevant authorities
- ✓ measures to enable the identification, confiscation, tracing or seizure (and, where relevant, return) of assets that are proceeds of corruption-related crimes
- ✓ mechanisms to address the role of professional gatekeepers (*i.e.* financial, legal, accounting or other relevant professionals) in the transfer of proceeds of corruption and other crime
- ✓ measures aimed at encouraging the protection or participation of actors outside the public sector, including:
 - ✓ reporting mechanisms, legal protections and incentives aimed at encouraging persons to report corruption and other crimes
 - ✓ measures to protect victims, witnesses, and cooperating offenders
 - ✓ measures aimed at ensuring the investigation and prosecution of acts of violence committed against journalists and civil society actors whose professional activity relates to corruption linked with other crimes
- ✓ other

The EU has established several rules to enable the identification, tracing, freezing, confiscation and disposal of criminal assets. In the field of asset recovery, the main EU instruments are Directive 2014/42/EU on the freezing and confiscation of instrumentalities and proceeds of crime¹², Council Decision 2007/845/JHA concerning cooperation between Asset Recovery Offices,¹³ Council Decision 2005/212/JHA of 24 February 2005 on Confiscation of Crime-Related Proceeds, Instrumentalities and Property¹⁴ and Regulation (EU) 2018/1805 on the mutual recognition of freezing orders and confiscation orders¹⁵. Moreover, the Commission

adopted a proposal for a new Directive on asset recovery and confiscation on 25 May 2022, which is currently under negotiation.¹⁶

The proposal will strengthen asset tracing and identification, freezing, management and confiscation capabilities:

- Allowing for the identification of more illicit assets than in the past, in particular through more systematic financial investigations and access by Asset Recovery Offices to a broad range of data bases;
- Ensuring that assets will not disappear or lose value, in particular through temporary urgent freezing powers and stronger management rules;
- Facilitating the confiscation of assets, in particular through a new possibility to confiscate property resulting from organised crime activities and which cannot be explained with lawful income (“unexplained wealth linked to criminal activities”).

Has your government adopted or utilized any measures aimed at facilitating **international cooperation** and the rapid exchange of information for cases that have interlinkages between corruption and other forms of crime? **YES**.

a. If **YES**, please elaborate. *Measures may include:*

- ✓ the implementation of mutual legal assistance through digital means
- ✓ measures aimed at enhancing the efficiency of extradition mechanisms
- ✓ the use of electronic communication channels or networks
- ✓ the use of joint or parallel investigations or the bilateral sharing of capacity and expertise on investigating and prosecuting corruption offences linked with other forms of crime
- ✓ cooperation with other countries or multilateral, international or regional bodies to address corruption linked with other forms of crime
- ✓ accession to bilateral, regional or multilateral treaties and agreements.
- ✓ other

The European Public Prosecutor’s Office (EPPO) (<https://www.eppo.europa.eu/>) is an independent, decentralised prosecution office of the European Union with a mandate to investigate, prosecute and bring to judgment the perpetrators of crimes affecting the EU budget.

To fulfil its mandate, the EPPO works hand in hand with national law enforcement authorities and closely cooperate with other EU bodies, including Eurojust, Europol and the European Anti-Fraud Office (OLAF).

The EPPO and Eurojust, acting as two strong, equal and independent institutions, are privileged partners with a shared responsibility to protect the financial interests of the European Union. The EPPO is a privileged partner to Eurojust with which a close relationship based on mutual cooperation will be established.

Eurojust supports and cooperates closely with the EPPO, based on trust and respect for each other’s mandates and competences and on the development of operational, administrative and

¹⁶ Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on asset recovery and confiscation (COM/2022/245 final); <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0245>

management links. The specific provisions of Eurojust's relationship with the EPPO are outlined in Article 50 of the Eurojust Regulation:

Cooperation with the EPPO's other partners

For its investigations and prosecutions, the EPPO works with many partners from within the European Union (authorities of participating and non-participating Member States, European Union institutions, bodies, offices and agencies) and beyond (authorities of third countries, international organisations).

In their notifications under Article 117 EPPO Regulation (<https://www.eppo.europa.eu/en/documents?keywords=&category=16>), the participating Member States have designated their respective authorities that interact with the EPPO.

To facilitate the cooperation, the EPPO has concluded a number of working arrangements (<https://www.eppo.europa.eu/en/documents?keywords=&category=5>) with authorities of both participating and non-participating Member States, as well as with partners at European Union level, e.g. the European Anti-Fraud Office (OLAF), Eurojust, Europol, the European Court of Auditors and the European Investment Bank Group.

Moreover, the basic acts for the major partners have been amended to address their relationship to the EPPO: the Eurojust Regulation (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1727>), the OLAF Regulation (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02013R0883-20210117>) and the Europol Regulation (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02016R0794-20220628>).

Annex 2 [Note verbale reference: CU 2023/225/DTA/CEB/CSS]

“Progress made and challenges encountered in implementing resolution 9/1”

States parties are invited to provide relevant information in line with paragraph 25 of resolution 9/1, entitled Sharm el-Sheikh declaration on strengthening international cooperation in the prevention of and fight against corruption during times of emergencies and crisis response and recovery, in which the Conference:

*[Requested] the secretariat to submit to the Conference of the States Parties at its tenth session a report on **progress made and challenges encountered in implementing [resolution 9/1]**¹⁷.*

A. Contact Information

Please provide contact details for potential follow-up questions. Contact details will be treated confidentially.

Country: European Union

Government Agency: EU Commission

Department: DG HOME

Contact Name: Unit A4 (Legal affairs and Anti-corruption)

Position: Sector HOME.A.4.001 (Integrity and Anti-corruption)

Phone Number:

Email: HOME-ANTI-CORRUPTION@ec.europa.eu

¹⁷ Please note that the secretariat has collected information on the implementation of paragraphs 22 and 23 of resolution 9/1 separately.

B. Questions

1. Progress made

Please describe the measures or steps your country has taken (or is planning to take, together with the related appropriate time frame) to implement operative paragraphs 1 to 21 of resolution 9/1. *Please state the relevant operative paragraphs in your answer.*

In May 2023, the Commission took decisive action to fight corruption in the EU and worldwide, delivering on the commitment made by President **von der Leyen** in her 2022 State of the Union address.

The anti-corruption proposals presented represent a **milestone in the fight against corruption** at national and EU level. The Commission will step up its action: building on measures in place, strengthening efforts to **integrate the prevention of corruption into the design of EU policies and programs**, and **actively supporting Member States' work** to put in place strong anti-corruption policies and legislation. Through its annual **Rule of Law Report cycle**, the Commission also monitors anti-corruption developments at national level, identifies challenges and issues of **recommendations to Member states**.

The new set of measures include new and strengthened rules **criminalising corruption offences** and harmonising penalties across the EU, as well as a proposal from the High Representative, supported by the Commission, to establish a dedicated **Common Foreign and Security Policy (CFSP) sanctions regime** to target serious acts of corruption worldwide. These new measures place a strong focus on **prevention and creating a culture of integrity**, in which corruption is not tolerated and at the same time, **strengthen enforcement tools**.

Key elements of the proposals:

I. Communication on the fight against corruption

In a Joint Communication, the Commission and the High Representative bring together existing work and develop new directions and new tools at both EU and Member State level, also feeding into a clear commitment to tackling corruption at the global level. An **EU network against corruption**, bringing together law enforcement, public authorities, practitioners, civil society and other stakeholders, will act as a catalyst for corruption prevention across the EU and will develop best practices and practical guidance. One key task of the Network will be to support the Commission **to map common areas where corruption risks are high across the EU**. The work of the Network will feed into an **EU anti-corruption strategy**, to be developed in consultation with the European Parliament and the Council, to maximise the impact and coherence of EU actions.

Within the EU institutions there is a zero tolerance towards corruption. The Communication details the ethical, integrity and transparency rules in place to prevent corruption within the EU institutions. This framework must not only be applied with rigour and consistency, but also be continually updated.

II. Stronger rules to fight corruption

The Commission is proposing a new Directive on combating corruption. The proposal modernises the existing EU anti-corruption legal framework by:

a) Preventing corruption and building a culture of integrity

- **Raising awareness of corruption**, by carrying out information and awareness-raising campaigns, research, and education programmes to reduce corruption risks and offences.
- Ensuring that the **public sector is held accountable to the highest standards** by imposing an obligation on Member States to adopt effective rules on open access to information of public interest, the disclosure and management of conflicts of interests in the public sector, the disclosure and verification of assets of public officials and regulating the interaction between the private and the public sector.
- Setting up **specialised anti-corruption bodies** and ensuring adequate **resources and training** for authorities responsible for preventing and fight corruption.

b) One legal act for all corruption offences and sanctions

- **Harmonising definitions of criminal offences** prosecuted as corruption to cover not only bribery but also misappropriation, trading in influence, abuse of functions, as well as obstruction of justice and illicit enrichment related to corruption offences. The proposal makes all offences under the United Nations Convention against Corruption mandatory under EU law and brings together public and private sector corruption.
- **Increases the level of criminal sanctions** for natural and legal persons, and harmonises aggravating and mitigating circumstances.

c) Ensuring effective investigations and prosecution of corruption

- **Investigative tools:** Member States will have to ensure that law enforcement and prosecutors have appropriate investigative tools to fight corruption.
- **Immunity or privileges from investigation and prosecution:** Member States will have to ensure that privileges and immunity can be lifted during corruption investigations through an effective and transparent process pre-established by law, and in a timely manner.
- Introducing minimum rules on the **statute of limitation** to ensure sufficient time to bring corruption offences to justice.

III. Expanding the CFSP sanctions toolbox to cover serious acts of corruption

EU sanctions help to achieve key CSFP objectives such as preserving peace, strengthening international security, and consolidating and supporting democracy, international law and human rights. With today's proposal from the High Representative, supported by the Commission, **the EU will be able to target serious acts of corruption worldwide**, no matter where they occur. It will complement and enhance EU's internal and external instruments against corruption and show the EU's determination to use any tools, including CFSP sanctions, to fight it.

Next steps

The proposed Directive on combating corruption is being negotiated and adopted by the European Parliament and the Council before it can become EU law.

The proposed new framework of CFSP sanctions targeting corruption will have to be discussed and adopted by the Council.

Background

In her [2022 State of the Union](https://state-of-the-union.ec.europa.eu/state-union-2022_en) https://state-of-the-union.ec.europa.eu/state-union-2022_en address, President von der Leyen set out the need for decisive action against corruption.

Corruption is highly damaging to society, to our democracies, to the economy and to individuals. It undermines the institutions on which we depend, diluting their credibility as well as their ability to deliver public policies and quality public services. It acts as an enabler for organised crime and hostile foreign interference. Successfully preventing and fighting corruption is essential both to safeguard EU values and the effectiveness of EU policies, and to maintain the rule of law and trust in those who govern and public institutions.

Corruption is by its nature difficult to quantify, but even conservative estimates suggest that it costs the EU economy at least €120 billion per year. The negative effects of corruption are felt worldwide, undercutting efforts to bring good governance and prosperity, and to meet the United Nations Sustainable Development Goals.

Global corruption indices put many EU Member States among the countries seen as the least corrupt in the world. However, corruption remains a key concern for people across the EU, with [Eurobarometer data](https://europa.eu/eurobarometer/surveys/detail/2658) <https://europa.eu/eurobarometer/surveys/detail/2658> showing that in 2022, almost seven in ten Europeans (68%) believed that corruption was widespread in their country and only 31% were of the opinion that their government's efforts to combat corruption are effective.

For More Information

Questions and Answers: [Stronger rules to fight corruption in the EU and worldwide](https://ec.europa.eu/commission/presscorner/detail/en/qanda_23_2517) https://ec.europa.eu/commission/presscorner/detail/en/qanda_23_2517

Factsheet: [Strengthening EU action to fight corruption](https://ec.europa.eu/commission/presscorner/detail/en/fs_23_2565) https://ec.europa.eu/commission/presscorner/detail/en/fs_23_2565

[Joint Communication](https://commission.europa.eu/publications/joint-communication-fight-against-corruption_en) to the European Parliament, the Council and the European Economic and Social Committee on the fight against corruption https://commission.europa.eu/publications/joint-communication-fight-against-corruption_en

[Proposal](https://home-affairs.ec.europa.eu/proposal-directive-european-parliament-and-council-combating-corruption-criminal-law_en) for a Directive of the European Parliament and of the Council on combating corruption by criminal law https://home-affairs.ec.europa.eu/proposal-directive-european-parliament-and-council-combating-corruption-criminal-law_en

[Webpage](https://home-affairs.ec.europa.eu/policies/internal-security/corruption_en) on the fight against corruption https://home-affairs.ec.europa.eu/policies/internal-security/corruption_en

Concerning the possibility of corruption in the use of funds for the recovery after COVID

The EU is committed to ensure that every euro and every cent is spent for its proper purpose and in line with rule of law principles. EU funds are not allowed to seep away into dark channels. Preventing and fighting corruption is an important aspect of the [European Semester](https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-) (<https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy->

[coordination/eu-economic-governance-monitoring-prevention-correction/european-semester_en](#)) cycle of economic governance, which is the main dialogue on economic policy between the EU and national authorities.

The European Semester [country reports](#) (https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester/european-semester-your-country_en) include detailed analysis of corruption risks and associated challenges. In relevant cases, these issues are also reflected in **Country Specific Recommendations (CSRs)**, endorsed each year by national leaders in the European Council.

Recommendations include:

- to tackle inefficient practices in public procurement
- to strengthen rules for preventing conflicts of interest
- to revise the statute of limitations for corruption offences
- to address informal payments in healthcare

In the context of the European Semester on economic governance, eight EU countries have so far received Country-Specific Recommendations relating to corruption in the years 2020 and 2019. In addition, **recitals on corruption** are included for all those EU countries where structural challenges exist regarding their anti-corruption capacity.

Protecting Next Generation EU funds

The outbreak of the COVID-19 pandemic in early 2020 has generated devastating effects in our society. New vulnerabilities have emerged in the context of the COVID-19, with corruption risks increasing particularly in two specific sectors - the health sector and the area of public procurement, where important safeguards have been lifted to allow for the swift distribution of medical equipment and supplies. Other vulnerabilities appeared with regard to diminishing transparency of and access to information of public administrations. This increases risks of abuse of power and high-level corruption. While the fight against corruption has been a long-standing challenge, crises such as the current COVID-19 pandemic heighten the importance for stronger and more robust anti-corruption and good governance measures.

The changed context driven by the COVID-19 pandemic has led to the temporary adaptation of the European Semester to coordinate it with the **Recovery and Resilience Facility** (https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en) The Recovery and Resilience Facility is the key instrument at the heart of **Next Generation EU** (https://ec.europa.eu/info/strategy/eu-budget/eu-borrower-investor-relations/nextgenerationeu_en) (a temporary recovery instrument) to help the EU mitigate the economic and social impact of the coronavirus pandemic and make European economies and societies more sustainable and resilient.

The **fight against corruption, fraud and the prevention of conflicts of interest** are key measures integrated in the [recovery and resilience plans](#) (https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/assets/thematic_analysis/scoreboard_thematic_analysis_anti-corruption.pdf) of each EU country to protect the financial interests of the Union.

EU agencies and bodies that protect EU's budget

At operational level, the EU works to protect the Union's financial interests and to ensure that the Next Generation EU funds are safeguarded from corruption and fraud. In particular, a number of agencies and bodies have key roles to play in safeguarding the EU budget:

- European Public Prosecutor's Office (EPPO)
- European Anti-Fraud Office (OLAF)
- European Union Agency for Criminal Justice Cooperation (Eurojust)
- The European Union Agency for Law Enforcement Cooperation (Europol)

2. Challenges encountered

Please describe any challenges your country has encountered in implementing operative paragraphs 1 to 21 of resolution 9/1 regarding strengthening international cooperation in the prevention of and fight against corruption during times of emergencies and crisis response and recovery. *Please state the relevant operative paragraphs in your answer.*

Rule of Law Report

The rule of law is crucial for every citizen and business in the EU as it is a precondition for the respect of other values, it guarantees that fundamental rights are upheld in line with a set of core democratic values, ensures the application of EU law, and supports an investment-friendly business environment. It is an integral part of the very identity of the European Union.

The annual Rule of Law Report https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/upholding-rule-law/rule-law/rule-law-mechanism/2023-rule-law-report_en is the result of close dialogue with national authorities and stakeholders, and covers all Member States on the basis of the same objective and transparent methodology, while examining the same set of issues in each country. The qualitative assessment carried out by the Commission focuses on significant developments since the adoption of the third annual Rule of Law Report in July 2022 https://ec.europa.eu/commission/presscorner/detail/en/ip_22_4467, while remaining proportionate to developments.

The report is at the centre of the annual Rule of Law Cycle https://commission.europa.eu/document/276e1d73-5e43-41c3-8e13-ff0c20ed79fe_en. This yearly cycle is **preventive** - it serves to promote the rule of law and aims to keep problems from emerging or deepening. It is separate from the other elements in the EU's Rule of Law Toolbox https://commission.europa.eu/document/be9d4f20-64ad-4ccc-8d29-8dc48649d2e2_en and complements but does not replace the Treaty-based mechanisms allowing the EU to respond to more serious rule of law related issues in Member States. These tools include infringement proceedings and the procedure to protect the founding values of the Union under Article 7 of the Treaty on European Union.

In July 2023, the Commission of the EU has published its fourth annual Rule of Law Report https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/upholding-rule-law/rule-law/rule-law-mechanism/2023-rule-law-report_en , taking the pulse of the rule of law situation in each Member State.

While Rule of Law concerns remain in some EU Member States, the report has become a key driver for change and positive reforms. In fact, **65% of last year's recommendations have been, fully or partially, addressed.** This shows that important efforts are ongoing in Member States to follow up on the previous year's recommendations. Given that reforms to improve the rule of law framework take time, this reflects a significant development over only one year. At the same time, **systemic concerns remain in some Member States.**

The Rule of Law package includes a Communication https://commission.europa.eu/document/bd9199fd-1247-43c3-8c9d-63fc2331101c_en examining the situation in the EU as a whole and 27 country chapters https://commission.europa.eu/publications/2023-rule-law-report-communication-and-country-chapters_en looking at significant developments in every Member State since July 2022. The report includes an assessment of last year's recommendations and provides again specific recommendations https://commission.europa.eu/document/2b63674d-bdb3-47b7-bda4-e13d6a085033_en to Member States.

The report **covers four pillars:** national justice systems, **anti-corruption** frameworks, media pluralism and other institutional checks-and balances.