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## **Implementation Review Group**

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### **Review of implementation of the United Nations Convention against Corruption**

## **Executive summary: Iceland**

### **Note by the Secretariat**

The present conference room paper is made available to the Implementation Review Group in accordance with paragraph 36 of the terms of reference of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption (Conference of the States Parties resolution 3/1, annex). The summary contained herein corresponds to a country review conducted in the fourth year of the first review cycle.



## II. Executive summary

### Iceland

#### 1. Introduction: Overview of the legal and institutional framework of Iceland in the context of implementation of the United Nations Convention against Corruption

The Parliament of Iceland – the Althingi – ratified the United Nations Convention against Corruption (the Convention) on 6 September 2010; it entered into effect on 1 March 2011.

Iceland is a Republic with a parliamentary government. The Constitution entrusts the legislative power jointly to the Althingi and the President. In reality, the Althingi holds the legislative power while the President gives parliamentary bills formal consent. The President, albeit only formally, and other governmental authorities exercise executive power.

The judicial system of Iceland comprises eight district courts, of which the Reykjavík District Court is the largest, and the Supreme Court. The district courts in Iceland have jurisdiction in civil and criminal matters. The Supreme Court is the only court of appeal and has nationwide jurisdiction. Additionally, the specialized Court of Impeachment has competence over Ministers, in pursuance of their official tasks. On 26 May 2016 Althingi passed new legislation to establish a three-tier court system in Iceland, with a new court, Landsréttur, acting as court of appeals. The new system will further ensure due process and strengthens the role of the Supreme Court in issuing rulings which serve as precedent in legal matters. The new legislation will go into effect on 1. January 2018. The new law replaces the current Act on the Judiciary no. 15/1998..

The relationship between national and international law is dualistic. Therefore, international agreements need to be implemented in order to assume the force of domestic law.

Iceland is a member to various international organizations, including the United Nations, the Organization for Economic Cooperation and Development, the Council of Europe and the Nordic Council.

Iceland implements its obligations under the Convention through a variety of laws, some of which have not yet been fully translated.

- [The General Penal Code no. 19/1940](#)
- [Law on Criminal Procedure no. 88/2008](#) (Excerpts translated)
- The Police Act no. 90/1996.
- [Act on Measures against Money-Laundering and Terrorist Financing, No. 64/2006 as amended by Act No. 77/2008, Act No. 116/2009 Act No. 41/2012 and Act no. 6/2016](#)
- Act on Public Procurement no. 120/2016 (Replaced Act no. 84/2007).
- [Extradition of Criminals and Other Assistance in Criminal Proceedings Act no. 13/1984](#). (EA).
- Act on arresting and surrendering persons to and from Iceland because of criminal acts on the grounds of an arrest warrant, no. 51/2016.

#### 2. Chapter III: Criminalization and Law Enforcement

##### 2.1. Observations on the implementation of the articles under review

*Bribery and trading in influence (articles 15, 16, 18, 21)*

Bribery of public officials is made a criminal offence under the General Penal Code (GPC arts. 109 and 128) and meets the requirements of article 15 of the Convention.

A bill has been drafted to amend Article 109 and increase the maximum penalty from 4 to 6 years of incarceration. The definition of public official (art. 141(a)) is broad in scope but the new bill also proposes amendments to that article to further clarify the concept in the GPC. Articles 109 and 128 also address bribery of foreign public officials, and comply with the requirements of article 16 of the Convention.

The GPC also makes active and passive trading in influence a criminal offence (arts. 109 and 128) which meets the requirements of Article 18 of the Convention.

Active and passive bribery in the private sector is criminalized under Article 264 a of the GPC, and meets the requirements of article 21 of the Convention. The previously mentioned bill proposes increasing the maximum penalty for bribery in the private sector.

*Money-laundering, concealment (articles 23, 24)*

It is an offence to accept, make use of or acquire for himself, herself or another person gains derived from any offence in the GPC or other statutes (all-crimes approach), or, among other things, to convert such gains, transport, send or store them, to assist in delivering them or concealing them or information regarding their original, nature, location or disposal (GPC article 264). This also applies to acts or omissions taking place outside of Iceland (GPC article 6). The maximum penalty for the money-laundering offence is six years imprisonment, but can be longer under certain circumstances specified in the GPC.

In January 2016, Iceland amended AML-CTF legislation regarding beneficial ownership, requiring reporting institutions to take reasonable measures to verify the identity of the beneficial owner of legal persons. Provisions noted below regarding aiding and abetting and attempt apply to money-laundering. A person can be convicted of both the offence of money-laundering as well as the underlying offence.

Concealment is addressed in Articles 254 and 264 of the GPC, which meet the requirements of the Convention.

*Embezzlement, abuse of functions and illicit enrichment (articles 17, 19, 20, 22)*

Embezzlement is addressed in Article 247 of Chapter 26 of the GPC as well as other Articles in the same Chapter relating to general theft and misappropriation of property. These provisions address embezzlement in both the public and the private sector.

Articles 129 to 139 of the GPC address the abuse of functions by a public official, criminalizing any conduct constituting abuse or misuse of official functions as well as criminalizing certain examples of the misuse of official functions.

Iceland addresses the elements of illicit enrichment by public officials through existing legislation in the GPC and its laws on taxation. In addition, legislation on confiscation of proceeds of crime, detailed under Article 31 of the Convention, also addresses these issues.

*Obstruction of justice (article 25)*

It is a criminal offence for any person to employ “physical violence, or unlawful coercion or threats” against another person or his or her close relatives, or others connected with him or her, in connection with the giving of testimony to the police or a court (GPC art. 108). This statute covers all conduct envisioned in article 25(a) of the Convention.

It is a criminal offence to attack, with violence or threats of violence, any public employee who is engaged in his or her official duties (GPC arts. 106 and 107). The statute’s protections are extended to persons whom a judge or public official call upon to assist them in the performance of their official duties. Enhanced penalties are applied to leaders of a group attack.

*Liability of legal persons (article 26)*

Criminal liability is extended to legal persons, including public bodies and companies of mixed public and private ownership, for offences committed on their behalf by their senior officers, employees or representatives (GPC art. 19). Such liability does not prejudice the criminal liability of natural persons who commit the same offence. Corporate criminal liability may also be established in cases where the natural person(s) criminally responsible cannot be identified or definitively established. Special liability of legal persons for terrorism, bribery and money-laundering are addressed in complementary legislation. In addition, Iceland maintains a comprehensive system of regulatory and administrative oversight of the private sector.

Punishment includes fines or other monetary penalties. In addition to the imposition of a fine, a sentencing court may also deprive the legal person of certain rights, including revocation of licenses and permits, prohibitions from commercial activity, or other deprivations of benefits and entitlements (GPC art. 68).

*Participation and attempt (article 27)*

Liability is extended to anyone who, by assisting in word or deed, through persuasion, encouragement or in any other manner, contributes to the commission of a criminal offence (GPC art. 22). Article 20 of the GPC criminalizes the attempt to commit a criminal offence. Aiding and abetting of an attempt to commit a criminal offence, even where the offence is not completed is criminalized (GPC art. 20). Preparation to commit a criminal offence is not criminalized except to the extent that it constitutes an attempt (GPC art. 20).

*Prosecution, adjudication and sanctions; cooperation with law enforcement authorities (articles 30, 37)*

Under the GPC, punishment is proportionate to the gravity of the offence and the degree of responsibility of the offender. The reviewers found that the corruption offences established in accordance with the legislation of Iceland are liable to sanctions that take into account the gravity of these offences. Certain aggravating and mitigating factors may apply, depending on the circumstances or status of the offender, including whether the offender is a public official, or the level of the offender's participation.

No functional immunities apply to public officials in Iceland, which therefore are not a barrier to their prosecution for corruption offences. An exception applies to parliamentarians who, while Althingi is in session, cannot be prosecuted for any criminal offence without the consent of Althingi or unless he or she is caught in the act of the offence's commission (Constitution art. 49).

Icelandic prosecutors and law enforcement officers exercise a wide range of discretion in carrying out their duties in the public interest and are obliged to exercise independent judgment.

Articles 95 and 97 of the Law on Criminal Procedure set forth measures to be taken with regard to the detention and conditional release of persons being prosecuted, taking into account the need to ensure public safety and the accused's appearance at subsequent proceedings. The Execution of Sentences Act govern considerations relevant for early release from incarceration, which include consideration of the gravity of the offence, among other factors (arts. 80-82).

The General Penal Code (article 68) states that if a civil servant commits a criminal offence he or she may, in a criminal case brought against him or her, be deprived of the right to pursue his or her position – such as in an activity for which an official licence, authorisation in law, appointment or the passing of an examination is required. The person may be deprived of these rights for a specific period of up to five years or for life.

Under the Government Employees Act, a civil servant can temporally be relieved of his/her post if it is suspected or confirmed that official finances are in disorder. The same applies if a civil servant is suspected of actions which would lead to the loss of rights pursuant to Article 68 of the GPC. The civil servant may be permanently relieved of duties or resume the post, depending on the outcome of an investigation by a committee of specialists, and the case can also be referred to the police. A civil servant can be permanently discharged following a final court verdict.

Under the Execution of Sentences Act, the protection of society and the reintegration of offenders into society are main purposes of the correctional system and the Prison and Probation Administration.

Regarding cooperation with law enforcement authorities, measures exist to permit cooperating offenders to receive a mitigation at the time of sentencing, including below the minimum required, in cases where the offender has provided assistance, evidence or testimony, including the identification of criminal proceeds.

*Protection of witnesses and reporting persons (articles 32, 33)*

Iceland does not have a formal witness protection programme, but several legal provisions in the Icelandic Law on Criminal Procedure provide methods and measures to protect witnesses, including to protect a witness's identity. Police procedures take into consideration the need for protecting crime victims and witnesses, and general witness protection measures are available, in addition to general procedural protective measures and special procedural measures that may be issued by the court. This protection may include protecting a witness's identity throughout the judicial process, including during testimony. In addition, Iceland is cooperating with Nordic countries on these issues, where appropriate, including in sharing information and providing for temporary or long-term relocation. The Ministry of the Interior reviews on a regular basis applicable procedures and legal issues to consider strengthening witness protection measures.

The Law on Criminal Procedure provides measures and procedures to facilitate the testimony of victims during criminal proceedings. It is not incorporated in the law nor customary in practice, however, that victims have a right to be heard at the time of sentencing. There are also no special parole or release hearings by the courts in Iceland.

With regard to persons reporting corruption, Article 13 of the Government Employees Act provides protection from retaliation to public officials who report breaches of laws or ethical rules. Protection is also provided in the act on media to persons who provide information to the media and wish to remain anonymous, thereby shielding the media from disclosing information about confidential sources. However, there is no specific legislation in Iceland to address the protection of whistle-blowers in the private sector. During the country visit, legislation on whistle-blower protection in the financial sector was under consideration. A bill on that issue has now been submitted to Althingi and is under discussion in parliament. Further expansion of such protections to other aspects of the private sector has been discussed by an Inter-ministerial steering group on anti-corruption measures.

*Freezing, seizing and confiscation; bank secrecy (articles 31, 40)*

It is possible to confiscate all gains derived from an offence or their monetary equivalent (GPC art. 69). In cases where the exact figure is not proven definitively, estimates are permissible. Article 69a permits confiscation of instrumentalities of the offence, whether used or intended to be used. Article 69b permits a person whose assets are subject to confiscation to demonstrate that the items of value were acquired in a lawful manner, upon which such items will not be confiscated. In cases where the property cannot be forfeited due to being transferred to a bona fide third party, cannot be located, or has been intermingled with other property and therefore difficult to divide, the court may order the confiscation of a monetary sum of an equivalent amount.

The GPC and the Law on Criminal Procedure govern the administration of property frozen, seized or confiscated by the State. It authorizes the police to manage, administer and dispose of property that has been frozen, seized or confiscated.

Bank secrecy does not prevent the prosecutor, upon a court order, or the Financial Supervisory Authority, on its own initiative, to request and obtain financial records relating to the proceeds of crime.

*Statute of limitations; criminal record (articles 29, 41)*

In Iceland, the applicable statute of limitations corresponds to the maximum penalty for the offence in question and complies with article 29 of the Convention. With regard to legal persons, the applicable statute of limitations in all cases is 5 years.

Evidence of prior convictions outside of Iceland of a person convicted of an offence in Iceland may be presented as part of case to establish that the person convicted is a repeat offender for sentencing purposes (GPC art. 71).

*Jurisdiction (article 42)*

Iceland has jurisdiction over the offences established in accordance with the Convention when the offence is committed in whole or in part in its territory (GPC art. 4). In addition, offences committed by Icelandic citizens abroad are punishable in Iceland, including Convention offences (GPC art. 5). Article 6 extends jurisdiction to cases of bribery of foreign public officials even if committed outside the territory of Iceland and irrespective of the identity of the perpetrator.

*Consequences of acts of corruption; compensation for damage (articles 34, 35)*

Article 68 of the Public Procurement Act no. 120/2016 provides authorization to exclude any candidate or tenderer from participation in a public contract who has been convicted of participation in a criminal organisation, corruption, fraud or money-laundering. This provision applies regardless of the citizenship or residence of the person, and applies equally to natural and legal persons. In addition, any economic operator may be prevented from participating in a contract or a contract may be terminated where one of the participants has been convicted of professional misconduct or other corruption offences. Relevant provisions in the Act of Contracts permits a contract to be set aside, in full or in part, or amended by the court, if it would be considered unfair or contrary to good business practices to invoke the contract.

In Iceland, general rules on the right to compensation exist to ensure that entities or persons who have suffered damage as a result of an act of corruption, or other offences, have the right to initiate legal proceedings claiming compensation from those responsible for the damage. These general rules, for example, refer to neglect or other reasons and behaviour that have caused damage. Apart from these general rules, multiple provisions in Icelandic legislation stipulate how the right to compensation can be established and the legal processes to seek them.

*Specialized authorities and inter-agency coordination (articles 36, 38, 39)*

The District Prosecutor (DP) investigates and prosecutes offences related to corruption covered by the General Penal Code. The Ministry of Finance and Economic Affairs has, in collaboration with the tax authorities, prepared guidelines for tax inspectors concerning their obligation to report cases of suspected domestic and foreign bribery to law enforcement authorities. Guidance is provided on when to report cases, to whom they are to be reported and what is to be reported. The Directorate of Internal Revenue Service has approved these guidelines and consequently they will be a part of the handbook for employees at the agency in addition to being introduced to tax inspectors.

Iceland has significantly enhanced its awareness-raising activities with regard to the private sector in cooperation with the business community, professional associations and

the Ministry of Foreign Affairs (MFA). The MFA has circulated a [comprehensive information sheet](#) on foreign bribery to Icelandic Embassies and Missions abroad and has posted it on the website of the MFA. The sheet is in Icelandic and English and includes information on legal sanctions for offering bribes to foreign officials, stating that offenders can be prosecuted in Iceland, even though the bribery offence is committed abroad.

Relevant stakeholders involved in fighting money-laundering have been made aware that bribery of domestic and foreign public officials is a predicate offence to money-laundering.

The District Prosecutor investigates money laundering cases in Iceland, along with the Reykjavík Metropolitan Police and other police commissioners. The FIU-ICE (Icelandic Financial Intelligence Unit) is an independent unit under Criminal Investigation Department I (CI I) at the District Prosecutor. The Head of FIU-ICE (HoFIU) is a deputy head of CI I. The FIU has already increased its focus on analysing notifications on money-laundering and other relevant data to facilitate investigations by law enforcement.

The Minister of the Interior on 9 February 2016 issued a new regulation regarding the handling of STRs and sharing of information, based on Article 19 of the Act on Measures against Money-Laundering and Financing of Terrorism. The regulation allows the FIU to share information with customs, the Directorate of Tax Investigations and the police. These new regulations on handling notifications on money-laundering increase efficiency and cooperation between law enforcement agencies and other agencies involved. The new rules clearly set forth role of the FIU in analysing and sharing relevant information, such as the police, in addition to providing information on methods of money-laundering to those who are responsible for reporting suspicious financial activities.

Iceland reported that it is currently reviewing additional measures to raise general awareness on reporting corruption offences to the relevant national authorities, in furtherance of Article 39(2) of the Convention.

## 2.2. Successes and good practices

Overall, the following successes and good practices in implementing Chapter III of the Convention are highlighted:

- Detailed description in Article 109 of the GPC describing forms of unlawful trading in influence (art. 18);
- The scope of predicate offences applicable to the money-laundering criminal legislation, which includes all criminal offences in the GPC as well as criminal offences committed abroad in cases where the underlying conduct would constitute a criminal offence in Iceland (art. 23).

## 2.3. Challenges in implementation, where applicable

The following steps could further strengthen existing anti-corruption measures:

- Continue ongoing efforts to amend article 109 of the GPC to increase the maximum penalty for bribery and trading in influence (art. 15, 18);
- Continue the ongoing review of the definition of “public official” throughout the GPC, and make necessary amendments to ensure maximum scope consistent with the Convention (art. 2);
- Consider appropriate amendments to Article 264a of the GPC to harmonize the maximum punishment for bribery in the private sector to other forms of bribery (art. 21);
- Consider revision of the statute of limitations applicable to criminal liability of legal persons to reflect the gravity of the offence, taking into account the statute of limitations applicable to natural persons (art. 29);
- Consider and adopt, as appropriate, additional legislative and other measures to regulate the administration by the District Prosecutor or other competent authorities of frozen, seized or confiscated property (art. 31(3));

- Continue to review and consider rules and measures to provide further protection to witnesses and experts who provide information or testimony relevant to the investigation or prosecution of corruption offences (art. 32);
- Continue to consider the adoption of measures to provide protection against any unjustified treatment for persons who report facts concerning corruption offences to the competent authorities, particularly to witnesses and experts who provide information or testimony relevant to the investigation or prosecution of corruption offences, in the public and private sectors (art. 33);
- Take further measures to strengthen the operational specialization of the DPP, law enforcement and other competent authorities in combating corruption, including appropriate training and resources to carry out their tasks (art. 36);
- Consider taking additional measures as may be necessary to encourage and facilitate cooperation between public authorities and authorities responsible for investigating and prosecuting criminal offences (art. 38);
- Consider taking additional measures to encourage Icelandic nationals and other persons living in Iceland to report to the relevant authorities the commission of corruption offences in furtherance of Article 39(2).

### 3. Chapter IV: International cooperation

#### 3.1. Observations on the implementation of the articles under review

*Extradition; transfer of sentenced persons; transfer of criminal proceedings (arts. 44, 45 and 47)*

Extradition is regulated by the Extradition of Criminals and Other Assistance in Criminal Proceedings Act No. 13 (EA) of 17 April 1984, and the Act of the Nordic Arrest Warrant No. 12/2012 (NAW). While Iceland signed the Agreement between the European Union and the Republic of Iceland and the Kingdom of Norway on the surrender procedure between the Member States of the European Union and Iceland and Norway on 27 June 2006, which extends the European Arrest Warrant to Iceland, it was only ratified and adopted by Parliament on 25 May 2016<sup>1</sup>. As the adoption took place simultaneously with the implementation review's country visit, this new development is not reflected in the present Executive Summary<sup>2</sup>.

Iceland does not require a treaty to extradite and may do so on the basis of reciprocity (EA art 3). While Iceland is party to several European Conventions and Agreements (the 1957 European Convention on Mutual Assistance in Criminal Matters and its first Protocol, the Schengen agreement, the European Arrest Warrant Agreement) it has not signed any bi-lateral treaties on extradition since its independence in 1944. The bilateral treaty with the USA dates back to 1902. Iceland could refer to the Convention regarding extradition as long as the request is in conformity with its domestic provisions, but has not done so in practice to date.

While dual criminality on the basis of the underlying conduct is foreseen as a minimum requirement (EA art 3), it is not an absolute requirement as the same article also allows for shorter periods of imprisonment based on agreements with other States. Dual criminality is not required for extradition to the Nordic countries (EA art. 26, NAW arts. 1 and 4). Extraditable offences are those that carry a minimum sentence of one year's imprisonment, or comparable offences based on the underlying conduct (EA art 3). The extradition for already sentenced persons in view of serving the sentence carries a minimum requirement of four months' imprisonment. Article 19 the EA authorizes coercive measures according to the Law on criminal procedure in connection with an extradition request.

<sup>1</sup> Act no 51/2016 implements the EAW

<sup>2</sup> References to the relevant provisions of the EAW appear in the footnotes throughout Chapter 4.

Iceland does not extradite its nationals (EA art. 2), except to other Nordic countries (NAW arts. 1 and 7) which can be made conditional on the person's return to Iceland to serve a possible punishment.<sup>3</sup>

The principle of *aut dedere aut judicare*, while not established as a general principle of law, is nevertheless applied in practice through GPC arts. 5 and 6, the Nordic agreement of 1975 on Mutual Assistance in Criminal Matters as well as the European Convention on Extradition of 1957 (Art 6 of Section II).<sup>4</sup>

Regarding the enforcement of sentences imposed in another State, it should be noted that Iceland is party to the European Convention on the Transfer of Sentenced Persons and has adopted Act No. 69/1963 on the Execution of sentences delivered by courts in other Nordic countries, as well as the Act no. 56/1993 on International Cooperation by Iceland.

Extradition for political offences is prohibited (EA arts. 5, 6 and 11). The grounds for refusal of extradition include that the person may not be subject to the death penalty. Iceland cannot reject an extradition request on the sole ground that the offence involves fiscal matters (EA art 3).

Iceland has simplified extradition procedures with the Nordic countries (NAW art 1). The procedures are more expedient if the person consents to being extradited. (EA art 14a.). Article 19 and 15 of the EA provide for provisional arrest and coercive measures. As a matter of practice Iceland communicates the reasoning for its decision to a requesting State Party to explain why an extradition has been refused. Iceland has extradited a person to his country of nationality on the basis of reciprocity.

The transfer of criminal proceedings is regulated under art 25 of the EA which is also foreseen through art 6 section 2 of the European Convention on Extradition.

#### *Mutual legal assistance (art. 46)*

All incoming requests for MLA are treated in accordance with chapter IV in the Act no. 13/1984 on the Extradition of Criminals and Other Assistance in Criminal Proceedings. Article 22 refers to provisions in the Law on Criminal Procedure and also specifies that dual criminality applies. However, dual criminality is not required when the request comes from a Nordic State, in accordance with the Act of the Nordic Arrest Warrant (art. 4), in which case the criminality requirement needs to be established by the requesting State. Iceland has also ratified the European Convention on Mutual Legal Assistance in Criminal Matters and it frequently bases its cooperation on the principle of reciprocity.

Nevertheless, Iceland has incorporated some domestic provisions on mutual legal assistance (MLA) in its Extradition of Criminals and Other Assistance in Criminal Proceedings Act No. 13/1984 (EA). These include evidence-gathering and taking a witness statement (including through video-conferencing), coercive measures as well as non-coercive measures (Art. 22 EA); and the consented temporary transfer of a sentenced person for questioning in another State (Art 23 EA).

Confiscation is possible through GPC Art. 69d para 4, while tracing, freezing and seizing assets is possible through Law on Criminal Procedure articles 68-72.

Iceland can provide MLA with reference to the Convention as long as those actions are in conformity with Icelandic law. Iceland reported that this would enable it to provide MLA involving non-coercive measures, also in the absence of dual criminality, as long as it is not directly prohibited by Icelandic law.

Safe conduct is foreseen in EA Art. 23 for sentenced persons who are temporarily transferred to another State Party, but does not apply to witnesses and experts.

<sup>3</sup> When the European Arrest Warrant Act enters into force, this will also apply to the Iceland.

<sup>4</sup> EAW Arts. 3 and 12

Iceland can grant assistance in relation to offences for which legal persons may be held liable (GPC Art 19) and spontaneously transmits information.

The central authority is the Ministry of Justice for both extradition and mutual legal assistance requests, and receives such requests directly. Iceland can also communicate and receive requests via diplomatic channels, should a State party so require. The National Police Commissioner through the International Criminal Police Organisation (INTERPOL) and EUROPOL, as well as the District Prosecutor's Office communicate with foreign police forces, for example on MLA-requests. However, these requests are normally channelled through the Ministry of Justice, according to the EA and processed rapidly if needed. Article 22 of the EA does also offer the possibility to make other arrangements for example make an agreement with a foreign state to have the case dealt with by an authority other than the ministry.

The principles of specialty and confidentiality are respected by Iceland as provided for in the Icelandic Law on Criminal Procedure.

An MLA request would be rejected if it were deemed incompatible with Icelandic law (EA art. 22). Grounds for refusal are communicated to the requesting State party. MLA would not be refused on the ground of bank secrecy and Iceland confirmed that it had already dealt with MLA requests involving fiscal matters.

Costs associated with MLA that fall outside the Icelandic process, such as translation of witness statements, would be covered by the requesting State (The European Convention on Mutual Assistance in Criminal Matters) and could be subject to ad hoc arrangements.

Iceland indicated that government records available to the general public would be provided to the requesting State as they would to any request from within Iceland. Other records would be also provided free of charge, but on the bases that they were relevant to the case (Freedom of Information Act art 5).

*Law enforcement cooperation; joint investigations; special investigative techniques (arts. 48, 49 and 50)*

Iceland is a party to a number of law enforcement organizations and networks such as INTERPOL, EUROPOL, FRONTEX, SIRENE, SIENA and the Schengen agreement. Iceland exemplified this cooperation through multiple examples of joint investigations, controlled deliveries and other forms of law enforcement cooperation both through Icelandic Police and the District Public Prosecutor's Office.

Law enforcement cooperation and joint investigations are performed on a case by case basis, which has proven lengthy and complex at times. Icelandic law enforcement and customs authorities have posted a liaison officer at the Europol headquarters in The Hague, while the Interpol liaison officer in Lyon is currently vacant. Cooperation with Eurojust has successfully been done on an ad hoc basis.

Iceland has legislation relating to the use of special investigative techniques such as electronic surveillance in corruption cases and wire-tapping (Law on Criminal Procedure arts 80-85 and 89)<sup>5</sup>. Iceland has not concluded agreements on the use of special investigative techniques at the international level. Iceland anticipates an increased vulnerability with respect to cybercrime when the current restrictive regulations on foreign exchange are amended.

### **3.2. Successes and good practices**

Overall, the following points are regarded as successes and good practices in the framework of implementing Chapter IV of the UNCAC:

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<sup>5</sup> Iceland amended that legislation on 19. September 2016, responding to recommendations from the OECD Working Group on Bribery

- Iceland is able to respond to requests in a timely and effective manner by applying national legislation by analogy (art. 46);
- Iceland is efficient and accommodating with regards to both extradition requests as well as law enforcement cooperation requests (arts. 44 and 48).

### **3.3. Challenges in implementation**

The following steps could further strengthen Iceland's existing anti-corruption measures:

- Ensure that key components of its applicable national legislation are made available in other languages in order to ensure transparency and predictability of procedures for requesting States (art. 46 para 1);
  - Review relevant Icelandic legislation in order to be able to ensure that information shared through MLA is kept confidential in compliance with the requesting State parties' request (art. 46 para 5);
  - Update previously provided information to identify the Ministry of Interior as its Central Authority (art. 46 para 13);
  - Extend the provisions on safe conduct to ensure that they apply also to witnesses, experts and other persons as identified in article 46 para 27;
  - Iceland to consider establishing a procedural framework of cooperation which could help expedite and simplify matters of law enforcement cooperation (art. 48 para 1).
  - Iceland is encouraged to ensure that law enforcement and the District Public Prosecutor's office have sufficient resources at their disposal to address crime committed through the use of modern technology (art. 48 para 3);
  - Further the conclusion of agreements and treaties to ensure a predictable legal basis and enhance the possibilities for law enforcement cooperation in general and joint investigations in particular (art. 49).
-