



Conference of the States Parties to the United Nations Convention against Corruption

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State of implementation of the United Nations

Convention against Corruption

Implementation of provisions of a cross-cutting nature in chapter II (Preventive measures) and chapter V (Asset recovery) of the United Nations Convention against Corruption

Regional supplement

Thematic report prepared by the Secretariat

Summary

The present report complements the thematic report on the implementation of provisions of a cross-cutting nature in chapter II (Preventive measures) and chapter V (Asset recovery) of the United Nations Convention against Corruption ([CAC/COSP/IRG/2023/10](#)). It provides a regional analysis of the implementation of those provisions by States parties under review in the second cycle of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption.



I. Introduction, scope and structure

1. In accordance with paragraphs 35 and 44 of the terms of reference of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption, the present report contains supplementary information, organized by geographical region, to the thematic report on the implementation of provisions of a cross-cutting nature in chapter II (Preventive measures) and chapter V (Asset recovery) of the Convention (CAC/COSP/IRG/2023/10). The information is complemented by the thematic reports on the implementation of chapter II (CAC/COSP/IRG/2023/5) and chapter V (CAC/COSP/IRG/2023/9) and the regional supplements thereto (CAC/COSP/IRG/2023/5/Add.1 and CAC/COSP/IRG/2023/9/Add.1), which focus on the other topics and provisions under review in the second cycle. Given that the thematic report on chapter II was submitted to the Implementation Review Group in June 2023, the number of reviews analysed in the report was smaller.¹ Therefore, the conclusions of the different reports may vary depending on the information available at the time of drafting.²

2. The structure of the present report follows that of the executive summaries by clustering closely related articles and topics. The report provides data on and a detailed analysis of cross-cutting issues of chapter V that overlap with chapter II of the Convention, namely, asset declarations, financial disclosure systems and prevention of conflicts of interest (art. 7, para. 4; art. 8, para. 5; and art. 52, paras. 5 and 6); beneficial ownership identification (art. 12, para. 2 ©; art. 14, para. 1 (a); and art. 52, para. 1); and measures to prevent money-laundering, the prevention and detection of transfers of proceeds of crime, and financial intelligence units (arts. 14, 52 and 58).

3. The present report is based on information contained in the finalized executive summaries and country review reports for the 72 reviews that had been completed as at 31 May 2023, including 20 reviews completed for African States, 24 for Asia-Pacific States, 13 for Western European and other States, 8 for Latin American and Caribbean States and 7 for Eastern European States.³ In order to provide a basis for the analytical work of the Implementation Review Group, the analysis contained in the present report is carried out in relation to the number of executive summaries finalized in each regional group. Graphs are used to facilitate a visual representation of the data, when suitable. The present report does not purport to be comprehensive, but instead endeavours to provide a summary of the information available in the country reviews completed under the second review cycle.

II. Implementation at the regional level of provisions of a cross-cutting nature in chapters II and V of the United Nations Convention against Corruption

4. At the regional level, all African States, Asia-Pacific States and Latin American and Caribbean States and the vast majority of States in the other regional groups were found to have challenges in their implementation of article 8, paragraph 5, and article 52, paragraphs 5 and 6, of the Convention (see figure I). A variation was seen in the number of recommendations issued in relation to the prevention of conflicts of

¹ The thematic report on chapter II submitted to the Implementation Review Group in June 2023 (CAC/COSP/IRG/2023/5) contains an analysis of executive summaries and country review reports of 62 reviews.

² In line with the outcome of the discussions of the Implementation Review Group, thematic reports and reports on implementation at the regional level are no longer anonymized. Countries used as illustrative examples of good practices have therefore been identified throughout the report.

³ The number of recommendations and good practices identified may not be as representative for some regional groups as it is for others.

interest in all regional groups, with the highest proportion in the Group of Western European and other States (see figure II).

Figure I

Number of recommendations issued with regard to the implementation of article 8, paragraph 5, and article 52, paragraphs 5 and 6, by regional group and in total

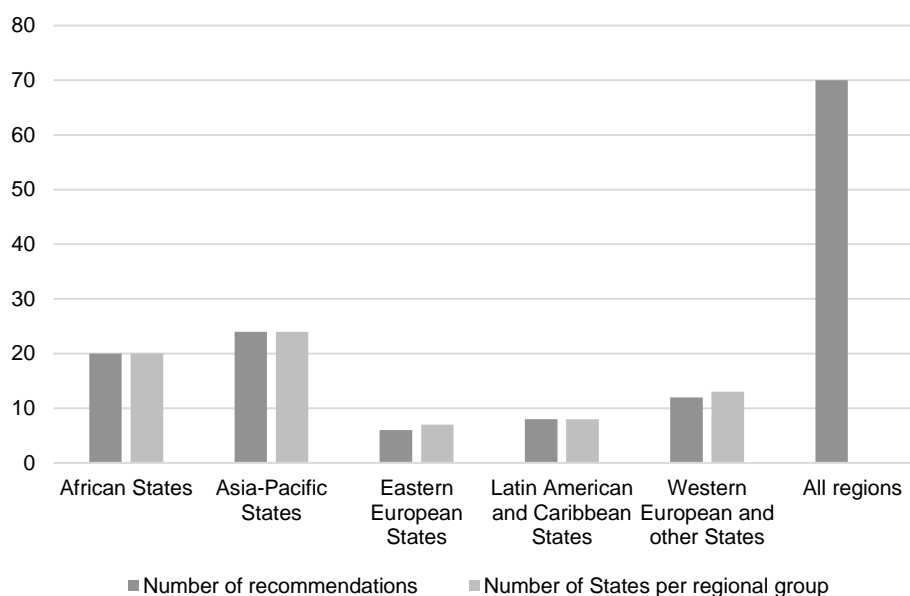
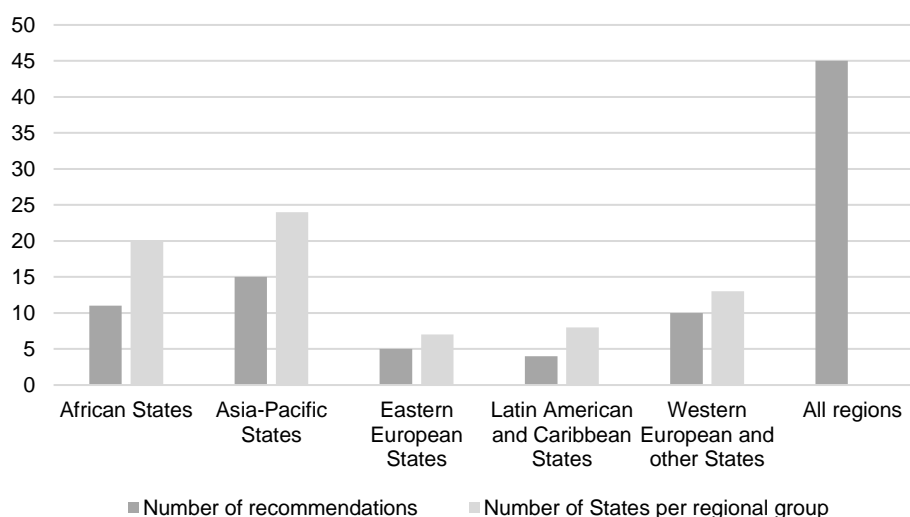


Figure II

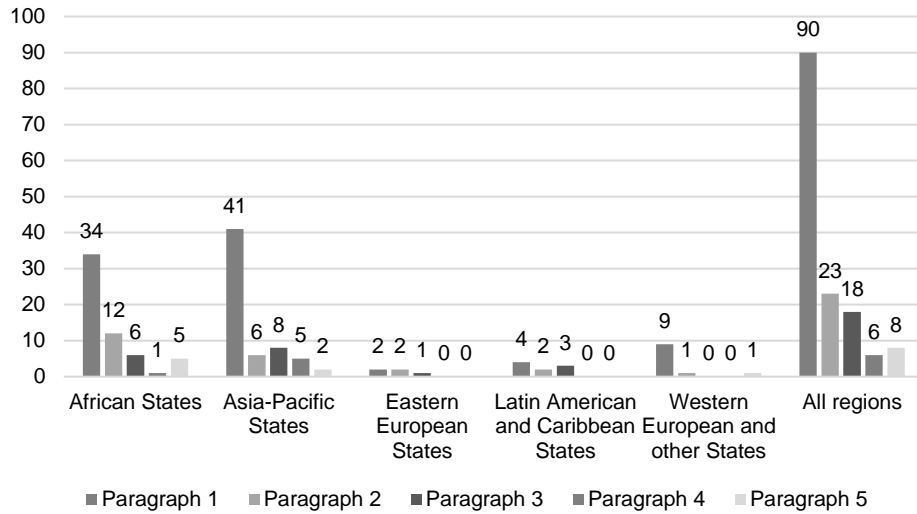
Number of recommendations issued with regard to the implementation of article 7, paragraph 4, by regional group and in total



5. In all regional groups except the Eastern European States, the majority of States were issued recommendations regarding the implementation of measures to prevent money-laundering (art. 14) (see figure III). However, the number of recommendations was not distributed evenly between paragraphs of the article. Paragraph 1 of article 14 was subject to the highest number of recommendations in almost all regional groups. Notably, for African States and Asia-Pacific States, reviewers issued, on average, more than one recommendation regarding paragraph 1 to each State. Half of the Latin American and Caribbean States and almost half of the Western European and other States also received a recommendation for that paragraph of article 14. The

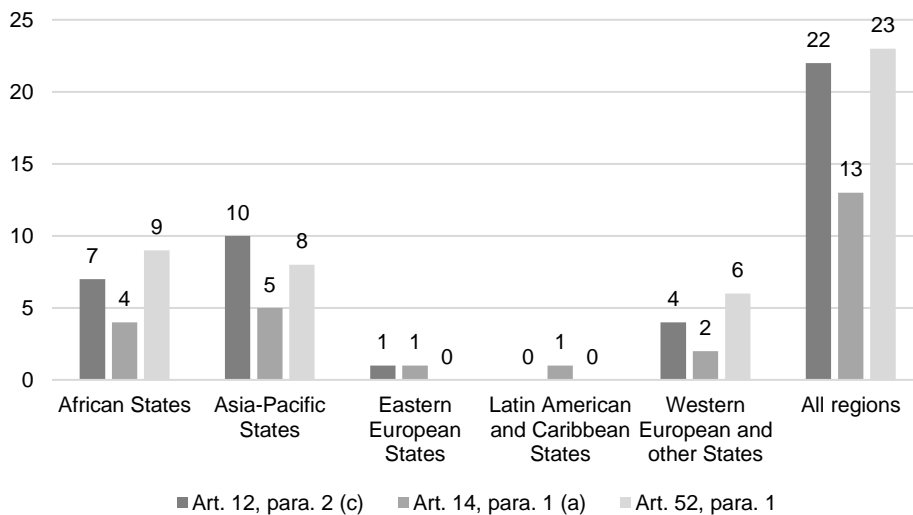
implementation of the other paragraphs of article 14 did not appear to impose a major challenge in any of the regional groups.

Figure III
Number of recommendations issued with regard to the implementation of each paragraph of article 14, by regional group and in total



6. With regard to the identification of beneficial owners (art. 12, para. 2 (c); art. 14, para. 1 (a); and art. 52, para. 1), the highest number of recommendations was issued in relation to article 52, paragraph 1, of the Convention (see figure IV). However, where there was no identification of beneficial owners or where such identification was inadequate, reviewers decided to issue joint recommendations covering both article 14, paragraph 1 (a), and article 52, paragraph 1, of the Convention in some instances. Eastern European States and Latin American and Caribbean States received the lowest number of recommendations regarding beneficial ownership identification.

Figure IV
Number of recommendations issued with regard to the implementation of article 12, paragraph 2 (c); article 14, paragraph 1 (a); and article 52, paragraph 1



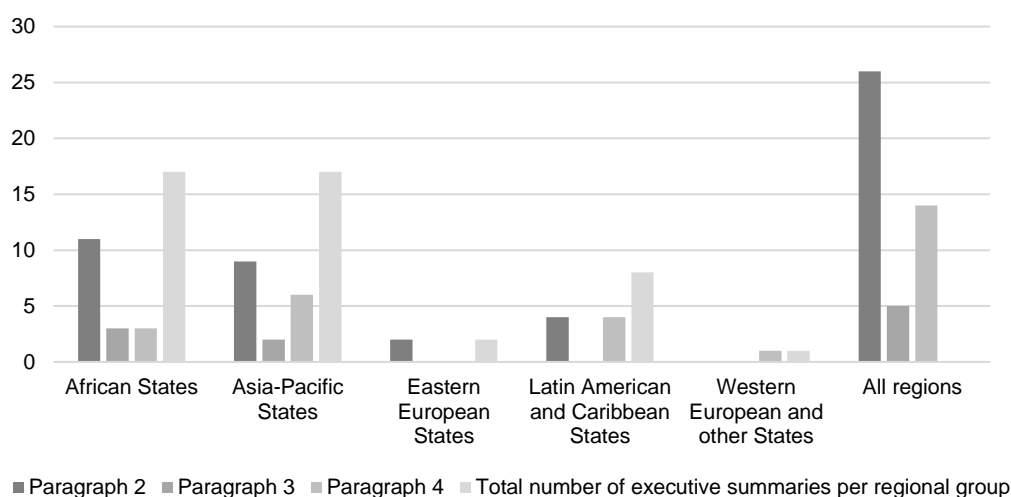
7. With regard to the prevention and detection of transfers of proceeds of crime, the issuance of advisories inspired by relevant initiatives of regional, interregional and multilateral organizations against money-laundering (art. 52, para. 2 (a)), and the existence of systems that permitted States parties to communicate the identity of

high-risk clients identified, more than half of African States and half of the Latin American and Caribbean States had challenges (see figure V). Only a few African States and Asia-Pacific States received recommendations in relation to the implementation of provisions on record-keeping and specific requirements for high-risk accounts and transactions, such as those involving politically exposed persons (art. 52, para. 3).

8. With respect to the prohibition on establishing shell banks, half of the Latin American and Caribbean States and approximately one quarter of the Asia-Pacific States received recommendations (art. 52, para. 4).

Figure V

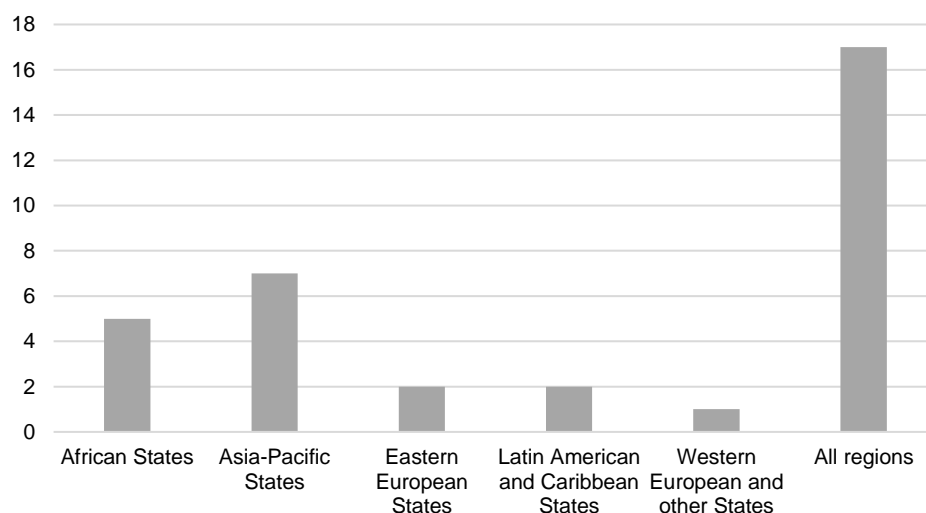
Number of recommendations issued with regard to the implementation of article 52, paragraphs 2 to 4



9. A range of challenges were identified in relation to financial intelligence units, in particular in the Asia-Pacific States (see figure VI). The next highest number of challenges was identified in the African States, while less than half of the challenges were identified in the Eastern European States and the Latin American and Caribbean States. Only one challenge in that regard was identified in the Western European and other States (art. 14, para. 1 (b), and art. 58).

Figure VI

Number of recommendations issued with regard to the implementation of article 14, paragraph 1 (b), and article 58, by regional group and in total



III. Outlook

10. The present report reflects the analysis of 72 completed executive summaries and more detailed information provided in the public country review reports. As more data become available from completed country reviews, more comprehensive trends and analysis will be presented in future regional supplements and will be used to keep the Implementation Review Group informed of successes and challenges identified in the course of the reviews.
