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State of implementation of the United Nations
Convention against Corruption

Good practices identified under chapter V and under provisions of a cross-cutting nature under chapters II and V of the United Nations Convention against Corruption

Note by the Secretariat

Summary

The present note contains a list, sorted by theme, of all good practices identified to date under articles 7(4), 8(5)(6), 12(2)(c), 14 and 51-59 of the United Nations Convention against Corruption through the Mechanism for the Review of Implementation of the Convention. It complements the thematic report on the implementation of chapter V of the Convention (CAC/COSP/IRG/2022/7) and the thematic report on the implementation of provisions of a cross-cutting nature in chapters II and V of the Convention (CAC/COSP/IRG/2022/8).



Introduction

1. The secretariat prepared the thematic report on the implementation of chapter V of the United Nations Convention against Corruption (CAC/COSP/IRG/2022/7) and the thematic report on the implementation of provisions of a cross-cutting nature in chapters II and V of the Convention (CAC/COSP/IRG/2022/8) for the consideration of the Implementation Review Group at its second resumed 13th session.

2. In line with the outcome of the discussions of the Implementation Review Group, the thematic report and the reports on implementation at the regional level feature examples of good practices by States parties throughout the reports. To complement the thematic reports, the present note contains all good practices identified to date under those articles of the Convention analysed in the two thematic reports¹ The good practices have been grouped by themes but are otherwise listed verbatim as they appear in the executive summaries.² They are sorted by article and paragraph of the Convention, and in alphabetical order of the States parties.

3. It should be noted that good practices are not standardized, but are identified by the reviewing experts and agreed to by the State party under review. Thus, something that is identified as a good practice by a review team in one State may not be highlighted as a good practice in another review.

A. Good practices relating to conflicts of interests and financial disclosure

4. Under articles 7(4), 8(5) and 52(5) and (6), two good practices were identified regarding the prevention and management of conflicts of interests, while eight good practices were highlighted with regard to asset declarations, including regarding reporting obligations and publication and verification of data.

I. Conflicts of interests

<i>Article</i>	<i>Paragraph (if applicable)</i>	<i>State party</i>	<i>Good practices identified (in order of article of the Convention)</i>
7	4	South Africa	The structured approach taken to promote transparency and prevent and manage conflicts of interest among different categories of public officials, including detailed disclosure requirements for public officials in high-risk areas, training and guidelines.
8	5	Armenia	The efforts of Armenia in establishing a system of interest declarations aimed at preventing and resolving conflicts of interest are commended.
8	5	Nauru	The inclusion of the Leadership Code Act to form part of the Constitution.

¹ It is based on the information included in the 62 executive summaries and country review reports that had been completed as at 12 August 2022.

² For additional context on the good practices, the executive summaries are available at www.unodc.org/unodc/en/corruption/country-profile/index.html.

II. Financial disclosure

52	5	Armenia	Declarations of property and income, with the exception of the personal data they contain, are being made available on a dedicated website.
52	5	Bolivia	The dedicated process of verification of the information contained in sworn declarations of property and income and the fact that a summary of the information contained in each declaration is published on a dedicated website.
52	5	Cuba	Every public official is obliged to report, through a sworn declaration, the origin of the money when depositing large amounts in bank accounts, above the threshold of 10,000 convertible pesos or 30,000 Cuban pesos established by the Central Bank of Cuba (art. 42 of Central Bank instruction 26/2013).
52	5	France	The use of specialized software for the verification of declarations.
8 52	5 5, 6	Sierra Leone	Sierra Leone's efforts in reinforcing its asset declaration system were commended by the reviewing experts.
52	5	Thailand	Section 105 of the Organic Act on Anti-Corruption requires financial declarations to be submitted to the NACC with supporting evidence that can prove the actual existence of assets and liabilities, including evidence of the income tax of a natural person in the previous tax year.

B. Good practices relating to the prevention of money-laundering

5. The second group of good practices relates to measures regarding the prevention of money-laundering (articles 14, 52 and 58 as well as 12(2)(c) on beneficial ownership transparency). Good practices cluster around the regulatory system in general, and more specifically the transparency of beneficial ownership information, the scope of the definition of politically exposed persons and the prohibition of shell banks or corresponding banking relationships. In addition, good practices were identified in relation to domestic inter-agency cooperation, awareness-raising activities regarding AML/CTF obligations, the issuance of guidance materials, as well as international cooperation and the use of fora and networks for the purpose of preventing the cross-border transfer of proceeds of crime. Good practices were further identified where countries engaged in capacity building activities.

I. Transparency of beneficial ownership information

6. Seven good practices were identified under articles 12(2)(c), 14(1) and 52 regarding the transparency of beneficial ownership information, including the availability of registers and their scope and public access.

Article	Paragraph (if applicable)	State party	Good practices identified (in order of article of the Convention)
12 52	2(c) 2(b)	Ghana	The requirement that a company's beneficial ownership information must be deposited into a central register that will be available to the public, law enforcement agencies and other competent authorities.
12 14	2(c)	Nauru	Nauru adopted the Beneficial Ownership Act 2017, which requires the registration of all beneficial owners with the beneficial ownership authority.

12 52	2c 1	North Macedonia	North Macedonia has established a “Register of Beneficial Ownership Information”.
12 52	2c 1	Slovenia	Slovenia has established a “Register of Beneficial Ownership Information”.
14	1(a)	United Kingdom	Implementation of public beneficial ownership registers, including their planned extension to overseas entities that own property in the United Kingdom.
52		Portugal	The creation of a Central Register for Beneficial Owners.

7. Another good practice relates to the updating of the register of corporations.

12	2(c)	Nauru	Updating of the register of corporations operating in Nauru, in particular the removal of obsolete companies and shell companies.
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II. Politically exposed persons

8. The inclusion of domestic politically exposed persons in the definition of PEPs was identified as a good practice in four States. One State published a list of politically exposed persons online and another provided guidance on how to detect criminal activity of PEPs.

52	1	Bosnia and Herzegovina	The definition of politically exposed persons includes domestic politically exposed persons.
		Burkina Faso	
		Cabo Verde	
		Mozambique	
52	1	Uruguay	The FIAU publishes a non-exhaustive list of national PEPs on its website.
52	2	Portugal	Portuguese authorities go beyond the minimum and provide guidance on how to detect the criminal activity of PEPs. This includes a set of indicators on how to identify PEPs after they are no longer politically exposed.

III. Prohibition of shell banks or corresponding banking relationships

9. In three States, reviewers identified the prohibition of correspondent banking relationships with shell banks a good practice.

52	4	Marshall Islands	Requirements of subsection 3N.10 of the AML Regulations prohibiting financial institutions and cash dealers to enter into correspondent banking relationships with shell banks can be considered as a good practice conducive to the implementation of article 52.
52	4	Myanmar	The requirements of article 35 of the Customer Due Diligence Directive for financial institutions not to enter into correspondent banking relationships with shell banks or with correspondent financial institutions in foreign countries that allow shell banks can be considered a good practice conducive to the implementation of article 52 of the Convention.

52	4	Zimbabwe	The prohibition for any person on entering into or continuing any business relations with a shell bank or a respondent financial institution in a foreign country that permits any of its account to be used by a shell bank (sect. 14 (3) of the Money-Laundering Act).
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IV. Regulatory system in general

10. Good practices were also identified regarding the regulatory and operational framework for the prevention of money-laundering, including regarding record keeping or reporting obligations.

14	1(a)	Liechtenstein	Liechtenstein has a well-established domestic anti money laundering and counter terrorist financing regime with annual anti money laundering audits of financial institutions.
14	2	Bahamas	The requirement to declare the cross-border movement of precious metals and stones.
52	3	Mozambique	Records of transactions, accounts and customer due diligence must be kept during 15 years after the operations or the closure of business.
52		Nigeria	The initiative of some institutions to keep records for twice as long as required (10 years instead of 5).
14 52	1 1	Mauritius	Setting up direct live reporting of money-changers to address risks identified by the Bank of Mauritius risk assessment of the banking sector.

V. Domestic awareness-raising and capacity-building activities

11. In five States, good practices were identified with regard to awareness-raising activities, trainings or the provision of guidance materials. Activities were either targeted at obliged entities or at the general public.

14	1(a)	Thailand	The AMLO has undertaken significant outreach activities and conducted seminars for financial institutions and some designated non-financial businesses and professions.
14	1	South Africa	Outreach activities undertaken to raise awareness in major cities and provinces of obligations to counter money-laundering and the financing of terrorism.
52	2(a)	Mozambique	The notice of the Bank of Mozambique obliges all staff of financial institutions to follow specific training on prevention and fight against money-laundering and terrorism financing.
58		Bahamas	The Financial Intelligence Unit organizes public events to share information on its role and responsibilities.

VI. Domestic interagency cooperation and intelligence-sharing

12. Another category of good practices identified relates to the institutional setup for the prevention of money-laundering, in particular domestic interagency cooperation mechanisms.

14		Ireland	The existence of the Anti-Money Laundering Steering Committee.
14	1(a)	Cameroon	The National Agency for Financial Investigation may ask any private individual or legal entity to provide it with any information in their possession that is likely to support a suspicious transaction report.
14	1(b)	Australia	The establishment of the Fintel Alliance, a public-private partnership to share financial intelligence.
14	1(b)	Ghana	The extent of cooperation between the Bank of Ghana, the CHRAJ, the EOCO, the Financial Intelligence Centre and civil society groups to prevent money-laundering.
14	1(b)	Mozambique	Mozambique has created a task force composed by the Office of the Attorney General, the Central Office for the Fight against Corruption and technicians from various ministries. The task force is chaired by GIFiM.
14	1(b)	Portugal	Portugal has established domestic coordination meetings and platforms within the AML/CFT sector which meet periodically, with the attendance of all supervisory and oversight authorities as well as, among others, the PPS and the FIU.
14	1(b)	Slovenia	Slovenia has established domestic coordination meetings and platforms which meet periodically and represent all supervisory authorities.
58		Peru	At the prosecutor's request, the Financial Intelligence Unit may prepare a report, using verifiable information contained in financial intelligence reports, to be submitted as evidence in judicial proceedings (art. 5.2.1 (c) of Supreme Decree 020-2017-JUS). The Financial Intelligence Unit may be called upon to participate in oral proceedings as an expert witness.

VII. Regional and international cooperation

13. Four States were commended for their efforts in engaging in cross-border cooperation and the ability to exchange financial intelligence.

14	1(b)	Germany	The annual reports of the FIU list occasions of international cooperation by country, for the most active countries; reports are published bilingually.
14	1(b)	Liechtenstein	The Liechtenstein financial intelligence unit can share internationally all information that can be collected domestically.
52	1	Malaysia	The BNM Standard Operating Procedures on Receipt, Analysis and Dissemination of Financial Intelligence with foreign States.
58		Morocco	Any information sent directly to the Financial Intelligence Unit by foreign financial intelligence units is treated as a suspicious transaction report and referred to the competent authorities.

14. In addition, the use of fora and networks was identified as a good practice in nine countries.

14		Algeria	The active contribution of Algeria to the development and strengthening of regional and international cooperation in the fight against money-laundering, particularly through its participation in the Middle East and North Africa Financial Action Task Force and the Egmont Group and through the secondment of liaison magistrates
14		Egypt	Egypt actively contributes to the development and strengthening of regional and international cooperation on the fight against money-laundering, particularly through its active participation in the MENAFATF and in the Egmont Group.
14	2	Uruguay	Within the framework of GAFILAT, Uruguay has successfully participated in specific exercises to detect the cross-border movement of cash or other monetary instruments twice a year.
14	4	Marshall Islands	Participation of the DFID in the Egmont Group can be considered as a good practice conducive to effective information exchange with foreign authorities.
14	4	Portugal	Portuguese anti-money-laundering supervisors systematically use relevant initiatives of various international bodies, as well as best-practice papers and guidance papers from the Financial Action Task Force and the European Banking Authority, in their work on supervision and guidance to the private sector.
14	5	Belgium	The active role that Belgium is playing to promote regional and international cooperation on the fight against money-laundering.
52		The Russian Federation	The Russian Federation actively contributes to the development and strengthening of regional and international cooperation in combating money-laundering, in particular through its active participation in FATF, the Eurasian Group on Combating Money Laundering and Financing of Terrorism and the Egmont Group.
52	2	Nepal	Nepal actively contributes to the development and strengthening of regional and international cooperation in the fight against money-laundering, in particular through its participation in the Asia/Pacific Group on Money-Laundering, the Egmont Group and the Asset Recovery Inter-Agency Network for Asia and the Pacific.
58		Panama	The large number of memorandums of understanding (78) signed by the Financial Analysis Unit, even though no such instrument is needed to exchange information.

VIII. Capacity-building

15. The provision of technical assistance through capacity building activities such as trainings or workshops was highlighted as a good practice in four States.

14	5	Australia	The wide range of assistance and training provided by Australia to neighbouring countries and international initiatives.
14	5	Germany	The international support that Germany provides to combat money-laundering and illicit financial flows.
14	5	Mexico	The Financial Intelligence Unit shares its experience with its counterparts in the region through workshops it organizes.

14	5	Portugal	The Portuguese authorities provide training, particularly to countries in South America and Portuguese-speaking countries, which represents additional efforts in promoting global, regional and subregional cooperation.
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C. Good practices relating to the recovery and return of assets

16. The third group of good practices was identified under articles 51, 53-57 and 59 regarding asset recovery and return. They can be categorized around measures to prioritize asset recovery, such as specialized agencies or units and guidance materials on MLA and asset recovery. Other categories are direct recovery mechanisms, non-conviction-based confiscation, asset tracing, the enforcement of foreign orders, flexibility in the provision of mutual legal assistance, legal bases for MLA, consultations and communication, and finally asset return.

I. Measures to prioritize asset recovery

17. Twelve good practices can be grouped together under the category of measures to prioritize or strengthen asset recovery proceedings, such as through a solid legal framework, steps taken to enhance transparency or increase efficiency of proceedings, or the placement of liaison officers.

<i>Article</i>	<i>Paragraph (if applicable)</i>	<i>State party</i>	<i>Good practices identified (in order of article of the Convention)</i>
51		Algeria	An entire chapter of the Anti-Corruption Act (title V, arts. 57–70) is devoted to international cooperation and asset recovery, to a large extent reflecting the provisions of chapter V of the Convention.
51		France	The assignment of liaison magistrates in several countries to facilitate the processing of MLA requests, including for asset recovery.
51		Liechtenstein	Despite its very small size, Liechtenstein has been actively engaged in the development and promotion of international cooperation in order to combat money-laundering and return stolen assets.
51		Nigeria	The number of asset recovery cases successfully initiated by Nigeria based on bilateral agreements and reciprocity pending the adoption of the MLA Bill
51		Nigeria	Nigeria's willingness and readiness to share its experiences in various international forums, particularly in the area of asset recovery, is fully in line with article 51.
51		United Kingdom	Transparency of asset recovery procedures and practices, including on disposal of property.
54		Burundi	The efforts by Burundi to establish a law on mutual legal assistance, including asset recovery.
55	3	United Kingdom	To facilitate successful asset recovery, the United Kingdom places specialist advisers, some as liaison magistrates and CPS prosecutors, in priority countries to assist with MLA, extradition and European Arrest Warrants, or as criminal justice or asset recovery advisers.

56		South Africa	The posting of South African Police Service liaison officers (focal points) in other jurisdictions to facilitate requests for mutual legal assistance, including asset recovery.
59		Burkina Faso	ASCE-LC works with its counterparts in the subregion on the basis of the Convention.
59		Indonesia	The use of several networks and instruments to facilitate international cooperation in asset recovery.
59		Italy	Italy has established several MOUs which govern significant areas of international cooperation including information exchange and asset disposition.

II. Guidance materials

18. Closely related to the measures to prioritize asset recovery is the availability of guidance materials on mutual legal assistance or asset recovery and the provision of sample forms to assist other countries in their requests.

51		Bahamas	A procedural manual on international cooperation is available on a government website to assist other States in determining how to best seek cooperation.
51		Bolivia	The preparation of a guide on drawing up requests for legal assistance in criminal matters relating to corruption offences, with the aim of standardizing and improving the quality of active requests, including in the area of asset recovery.
51		Saudi Arabia	Saudi Arabia has developed clear guidance to facilitate asset recovery procedures in the form of a dedicated manual (available in English and Arabic)
51		South Africa	The development of the AFU internal policy guide for handling asset recovery requests and managing requests received informally.
51		Sri Lanka	The provision of sample forms for requests for mutual legal assistance.

III. Specialized agencies or units

19. The creation of dedicated agencies or units for international cooperation in the recovery of assets was commended in six countries.

51		Belgium	The establishment of COSC and the active role of Belgium in international cooperation, exchange of information and asset recovery.
51		Bolivia	The establishment of the StAR GIRA Group to promote inter-institutional coordination for the asset recovery purposes.
51		France	The establishment of the dedicated Agency for the Management and Recovery of Seized and Confiscated Assets.
51		France	The creation of seizure and confiscation referees in the public prosecutor's offices, who contribute, through their actions, to improving the efficiency of the asset seizure system.
51		Ireland	The establishment of the Criminal Assets Bureau and a 'civil' non-conviction-based confiscation ('forfeiture') system.

51		Sri Lanka	The Special Presidential Task Force on Recovery of State Assets, established to coordinate efforts to investigate, identify, trace, seize and transfer State assets and revenue.
55	2	South Africa	The existence of specialized structures such as AFU and the Investigating Directorate and the Specialized Commercial Crime Unit of NPA in facilitating the recovery and return of assets.

IV. Direct recovery

20. Under article 53, the treatment of foreign States as any other legal person as well as the explicit establishment of legal standing for foreign States were commended.

53		Cabo Verde	Under the Code of Civil Procedure, foreign States have the same status as any other legal person.
53		Senegal	
53		The Russian Federation	Explicit regulation of the participation of foreign States in civil proceedings.

V. Non-conviction-based confiscation

21. Five States received good practices for their non-conviction-based confiscation regime, including regarding the possibility to enforce foreign non-conviction-based confiscation orders.

54		Mauritius	Mauritius allows non-conviction-based confiscation, including on the basis of foreign orders and requests.
54	1(c)	Federated States of Micronesia	The legislation on non-conviction-based confiscation and forfeiture guarantees the effective international cooperation on asset recovery in cases in which the offender cannot be prosecuted by reason of death, flight or absence.
54	1(c)	Ireland	The establishment of the Criminal Assets Bureau and a ‘civil’ non-conviction-based confiscation (‘forfeiture’) system.
54	1(c)	Italy	Italy has the capacity to provide international cooperation in asset recovery measures in both conviction and non-conviction-based proceedings.
54	2	Solomon Islands	Solomon Islands allows non-conviction-based confiscation, also based on foreign orders and requests.

VI. Asset tracing

22. Four good practices were identified surrounding the identification and tracing of assets, including the establishment of centralized bank account registries as well as dedicated platforms or units for the identification or tracing of proceeds of crime.

52	3	Senegal	The establishment of a Registry of bank accounts (FICOB) at the level of the BCEAO, which lists all the bank cards and chequing accounts of the customers of the reporting institutions.
54		United Republic of Tanzania	The establishment and operation of the Asset Tracing and Recovery Unit (ATRU) in PCCB and the Asset Forfeiture and Recovery Section (AFRS) in NPS.
55	2	France	The establishment of a centralized bank register.
55	2	France	The establishment of a dedicated platform for the identification of criminal assets.

VII. Enforcement of foreign orders

23. In two countries, the regime allowing for the enforcement of foreign orders was identified as a good practice.

54		Belgium	Belgium has a detailed and comprehensive legislation on the enforcement of foreign seizure and confiscation orders.
54	1	Malaysia	Section 34 of MACMA provides that a certificate issued by an appropriate foreign authority stating that a foreign forfeiture order is in force and is not subject to appeal shall be received in evidence before a court without further proof.

VIII. Flexibility in international cooperation

24. Another cluster of good practices relates to measures allowing for flexibility in international cooperation, such as a wide arsenal of tools, the proactive freezing of assets in the absence of a foreign request, or the proactive sharing of information.

51		United Kingdom	Tools and mechanisms to enhance asset recovery, such as UWOs, account freezing orders and worldwide restraint orders to enable effective economic enforcement against proceeds of crimes committed outside of the United Kingdom.
54 55	2(a) 8	Liechtenstein	Liechtenstein has issued domestic freezing orders without a foreign court order, on the basis of a request of mutual legal assistance or media reports. Such requests do not need to go through diplomatic channels. Before lifting any provisional measure, consultations with the requesting State Party are mandatory.
54	2(b)	Australia	Australian authorities may act on information provided by foreign law enforcement to commence domestic proceedings against property in Australia that is the proceeds of a foreign indictable offence.
54	2(c)	Greece	Greece can preserve property voluntarily without a specific request from another State party.
55	3	Malaysia	The flexibility of section 19 MACMA, which allows Malaysia to fulfil any request in the manner the requesting State wishes and to the fullest, within legal limits; moreover, detailed guidance and model request forms facilitate the provision of assistance.
56		Portugal	The practice of spontaneously sharing information, with a wide number of counterparts, which has led to the successful freezing of assets in concrete cases.

IX. Legal basis for mutual legal assistance

25. The use of the Convention as a legal basis for international cooperation and the ability to provide assistance in the absence of a treaty were highlighted as a good practice in four countries.

51		Mexico	Mexico requested assistance on the basis of the Convention in three cases.
55	3	Mozambique	Mozambique has already used the Convention as the basis of mutual legal assistance granted to Brazil.
55	6	Liechtenstein	In the Abacha case, the Convention was used as the legal basis for cooperation with the requesting State, Nigeria.

55	6	Nauru	Nauru does not make cooperation for purposes of confiscation conditional on the existence of a treaty.
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X. Communication and consultations

26. Three countries were commended for their efforts in ensuring active consultations with requesting States to facilitate the success of mutual legal assistance requests.

51		Mexico	Mexico is willing to review draft requests for mutual legal assistance before their formal submission, including in asset recovery cases.
55	7, 8	Malaysia	Continuous consultation between the requesting and the requested State is a good practice; Malaysia does not in practice refuse requests but closes the cases provisionally until additional information or evidence from requesting States is received.
55	8	Saudi Arabia	Saudi Arabia has adopted a policy of providing "informal" assistance in reviewing requests for mutual legal assistance before their formal submission, and consults as a matter of practice with requesting States before rejecting or deferring requests (arts. 15(4) and 18, rules of procedure of the Standing Committee on Requests for Legal Assistance).

XI. Asset return and Compensation

27. Three good practices have been identified under article 57 to date. Two relate to the ability to compensate victims and one to the successful return of property.

57		Eswatini	Establishment of the Confiscated and Forfeited Funds Account and the CARF to enable victims of crime to be compensated, among other purposes.
57		Germany	The possibility under article 56a IRG of compensation from public funds if an injured person cannot obtain full satisfaction of a claim from enforcement of the title.
57	2	Malaysia	Malaysia has enforced the provisions of MACMA resulting in proceeds of property being returned to bona-fide third parties.

D. Outlook

28. The secretariat will continue to make the lists of good practices identified under the Mechanism for the Review of the Implementation of the Convention publicly available to facilitate discussions of the Implementation Review Group and complement the thematic reports on the implementation of chapters II and V of the Convention.

29. The Group may wish to provide guidance to the secretariat on the format and frequency in which these good practices should be made available.