

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.

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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, , Myanmar, Panama, Portugal, Republic of Moldova, 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**.
 - a. If YES, was such analysis carried out through formal risk assessments or other methods? Please describe.
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**)
 - **budget fraud**
 - **facilitating the illegal stay of third-country nationals in the EU, thereby facilitating their access to employment (false stamps in passports)**

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

The National Protection Service (NPS) has uncovered abuses in relation to state funding of medical devices, and found that bribed doctors were prescribing a large number of medical devices on behalf of the companies that manufacture them to people who did not need them or did not attend the examinations. The manufacturers paid the doctors a fee for the prescriptions and the devices were either not made or of poor quality, and then claimed back the state subsidy.

In the context of economic crime, corruption typically occurs during the licensing process, in connection with various official controls and in the context of the management of various tenders.

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

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?

In the course of its duties, the NPS has identified cases of senior police officers abusing their official position to facilitate the activities of organised criminal groups in exchange for financial benefits.

A recent corruption-related crime has been the offence of drug trafficking. Professional police officers and police trainees have themselves been part of drug distribution networks, as consumers, or have been part of a criminal network where they have facilitated drug trafficking by gaining access to police or other records. In one specific case, a suspected drug trafficker, when arrested in connection with the revocation of his driving licence, approached a professional person to illegally check the revocation of his licence in the register, abusing his official position. As a result of covert information gathering on the matters raised, the perpetrators were apprehended and criminal proceedings were initiated on the basis of a denunciation.

"Border police corruption case - I.

In one case, the NPS filed a complaint against 16 members of the professional staff of a border police station who, for financial reward, did not carry out checks on lorries entering and leaving the border crossing point. 14 of them were sentenced by the court (10 to suspended imprisonment and 4 to a fine). The prosecutor's office closed the investigation against 2 border police officers for lack of criminality.

"Corruption cases of border police officers - II.

In this case, 53 border police officers from one border police station were prosecuted by the Central Investigation Prosecutor's Office for accepting bribes. The border police officers regularly accepted financial benefits from drivers of transfer vehicles presenting themselves for exit at a road border crossing point for non-compliance with the rules on weight limits or other infringements (e.g. overstaying, problems with documents, etc.). 52 of the 53 border police officers were convicted with final effect. The sentences ranged from 1 year 4 months to 5 years 6 months imprisonment.

"Corruption case of a group of offenders"

The case concerned three civilians linked to organised crime, who obtained millions of forints from the current account of a company in liquidation by bribing the liquidator, thus damaging the creditors. The court convicted them of bribery and bankruptcy offences.

Also the Rapid Response and Special Police Services National Bureau was investigating a civil servant who issued Hungarian passports to Ukrainian citizens, using the details of Hungarian citizens of similar appearance and age.

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

The NPS is responsible, among other things, for the prevention and detection of corruption committed by government officials employed by territorial government administrative bodies, i.e. government agencies, and the main corruption risks identified in this context are summarised below. Given the operation and functions of government agencies, it is essential that the IT systems and records that facilitate the work of the respective area of expertise and form the basis for the assessment of individual customer applications are accessible to government officials. The right of access to records entails the possibility and risk of accessing the data processed without a legal basis or for purposes other than those for which the data were collected.

Proceedings conducted by the NPS show that government agencies are under increased pressure from corruption in the technical testing of vehicles, building authority procedures, tender management, official controls and the performance of motor vehicle administration tasks. In these areas, the NPS has conducted several investigations.

Another example is a phytosanitary border post at a Schengen external border crossing point, where the NPS detected abuses linked to the food control activities of government agencies.

In another case, the NPS identified abuses related to food production, where a senior government official had a criminal relationship with the owner of a meat processing plant over several years in order to circumvent official controls. The dates of the inspections, which the government official had predicted, precluded the possibility of the official's action revealing serious irregularities in the production of the products.

In the recent period, the NPS identified corruption activities in several county veterinary authorities, related to the control of food production raw material companies and the authorisation of live animals to be transported abroad. In the latter cases, the official veterinarians issued international transport licences in exchange for financial compensation without carrying out the required checks.

Abuses in relation to the technical inspection of vehicles were linked to a series of breaches of inspection rules. In the context of a number of government testing stations, it was found that government officials had allowed the carrying out of tests and the placing on the market of technically unsuitable vehicles in exchange for undue advantages. This also carries the risk that thousands of vehicles in substandard condition could be the cause of serious accidents.

- 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?**

In the framework of the NPS's criminal investigation, it was discovered that the managers of certain institutions had accepted an illegal advantage from a company in order to "secure" the award of investments.

In this context, it is worth mentioning that economic operators are entitled to subsidies in a number of areas, in the authorisation and control of which government agencies play a significant role. This is linked to an investigation carried out earlier this year, in which a head of department in a government office helped to prepare ineligible applications for agricultural subsidies and to cover up their deficiencies during subsequent checks. The Public Prosecutor's Office is conducting proceedings against the President of the bailiffs, which have raised suspicions that some of the Self-appointed Court Bailiffs were appointed in exchange for a certain amount of money, by circumventing the legal procedure.

- 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?**

Experience shows that persons who commit budget fraud in a criminal organisation try to influence the pending criminal proceedings against them by bribing the investigators and the heads of the criminal area, since the proceedings for budget fraud, which often run into billions of euros, often involve complex networks of companies, and the perpetrators have a significant interest in the favourable outcome of the proceedings.

Criminal proceedings initiated and concluded by the NPS show that the perpetrators use the proceeds of crime and corruption for personal enrichment (travel, purchase of vehicles and real estate).

- 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')?**

In the course of the work of the NPC, there have already been cases of attempts to influence a court-appointed expert in ongoing court proceedings to give an opinion in favour of the suspect.

- c. Cases of individuals and entities using corruption and other crimes to generate the funds needed to buy protection from the police? Cases of**
- d. Cases of law enforcement being impeded due to a lack of information and data, as well as reporting of crimes related to corruption?**

The NPS has no information

- 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/NO**

The NPS does not collect such information. The Rapid Response and Special Police Services National Bureau investigates specific criminal offences and does not carry out general data collection or statistical activities.

- a. Are these data analysed and used systematically, such as in prevention and investigations or prosecutions? YES/NO.**
 - 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**

Last year, the NPS organised an international conference on "Theoretical and Practical Aspects of Corruption Prevention", attended by experts from the Czech, Austrian, Romanian, German and Slovak partner services, and the President of the Portuguese Economic and Fraud Monitoring Institute, and an expert from the Regional Anti-Corruption Initiative (RAI), as well as pilot panel discussions to allow for an informal

exchange of experiences in the fight against corruption in each country and to showcase creative and innovative tools.

This spring, the NPS hosted another international conference to exchange experiences on integrity tests, an important tool in the fight against corruption, with the heads of partner services from Bulgaria, Cyprus, Northern Macedonia, Moldova, Portugal, Romania and Serbia.

A significant milestone was the adoption of the UN Convention against Corruption, which is also important because it established minimum standards for the fight against corruption and launched international cooperation against corruption, providing an opportunity to exchange good practices and experiences.

One of the most important tasks of the NPS is to fight corruption, whereby it conducts integrity investigations by creating artificial situations to check whether the concerned person is fulfilling his/her statutory obligations and the requirement to perform his/her duties lawfully and without interference. In 2022, the NPS conducted 278 integrity tests (in Hungarian law, reliability tests), which resulted 13 criminal prosecutions.

Another effective means of preventing corruption is to develop and share good practices of international cooperation through study visits on the ground, as was the case between Hungary and Austria a few years ago.

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/NO.

a. If **YES**, please elaborate, providing examples.

The following related training should be highlighted in relation to the NPS:

"Training course for investigating prosecutors on the use of intelligence tools by law enforcement agencies" - the training provided prosecutors with practical skills in the use and processing of seized assets.

"Supplementary training for prosecutors, judges and police officers on bribery of foreign officials" - the training provided prosecutors, judges and investigators dealing with corruption offences with the opportunity to broaden their knowledge and experience of the tasks involved in prosecuting legal persons and facilitating enforcement.

"Increasing the knowledge and awareness of the public sector (foreign service staff) on bribery of foreign officials and the internal control system" - specific integrity management and integrated risk management training for the permanent external service officials.

- Increasing business knowledge and awareness of bribery of foreign officials" - aimed to raise awareness among the business community and representatives of small and medium-sized enterprises about the role of internal control and compliance systems in managing integrity and corruption risks.

- "Anti-corruption training with investigators, prosecutors and judges" - aimed at developing theoretical and practical knowledge on the detection, investigation and classification of criminal offences on a common semantic basis.

- "Supplementary training for police criminal investigation personnel on bribery of foreign officials and investigation of corruption offences" - to improve the knowledge and skills

of police personnel involved in the detection and investigation of corruption offences in the following areas: bribery of foreign officials, criminal law measures against legal persons, data protection issues in the detection and investigation of corruption offences, concealed assets, risks of financing small and medium-sized enterprises, technological developments, prevention of corruption in the field of sport.

The Corruption and Economic Crime Department of the Criminal Investigation Directorate of the National Police Headquarters holds annual training courses for corruption line officers of regional bodies, which present the experiences of specific investigations. The training sessions are presented by prosecutors, judges and experts from different authorities. Most recently, in 2022, an international anti-corruption training course was organised jointly with the National Defence Service in the framework of its BBA project.

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?**

Research into the secondary consequences of corruption at the societal level could help to combat corruption and related crimes. Action and prevention of corruption could be helped by emphasising the importance of a value-based approach besides the rule-based approach to prevention. To this end, the NPS of Hungary has prepared a training package, which we would like to present at the 10th meeting in Atlanta in December, 2023.

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/NO.**

- 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

- 71/2007 (OT 35.) ORFK instruction on the implementation of the police tasks of the Telephone Witness Programme;
- 20/2013 (V. 17.) ORFK Instruction on the tasks related to the prevention and suppression of acts of corruption in the police;
- 1/2017 (II. 14.) ORFK measure on the procedure for handling reports on organisational integrity;
- Code of Ethics for the Law Enforcement Profession issued by the Hungarian Law Enforcement Faculty;
- Code of Ethics of the Police.

9. **Has your government adopted or utilized any measures aimed at detecting, investigating and prosecuting corruption linked with other forms of crime? YES/NO.**

Rapid Response and Special Police Services National Bureau investigates specific crimes and is not involved in strategic decisions.

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

10. **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/NO**

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

Use of joint or parallel investigations: In 2021, a joint investigation team (JIT) was established to investigate corruption at Romanian-Hungarian border crossings. In 2021, the Romanian and Hungarian prosecution services (DNA, SZRNYÜ) participated in the investigation team, and the Hungarian and Romanian anti-corruption organisations (NPC, DGA) and the police (some units of the ORFK) were also involved as collaborators.

As a result of the joint operations, 23 Romanian and 5 Hungarian professional staff were suspected of having commi

Rapid Response and Special Police Services National Bureau makes regular use of SIENA, requests for legal assistance and European Investigation Orders in its investigations, and uses a joint investigation team when necessary, but is not involved in strategic decisions.tted criminal offences. Criminal proceedings are ongoing.