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## II. Executive summary

### Slovenia

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

Slovenia acceded to the Convention on 1 April 2008. The implementation by Slovenia of chapters III and IV of the Convention was reviewed in the third year of the first cycle, and the executive summary of that review was published on 22 May 2015 ([CAC/COSP/IRG/I/3/1/Add.22](#)).

As a monist State, Slovenia recognizes the Convention as an integral part of its domestic law. While the Convention has a lower status than the Constitution in the hierarchy of norms, it takes precedence over other domestic laws and regulations.

The main legislative acts of the national legal framework against corruption include: the Integrity and Prevention of Corruption Act (IPCA,<sup>1</sup> 2010), the Act on the Prevention of Money Laundering and the Financing of Terrorism (AML Law), the Criminal Code (CC), the Criminal Procedure Act (CPA), the Enforcement of Penal Sanctions Act, Forfeiture of Assets of Illegal Origin Act (FAIOA) and Cooperation on Criminal Matters with Member States of the European Union Act.

In Slovenia, the primary institutions mandated to prevent and combat corruption include: the Commission for the Prevention of Corruption (CPC), the Ministry of Public Administration (MPA), the Ministry of Justice (MOJ), the State Prosecutor's Office, the Police and the Financial Investigation Unit.

#### 2. Chapter II: preventive measures

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

*Preventive anti-corruption policies and practices; preventive anti-corruption body or bodies (arts. 5 and 6)*

Slovenia adopted an overarching anti-corruption legislation, the IPCA, in 2010, replacing the previous Prevention of Corruption Act (2003). In 2004, it adopted the Resolution on the Prevention of Corruption as its national anti-corruption strategy, which has also been referred to in the IPCA (arts. 51–55) with a subsequent action plan in 2009 for its implementation. In connection with the Resolution, Slovenia also adopted, inter alia, the Programme of Government Measures for Integrity and Transparency 2017–2019 and the Public Administration Development Strategy 2015–2020. It was reported that a new draft act amending the IPCA was pending before the National Assembly at the time of the country visit, and further amendments to the Resolution and Action Plan were under discussion.

The CPC, the main preventive anti-corruption body established in 2004, is an autonomous and independent State body with investigative and sanctioning powers (arts. 5 and 12, IPCA). Being designated for monitoring the implementation of the Resolution, the CPC has taken various anti-corruption preventive measures, including awareness-raising programmes, training sessions, and oversight on the use of integrity plans by public entities. Without mandatory measures for submission of draft legislation for proofing of corruption risks, the CPC only conducts corruption proofing where it deems appropriate.

The Chair of the CPC is appointed by the President with a term of six years with a possible extension for another term and can be relieved by the President under certain circumstances, including upon conviction and imprisonment (arts. 8 and 22, IPCA). The annual budget of the Commission is determined by Parliament, while funds allocation and human resources are within CPC's mandate. During the country visit,

<sup>1</sup> The Official Gazette of Republic of Slovenia No. 69/11, official consolidated text.

it was reported that the CPC is understaffed and specialized trainings are inadequate though with increased budget.

Slovenia has actively participated in a variety of anti-corruption initiatives and programmes, including the European Partners against Corruption, the European Anti-Corruption Training project, the European Network of Integrity Practitioners and the Regional Anti-Corruption Initiative. It is also a member of the Organization for Economic Cooperation and Development and the Group of States against Corruption, and a State party to the agreement establishing the International Anti-Corruption Academy.

The CPC is the designated preventive authority under article 6, paragraph 3, of the Convention.

*Public sector; codes of conduct for public officials; measures relating to the judiciary and prosecution services (arts. 7, 8 and 11)*

The principle of open competition for public officials is enshrined in the Constitution (art. 22) and endorsed by the Public Employees Act (PEA) (art. 27, PEA). The recruitment, retention, and retirement of public officials are regulated by the PEA.

In open competitions, vacancies are advertised publicly in the Official Gazette, newspapers or with the Employment Service of Slovenia by each Government body. For posts of officials, candidates are selected based on their qualifications and competition results. There is a general policy preference for internal rotation over external recruitment. The selection of officials holding managerial positions is also conducted through open competition, for which the Officials Council (OC) is designated to determine relevant requirements and a special competition commission is appointed by the OC in each instance to run the selection process.

There is an appeal mechanism for unsuccessful candidates for lower-ranking positions to challenge a recruitment decision at the competent appellate commission (art. 65, PEA). Judicial review of the decision of the appellate commission is also allowed. For selection of officials holding managerial positions, no appeal is available but the unsuccessful candidate may directly file a petition for judicial review in an administrative dispute (art. 65, PEA).

Public sector employees are provided with trainings by the CPC and MPA on prevention of corruption. However, Slovenia has not identified which public positions are especially vulnerable to corruption and therefore no special selection rules for such positions exist. The remuneration of public officials is regulated by the Public Sector Salary System Act.

Criteria and appointment procedures for elected/appointed public officials, including the President, ministers, parliamentarians and mayors, are established in the Constitution (arts. 82, 103, 111 and 112), the Government Act (art. 11), the National Assembly Elections Act (arts. 1–3 and 12–16), the Local Elections Act (arts. 103–108) and the Local Self-Government Act (art. 42).

The funding of candidatures for elected public office is regulated in the Elections and Referendum Campaign Act (ERCA), where candidates are required to submit a report to the representative bodies and the Court of Audit (CoA) on the funds raised and utilized during the campaigns (arts. 18 and 19). The Political Parties Act (PPsA) governs the funding of political parties, according to which only natural persons are eligible to make contributions to political parties (art. 22) and funding from foreign sources is prohibited (art. 21). The PPsA and ERCA lay down sanctions relating to illegal contributions. Political parties are obliged to disclose revenue, expenditures and loans in their annual reports which are reviewed by the CoA (art. 24, PPsA).

Conflict of interest is clearly defined in the IPCA (art. 37). Public officials are obliged to submit two types of interest disclosures: preliminary interest disclosures for public officials who hold or have family members holding positions or business interests in private entities (art. 35, IPCA) and public officials who may be engaged in certain

activities (art. 26, IPCA); and, ad hoc interest disclosure applicable when a potential conflict of interest arises upon taking office or during their performance of official duties (arts. 35–41 of the Administrative Procedure Act, art. 39 of the CPA, art. 100 of the PEA and art. 91 of the Public Procurement Act (PPA)). The CPC can also initiate investigation procedures to determine whether a conflict of interest exists (art. 39, IPCA).

Slovenia has three main codes of conduct for public officials. First, the Code of Conduct for Public Employees, adopted in 2001, the content of which has been incorporated in the PEA and the Employment Relationship Act. Second, the Code of Ethics for Public Employees in State Bodies and Local Community Administrations (2011) applicable to civil servants; Lastly, the 2015 Code of Ethical Conduct and Behaviour of Officials in the Slovenian Government and Ministries is applicable to ministers and State secretaries on the basis of their constitutional oaths, ideal behaviour and conduct. Various sectoral codes of professional ethics have also been adopted. Slovenia reported that all codes were duly incorporated in different legislation and non-compliant public officials would therefore be subject to disciplinary sanctions.

The IPCA explicitly states that public officials may report illegal or unethical conduct to their superiors, or to the CPC directly if internal reporting is unavailable or unsuccessful (art. 24). Reports can be submitted to the CPC by various means, including anonymous reporting. The protection of reporting persons and their family members is well defined in the IPCA (arts. 23 and 25). All State agencies and organizations having public authority are required to report criminal offences (art. 145, CPA).

Slovenia has an asset declaration system for certain types or levels of public officials, such as senior civil servants and personnel dealing with public procurement (art. 41, IPCA). Only declaring officials are required to file the declaration, excluding their spouses and minor children. Asset declarations are to be submitted to the CPC upon taking office, a year after ceasing functions, every change in office, activities, ownership or assets that exceeds 10,000 euros, and upon request by the CPC.

The asset declarations are open to the public during the tenure of each official until one year after departure from the public service (art. 46, IPCA). The CPC uses random checks and target selection checks of declarations. However, Slovenia also reported that there are two officials designated with the responsibility to verify over 1,400 declarations per year, and that there are plans to introduce an automated system in the future.

Acceptance of gifts is prohibited, with exceptions for low-value protocol or occasional gifts (art. 30 of IPCA). The PEA defines and restricts activities and work of public officials that are not compatible with the public function (art. 100).

The independence of the judiciary is established in the Constitution (art. 125). The organization of courts and the recruitment and dismissal of judges are governed by the Constitution and Judicial Service Act (JSA). Judges are elected by the National Assembly on the proposal of the Judicial Council. Slovenia has a specific Code of Judicial Ethics for judges. The courts make use of professional as well as lay judges. The JSA provides for rules on the prohibition of gifts (art. 39), excluded activities and secondary employment (arts. 41–43). The Courts Act governs procedures regarding case assignment and distribution.

The public prosecutor enjoys functional independence according to the Constitution (art. 135). The organization and functioning of the Office of the Public Prosecutor is regulated in the State Prosecutor's Office Act, which provides that the State Prosecutorial Council (SPC) is an independent State body responsible for selecting prosecutors, appointing members for the Ethics and Integrity Commission (EIC) and applying disciplinary procedures. The SPC adopted a special Code of Ethics for State Prosecutors in 2015.

*Public procurement and management of public finances (art. 9)*

Public procurement in Slovenia is decentralized and regulated by the PPA, which transposed relevant European Union directives. The PPA is applied to procurement above a certain threshold (art. 21), which provides for diverse procurement methods, including competitive procedures (art. 39). Each method has clear rules on participation conditions and notification time frames (arts. 40–47, PPA). It is mandatory to publish invitations for tenders regarding public contracts on the public procurement portal, except in negotiated procedures without prior publication (art. 39, PPA). Contracts are awarded to the most economically advantageous tender. In lower-value procurement, the contracting authority is required to keep a record and publish the awards (art. 21, PPA).

The National Review Commission (NRC), is a specialized, independent, autonomous body assigned to review public procurement award procedures. According to the Act on the Legal Protection in Public Procurement Procedures, an aggrieved party must request a review by the contracting authority before resorting to the NRC (art. 6). The latter's decision, having suspensive effect over the procurement process, is final and cannot be challenged except for civil damages (art. 49) or the contract's voidability (arts. 42–48).

The procedures for deliberation and adoption of the national budget are set out in the Public Finance Act (art. 13, PFA). The national budget is prepared by the Ministry of Finance and approved by the National Assembly. The Government is required to submit reports on revenues and expenditures to the National Assembly (art. 63, PFA). The data regarding budget, revenue and expenditure is publicly accessible.

The CoA is in charge of auditing the national accounts, State budget, and public spending, including issuance of auditing standards. The budget supervision office is responsible for designing the public internal control system. If an error is found, the budget inspector can propose correction measures.

The different length of storing various financial documents and penalties for falsifications of such documents are set out in the Accounting Act (arts. 30 and 55).

*Public reporting; participation of society (arts. 10 and 13)*

Legal entities and natural persons have the right to access public information freely (art. 39 of the Constitution, governed by the Access to Public Information Act (APIA) and the Media Act), which may only be refused on certain grounds, such as the protection of classified information and personal data (arts. 5 and 6, APIA). However, the prescribed refusal bases are subject to exceptions if the information relates to public interest, use of public funds, or environmental protection (art. 6, APIA). If requests for information are unattended or denied, appeals can be made to the Information Commissioner, and then to administrative courts (arts. 27 and 31, APIA).

Information is made public through press conferences, official governmental websites and the Gazette (art. 10, APIA). In 2016, an Open Data Portal, containing metadata of all public registers and databases, was launched to facilitate public access to information in addition to the e-government portal. The CPC publishes reports concerning corruption risks in different sectors from time to time.

The freedom of assembly and association as well as the freedom of expression are enshrined in the Constitution (arts. 39 and 42). While draft legislation is published for consultation, the Government Communication Office also collects proposals submitted by the public through a designated website. Civil society organizations play an important role not only in the process of formulating preventive policies and measures against corruption, but also in awareness-raising campaigns. The curricula of primary, secondary and tertiary schools in Slovenia contain ethics and anti-corruption programmes.

Anyone can report corruption directly to the CPC via the website, telephone, email or in person. The commission regularly informs the public of its activities in terms of protection of reporting persons.

*Private sector (art. 12)*

The Companies Act (CA) lays out basic requirements for establishing and operating commercial legal entities, including provisions on elimination of conflicts of interest in the private sector (art. 38). Corporate Integrity Guidelines as well as codes of good business practice for certain industries have been designed to safeguard the integrity of private entities.

The private sector may report allegations of corruption to the Police, the Public Prosecutor's Office and the CPC, subject to the same level of protection as that on reporting persons (art. 24, IPCA).

The Court Register of Legal Entities Act (arts. 4, 5 and 7), in addition to the CA, requires the registration of certain entities in the commercial or business register whose information is open to the public. There are various corporate governance codes for companies. Auditing and accounting standards are regulated by the CA and the Auditing Act. However, measures on preventing the misuse of procedures regulating private entities were not reported.

The IPCA has imposed a temporary restraint on senior public officials from serving as representatives of a business that may have business contacts with the official's former office after leaving office (art. 36). However, there is no general provision regarding a "cooling-off" period for public officials moving to the private sector.

Private entities must keep permanently books and accounts, subject to sanctions (art. 685, CA). In addition, criminal provisions on forgery or destruction of business documents (art. 235, CC) can apply.

The tax deductibility of expenses that constitute bribes is not allowed (art. 30, Corporate Income Tax Act).

*Measures to prevent money-laundering (art. 14)*

The AML Law of Slovenia came into force on 19 November 2016 and established a list of financial and non-financial institutions subjected to this regime (art. 4). The AML Law also lists categorized supervisory authorities of these professions (arts. 139–162), as well as details on risk management by obliged entities (arts. 13–15).

In 2015, Slovenia finalized a national risk assessment with the assistance of the World Bank, which is designed to identify, assess and understand the money-laundering and/or terrorist financing risks within its jurisdiction. Consequently, Slovenia applies a risk-based approach in accordance with articles 7 to 11 of the AML Law. Slovenia has established a Financial Intelligence Unit (FIU) (arts. 2 and 19, Organization and Competence of Ministries Act) and has domestic coordination meetings and platforms such as the Permanent Coordination Group, which serves as a platform for meetings and discussions of relevant bodies. These bodies represent all supervisory authorities and meet periodically to address relevant issues.

Regulation (EC) No. 1889/2005 on controls of cash entering or leaving the Community supported by the Foreign Exchange Act (FEA) requires all persons entering or leaving the European Union to declare cash and bearer negotiable instruments equal or in excess of 10,000 euros to the Customs authority which is responsible for centralizing, collecting, registering and processing the information contained in the declarations (arts. 2 and 14, FEA). Sanctions for undeclared, false or incomplete information to the customs authority range from a fine between 500 and 42,000 euros to seizure of the consignment and means of transportation (arts. 14–17, FEA). Slovenia has various provisions for electronic transfers and money remitters. These include European Union Regulation 2015/847 and the guidance note of 18 February 2019 on information accompanying transfers of funds and European

Union Regulation 260/2012 establishing technical and business requirements for credit transfers and direct debits in euros.

## 2.2. Successes and good practices

- Slovenia has facilitated public access to information by various means, such as providing an e-government service and an open data portal for citizens (art. 13, para. 1);
- Slovenia has established domestic coordination meetings and platforms which meet periodically and represent all supervisory authorities (art. 14, para. 1 (b)).

## 2.3. Challenges in implementation

It is recommended that Slovenia:

- Consider ways to ensure the Resolution and Action Plan are kept up to date to reflect the current preventive anti-corruption practices (art. 5, para. 1);
- Consider ways to ensure that draft legislation be shared automatically with the CPC for its consideration in relation to the prevention of corruption (art. 5, para. 3);
- Take measures to ensure that the CPC is allocated the resources required to ensure its mandated duties, including provision of adequate trainings for its staff to carry out their functions (art. 6, para. 2);
- Consider identifying positions that are especially vulnerable to corruption, and formulating clear rules for the selection of staff for such positions, and, where appropriate, strengthening the system for relevant rotation (art. 7, para. 1);
- Consider extending the asset declaration system to all public officials, and their immediate family members if necessary, specifying rules and strengthening methods of verification of asset declarations, including through automated or electronic systems (art. 8, para. 5);
- Consider taking measures to prevent the misuse of procedures regulating private entities, including procedures regarding subsidies and licenses granted by public authorities for commercial activities (art. 12, para. 2);
- Continue to take measures to strengthen post-employment restrictions, including, where appropriate, by providing a general “cooling-off” period for all public officials moving to the private sector that may have potential conflicts of interest (art. 12, para. 2).

## 3. Chapter V: asset recovery

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

*General provision; special cooperation; bilateral and multilateral agreements and arrangements (arts. 51, 56 and 59)*

The asset recovery legal framework in Slovenia consists mainly of the CPA, CC, FAIOA, AML Law and the Act on Cooperation with the Members of the European Union. These allow for criminal, civil and non-conviction-based forfeiture. In addition, the Convention can be directly applied in Slovenia pursuant to article 8 of the Constitution. Its application is however difficult in practice given the absence of clear domestic policy and procedure.

A number of law enforcement, financial and judicial institutions play a role in the asset recovery process. These include the police, the FIU (Office for Money-Laundering Prevention), State prosecutors, the CPC and courts. The police department is the law enforcement authority with competence over the criminal investigation of corruption and other serious crimes under the Police Tasks and Powers Act. In practice, the police conduct investigations and trace assets, and the State prosecutors request measures for their freezing, seizing and confiscation before

the courts. There is no single national institution specialized in the tracing, securing, confiscation and management of assets.

Slovenian legislation does not explicitly prescribe or prohibit the spontaneous transmission of information for the ultimate objective of recovering assets domestically or internationally. However, it is possible in practice through several channels: such as through the Egmont Group, the International Criminal Police Organization (INTERPOL) and Eurojust. Slovenian legislation allows mutual legal assistance in the absence of a bilateral or multilateral treaty (chap. 30, CPA). However, Slovenia has concluded bilateral treaties with Serbia and Bosnia and Herzegovina on mutual legal assistance and concluded agreements for cooperation between law enforcement agencies with regard to the offences contemplated in the Convention with almost all the European countries, Turkey and the United States of America.

*Prevention and detection of transfers of proceeds and crime; financial intelligence unit (arts. 52 and 58)*

Obligated entities in Slovenia are required to identify their customers, including occasional ones as well as all beneficial owners (art. 12, AML Law). They are also required to verify the identities of their clients, to set up their risk profiles and implement an appropriate risk management system (art. 16, AML Law). Beneficial owners are defined under article 35 of the AML Law. Article 16 also creates the obligation to obtain information on the beneficial ownership of all accounts. In accordance with the AML Law, on December 2017, Slovenia also established a registry of beneficial ownership which collects, stores and registers data on beneficial ownership relating to various entities (art. 41, AML Law). Article 61 of the AML Law defines politically exposed persons and requires obliged entities to have risk-based procedures to carry out customer due diligence (arts. 13–15, AML Law).

Article 50 of the AML Law requires financial institutions to apply enhanced due diligence measures to customers identified as high risk. To this end, article 59 provides for an indicative list of potentially higher-risk factors, to which financial institutions must pay particular attention, and article 63 of the AML Law is applicable to customers or transactions related to high-risk countries. Its article 85 provides examples of potentially suspicious indicators for purposes of account-opening and general monitoring, including types of clients, accounts, services and transactions.

Foreign politically exposed persons are included in the screening tools pursuant to article 61 of the AML law.

Article 51 of the AML Law provides that records and files should be kept for at least 12 years in a durable medium. Furthermore, article 49 of the AML Law requires obliged entities to carry out proper account monitoring and regularly update the information received for customer due diligence purposes.

The establishment of “shell banks” is prohibited (arts. 60 and 66, AML Law). Financial institutions are prohibited from establishing or maintaining correspondent banking relationships with any fictitious financial institution and must verify that their correspondents abroad are subject to the same obligation (art. 66, AML Law).

The system of asset declarations in Slovenia provides for a fine of between 400 and 1,200 euros for non-compliance (art. 77, IPCA). Details on the propriety of this sanction was not provided. Declarations may not be shared with competent authorities in other jurisdictions. Slovenian legislation provides for the reporting to the tax authority of accounts in which all persons (including public officials) have an interest in or signature or other authority over in foreign jurisdictions (art. 49, Financial Administration Act).

Obligated entities are required to submit Suspicious Transactions Reports (STRs) to the FIU (art. 69, AML Law). In case of non-compliance, entities can get financial penalties of up to 5,000,000 euros or initiation of administrative proceedings by their supervisory entities (arts. 163–172, AML Law). The FIU does not have investigative



powers. As a result, it receives and analyses STRs and forwards them, where needed, to the law enforcement authorities. In addition, both the FIU and law enforcement authorities have neither emergency nor temporary freezing powers in Slovenia. As the FIU disseminates information to financial entities, it assesses systemic risks and regularly hosts discussions with financial entities and Government authorities. The FIU is an autonomous body under the Ministry of Finance composed of members who are experts in anti-money-laundering, terrorist financing, as well as tax matters. It may cooperate with other FIUs pursuant to its memorandum of understanding and membership in the Egmont Group of Financial Intelligence Units, as well as articles 104 to 113 of chapter VI of the AML Law, which allow the exchange of information between FIUs.

*Measures for direct recovery of property; mechanisms for recovery of property through international cooperation in confiscation; international cooperation for purposes of confiscation (arts. 53, 54 and 55)*

Natural and legal entities are entitled to initiate civil action, sue for compensation and be recognized as legitimate owners of property acquired through an offence established in accordance with the Convention (art. 76 of the Civil Procedure Act and art. 131 of the Obligations Code). Its extension to foreign States is not clear. Slovenia has also never had a case involving a foreign State as a civil party nor a civil recovery case.

Slovenia does not require a treaty prior to rendering international cooperation, including for asset recovery purposes. If the requesting State party is a member of the European Union, the request is considered following a motion filed by the State prosecutor in accordance with the European Union Cooperation Act. If the requesting State is a non-member of the European Union, the State prosecutor must act in accordance with any bilateral agreement, or if there is no agreement: the general provisions of the CPA, which states, among other things, that the request for international criminal assistance may be granted if the implementation of the act of assistance is not in conflict with the legal order of Slovenia and does not prejudice its sovereignty and security (art. 516, CPA).

Article 200 of the Cooperation in Criminal Matters with the Member States of the European Union Act allows, inter alia, the direct enforcement of foreign interim decisions from European Union member States for seizure of assets. The provisions of this Act provide detailed guidance on the recognition and enforcement of freezing orders in Slovenia, issued by a judicial authority of another State member of the European Union, in criminal proceedings, in order to collect evidence to ultimately confiscate property. Slovenian legislation does not provide for the direct enforcement of foreign interim decisions outside the European Union. In addition, Slovenia does not have additional measures making it possible to preserve property for confiscation on the basis of foreign arrest or criminal charges issued by a foreign court.

Indirect enforcement in Slovenia of interim measures may be requested by a foreign State party in the absence of a court order. In such a case, the request must be sent through diplomatic channels to the MOJ (art. 50, CPA). Slovenia can provide assistance relating to interim measures (art. 49, FAIOA). It is not clear whether the standard used to determine assistance is a reasonable basis to believe that there are sufficient grounds. The form and content of the requests is governed by article 51 of FAIOA.

The recognition and enforcement of foreign judgments or confiscation orders in Slovenia is provided in article 517 of the CPA. It is not clear whether it is possible to enforce foreign judgements or orders for freezing, seizing or confiscating assets in Slovenia unless they relate to criminal proceedings.

Confiscation of proceeds and instrumentalities of money-laundering is prescribed (art. 245, CC), including when the predicate offence is committed outside Slovenia or if the funds are of foreign origin. The provisions also protect bona fide owners (art. 30, FAIOA).

Slovenia provides for the possibility of non-conviction-based forfeiture, including where a suspect is deceased, has absconded or is otherwise unavailable (arts. 498 and 498 (a), CPA). Slovenia legislation specifies conditions pertaining to refusal or any provisions relating to the lifting of provisional measures (arts. 20 and 53, FAIOA). Slovenia submitted copies of its pertinent laws at the time of the review.

*Return and disposal of assets (art. 57)*

There is no specific law that mentions and provides for asset returns or the disposal of property to its prior legitimate owners. Furthermore, where requesting States are European Union member States, confiscated property in excess of 10,000 euros is shared on a 50 per cent basis, although non-cash assets may be returned in full to the requesting States. Slovenia has not yet concluded agreements on the final disposal of confiscated assets nor returned corruption-related assets to any foreign State.

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

- Slovenia has established a Register of Beneficial Ownership Information (arts. 12 and 52, para. 1).

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

It is recommended that Slovenia:

- Assess whether the creation of a comprehensive system for the effective management of assets including a specialized authority/unit for the management of assets prior to their return would be beneficial (art. 51);
- Assess the effectiveness of its asset declaration system, including the revision of sanctions for non-compliance in conjunction with the financial disclosure system (arts. 8, para. 5, and 52, para. 5);
- Consider taking measures to allow for the sharing of declarations with competent authorities in other jurisdictions and provisions on the reporting of accounts held in foreign jurisdictions (art. 52, para. 5);
- Verify and ensure that another State party is allowed to initiate civil action, sue for compensation and be recognized as legitimate owner of property acquired through an offence established in accordance with the Convention (art. 53);
- Take measures to provide for the direct enforcement of foreign interim decisions emanating from countries outside the European Union, including decisions emanating from civil proceedings (arts. 54, para. 1 (a), and 55, para. 1 (b));
- Consider taking measures making it possible to preserve property for confiscation on the basis of foreign arrests or criminal charges issued by a foreign court (art. 54, para. 2 (c));
- Take measures to ensure that whenever possible, the requesting State party is given an opportunity to present its reasons in favour of continuing the measure before lifting of provisional measures (art. 55, para. 8);
- Take measures to ensure that property confiscated as a result of Convention offences may be returned to requesting States in accordance with the Convention, as well as prior legitimate owners including in the absence of a sentence in the requesting State (art. 57, paras. 1–4) and consider concluding agreements for the final disposal of confiscated property (art. 57, para. 5);
- Consider granting the FIU and law enforcement authorities emergency or temporary freezing powers over suspicious transactions (arts. 52 and 58);

**3.4. Technical assistance needs identified to improve implementation of the Convention**

- Assistance in the creation of a confiscated asset management institution (art. 51);
  - Capacity-building (art. 53).
-