



STATE OF ISRAEL

Response of the State of Israel

**Information requested from States parties in relation to mandates of anti-corruption body or bodies in respect of prevention, and public sector legislative and administrative measures, including measures to enhance transparency in the funding of candidatures for elected public office and, where applicable the funding of political parties, in the context of articles 5, 6 and 7 of the United Nations Convention Against Corruption
(Reference: CU 2014/52(A)/DTA/CEB)**

September 2014

I - Information requested from States parties in relation to mandates of anti-corruption body or bodies in respect of prevention (art. 6)

Article 6. Preventive anti-corruption body or bodies

1. Each State Party shall, in accordance with the fundamental principles of its legal system, ensure the existence of a body or bodies, as appropriate, that prevent corruption by such means as:

- (a) Implementing the policies referred to in article 5 of this Convention and, where appropriate, overseeing and coordinating the implementation of those policies;
- (b) Increasing and disseminating knowledge about the prevention of corruption.

2. Each State Party shall grant the body or bodies referred to in paragraph 1 of this article the necessary independence, in accordance with the fundamental principles of its legal system, to enable the body or bodies to carry out its or their functions effectively and free from any undue influence. The necessary material resources and specialized staff, as well as the training that such staff may require to carry out their functions, should be provided.

3. Each State Party shall inform the Secretary-General of the United Nations of the name and address of the authority or authorities that may assist other States Parties in developing and implementing specific measures for the prevention of corruption.

1. Please describe the measures you have taken to implement art. 6 of the Convention.

Israel has a wide apparatus for implementing anti-corruption measures, which consists of a variety of specialized bodies and authorities. Their work is complemented by legal advisors, accountants, and internal auditors placed in every government ministry and in most other government and public entities, all of which are responsible for the protection of integrity and the prevention of corruption in their respective organizations.

The following is a list of the main bodies involved in anti-corruption efforts. Though these bodies differ in their duties and operate in a wide range of fields, all of them play an essential and extensive role in the fight against corruption. These bodies routinely cooperate with each other, and their joint activities are a crucial element in combating corruption in all of its forms.

Each of the following bodies is also responsible, in its respective field of operation, for raising awareness to the dangers of corruption and enhancing anti-corruption preventive measures.

- **The State Comptroller's Office** has many responsibilities and functions which relate directly and indirectly to the fight against corruption. The Office is headed by the State Comptroller and National Ombudsman, who is appointed by the Knesset and remains answerable to the Knesset alone; by law, he is wholly independent of the government and any other executive authority.

The State Comptroller's Office is responsible for examining the activities of the executive authority, municipalities, governmental corporations and others to determine whether they have been carried out in accordance with the principles of legality, efficiency, effectiveness and fiscal restraint, as well as ethical integrity. This mandate is given constitutional standing as part of the Basic Law: State Comptroller. The State Comptroller decides on the subjects and bodies to be audited at any given time, and he may not be prevented from conducting investigations of his own initiative, though he may be requested by the Knesset, the State Control Committee or the Government to prepare a report on a specific subject. The fact that all the aforementioned bodies are subject to oversight by the State Comptroller's Office at any given moment and in every aspect of their activity has a deterrent effect, which can, in and of itself, assist in ensuring good governance, maintaining ethical integrity and preventing corruption.

The State Comptroller is empowered not only to investigate allegations of corruption against public officials but also, in his capacity as National Ombudsman, to issue binding orders prohibiting the dismissal or harassment of employees who expose corruption in the public sector.

In addition, according to Israel's Political Parties Financing Law, 1973, the State Comptroller's Office is responsible for examining each party's receipts, expenditures and income, and it has the authority to fine them for financial activity that does not conform to the Law or the State Comptroller's guidelines. This includes prohibitions on corporate or anonymous donations, limits on the sums of personal donations and ongoing financial disclosure requirements. At the municipal level, the Municipalities Law (Funding of Elections), 1993, includes similar provisions, which are also under the purview of the State Comptroller's Office.

According to the Political Parties Law, 1992, the State Comptroller is also responsible for keeping track of contributions received by candidates running in party primaries. Candidates must report to the State Comptroller all contributions they receive as well as their expenditures. The State Comptroller has the authority to fine them for breaches.

The State Comptroller's Office is also entrusted with a very important anti-corruption role, according to the Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers, 2003. According to these Rules, which were published by the Government, all ministers and deputy Ministers must, within 60 days of their appointments, file with the State Comptroller's Office a Financial Statement, including all their capital and holdings. A shorter Financial Statement must be filed every year thereafter during their tenure, and a final Statement necessary must be filed at the end of their tenure. Any suspicious changes reflected in these reports must be explained to the State Comptroller. According to these Rules, all ministers and deputy ministers must transfer their shares in a business or partnership, as well as stocks above a certain value, to a blind trust, so as to avoid potential conflicts of interest. There is also a Permits Committee, headed by a retired judge appointed by the State Comptroller, which may give a member of Government ad-hoc permission to deviate from the Rules in special circumstances. The

decisions and reasons of the Committee are made public on the website of the State Comptroller, except where the Committee has determined that the circumstances of a certain matter are sensitive, in which case the relevant details are omitted or edited from the published decision.

It should be noted that the budget of the State Comptroller's Office is submitted to the Finance Committee of the Knesset and approved separately from the State Budget, which enhances and reinforces the independence of the State Comptroller.

- **The Civil Service Commission** is responsible for disciplinary proceedings against civil servants. It monitors ongoing criminal proceedings concerning civil servants and decides whether to suspend them from their duties, and whether they should also be prosecuted by the Civil Service Disciplinary Tribunal, for infractions under the Civil Service Law (Discipline), 1963 and the Civil Service Regulations. In addition, the Commission plays a significant part in establishing preventive practices to preserve the integrity of public officials in government ministries, many of which are related to the provisions of Chapter 2 of the Convention. The Civil Service Commission is responsible for implementing government policy regarding civil service administration and personnel. Its duties in the context of corruption prevention include enforcing and tightening disciplinary rules in the civil service, approval of government ministry personnel quotas, approval of the structure and division of powers among government agencies and ministries, deciding on promotion tracks in various Civil Service functions, administration and supervision of hiring, establishing dismissal and retirement procedures, setting severance pay and pension rates, drafting codes of ethics and administrative guidelines and organizing and streamlining working methods. In that respect, the Commission serves as the guardian of proper management in the civil service.

The Commission is headed by the Civil Service Commissioner, who is appointed by the Government. The Civil Service Commissioner also chairs the Civil Service Committee, which was established under the Civil Service Law (Appointments), 1959. The Committee is comprised of three ministry directors-general, three public representatives, and the Civil Service Commissioner. The Committee helps the Commissioner discharge his duties, rules on appeals concerning personnel quotas, approves service extensions for essential employees, and takes action in diverse fields covering all civil service operations. Some of the Committee's recommendations are subject to Government approval.

- **The State Control Committee (Knesset – Israeli Parliament)** is responsible for considering the State Comptroller's reports and ensuring that these reports are dealt with promptly. The Committee examines the State Comptroller's reports and the government's responses, and it discusses the chapters of each report that will eventually be presented before the Knesset's plenum. The Committee has the authority to hear testimony from public servants, including from individuals employed in the public service at the time the report was written (by contrast, in other committees, only currently employed civil

servants are required to testify). Refusing to abide by the Committee's request to testify constitutes a criminal offense. The Committee may ask the State Comptroller to write reports on specific subjects at its discretion.

- **The Ethics Committee (Knesset)** was established in accordance with the Knesset Members Immunity Rights and Duties Law, 1951 and is made up of four Members of the Knesset (MKs), appointed by the Chairman of the Knesset. The Committee is responsible for matters regarding ethics and ethic-related complaints against MKs. The Committee is not responsible for addressing issues relating to criminal investigations, but when there is an ethics offense, the Committee has the authority to sanction MKs (the sanctions are usually declaratory in nature and concern limitations on participation in parliamentary activities). The Committee also advises MKs regarding private matters, i.e. conflicts of interests and the receipt of gifts and benefits. The Knesset's Legal Advisor provides advice and guidance to the Ethics Committee.
- The following **Ministry of Justice** units and divisions play significant roles in Israel's anti-corruption efforts, including prevention:
 - **The Counsel and Legislation Department** is responsible for initiating and overseeing the drafting of legislation, formulating Attorney General Guidelines and providing legal advice to the Government and to other public authorities. The department is subject to the Attorney General and is directed by the Deputies to the Attorney General. Under the Attorney General, the staff of this department operates independently and its opinion in all legal matters binds all government entities, unless ruled otherwise by the courts. There are several divisions within the department responsible for corruption prevention activities, among many other duties. In particular, a subdivision within the counsel division is in charge of the development and regulation of ethics in the civil service, including appointment processes, rules for preventing conflicts of interests, rules for accepting gifts, contributions, sponsorships and other forms of cooperation with non-governmental bodies by public servants and government ministries, and post-employment restrictions. Among the projects that are currently led by this subdivision is the formulating of a Code of Ethics for members of the government and a thorough review of the measures to strengthen the integrity and the rule of law in local government.
 - **The Freedom of Information Unit** was established by the Government in 2011 to promote the implementation of the Freedom of Information Law, 1998, and to increase the transparency of public authorities and the quantity and quality of information published by public authorities. The unit functions as a knowledge hub in the field of freedom of information, gathering and disseminating information on the level of compliance of government offices and agencies with the

provisions of the law, and promoting legislative amendments and policy improvements.

- **The Israel Money Laundering and Terror Financing Prohibition Authority (IMPA)** is the Israeli financial intelligence unit established within the Ministry of Justice to assist in the prevention and investigation of money laundering and terror financing related crimes. This unit is responsible for processing and analyzing information collected in its database regarding suspected money laundering activity and disseminating that information to the competent authorities. It closely cooperates with international organizations such as the FATF, MoneyVal and its counterparts from around the globe. The IMPA is adequately funded and staffed, and is provided with adequate technical and other resources to fully perform its authorized functions. The nature of work of IMPA requires a multi-disciplinary approach and long-term training focused on the complex subject matter at hand.
- **The Office of the State Attorney** is Israel's prosecution authority, leading the prosecution of offenses related to the Convention. Different subdivisions of the Office of the State Attorney deal with enforcement, prosecution and international cooperation. In prosecutorial matters, the Attorney General is not bound by the decisions or policies of either the government or the Minister of Justice. According to Israeli law, the Attorney General (and by extension, all prosecutors) must perform his functions and exercise his authority in criminal matters independently, including in cases involving prominent public figures. No government agency or office, in the executive or legislative branches, may question the Attorney General's decision to file an indictment in any criminal proceeding. The district and state offices of the criminal department and the economic crimes department of the State Attorney's Office, which are usually responsible for prosecuting corruption charges, have a staff of dedicated prosecutors, with specialized expertise in complex criminal and economic prosecution. The existence of an independent and highly professional prosecution service helps deter potential perpetrators of corruption offenses and sends an important message to the public on the acceptable standards of behaviors among public servants and the business sector.
- **The Israel Police (IP)** is authorized to investigate the offenses established under the Convention. The IP operates autonomously when conducting its investigations. The IP is, however, subject to professional guidelines pertaining to investigation and prosecution policies, as outlined by the Attorney General. Elected public officials may not interfere with the discretion of the police in any matter relating to investigations. Several units within the police are responsible for investigating corruption offenses, most of which are now incorporated under the "Lahav 433" unit, within the Investigation and Intelligence Department. Lahav 433 is an elite unit of highly trained and specialized police investigators. The IP has a broad array of investigative tools at its disposal and a staff of skilled lawyers, accountants and economists who

are trained to handle complex economic crimes. These professionals regularly undergo training sessions in their respective fields of expertise.

The establishment of means to prevent offenses such as deceit and fraud is difficult, but the IP dedicates efforts to prevent corruption and expose corrupt actions as early as possible. The IP has established a task force to fight public corruption, which has been deployed within the National Unit for Investigating Fraud and Corruption, under Lahav 433. The task force is multijurisdictional and consists of representatives of the IP and the Israel Tax Authority. It is supported by prosecutors as well as by the IMPA. The main goal of this task force is to combat and disrupt the phenomenon of public corruption, including its human and material infrastructures. The main focus revolves around corruption within state institutions (on different levels) and criminal activity relating to the distribution and use of public funds.

For further information, see responses provided to the Working Group on Prevention by Israel in previous years.

2. Please provide information demonstrating the impact of the work conducted by national bodies with mandates in respect of the prevention of corruption.

Cooperation between the above-mentioned bodies and authorities in the creation and enforcement of anti-corruption policies has led to increased enforcement on the criminal, administrative and disciplinary levels. Over the past few years there have been many investigations, prosecutions and convictions of UNCAC related offenses in Israel, including convictions of high-ranking public officials. These actions have provided a major contribution to the prevention of corruption in Israel.

The State Comptroller's findings, including those dealing with corruption, are detailed in a report and submitted to the relevant governmental authority. These authorities are required to respond to the findings and to explain how they intend to deal with these findings. The State Comptroller's reports, as well as the authorities' responses, are brought before the State Control Committee of the Knesset, which schedules several meetings to discuss the findings. The findings – especially those dealing with possible corruption – are widely reported by the national media.

It should be noted too, that according to a recent amendment to the State Comptroller Law, a public servant who is entrusted with correcting a deficiency cited in a report of the State Comptroller and fails to do so, will be guilty of a breach of the disciplinary code of the public service. This is meant to further ensure that deficiencies, including those related to corruption, are dealt with in a meaningful way.

The Freedom of Information Unit contributes to transparency throughout the civil service, by performing, inter alia, the following tasks: handling public complaints about the conduct of freedom of information officers in the Ministries providing guidance to Government Ministries on the implementation of the law and on relevant instructions of the Attorney General, rectifying defects discovered in the work of a Government Ministry, providing training and instructions to the freedom of

information officers within the various public authorities; monitoring the implementation of the Law, publishing findings of the examination in annual report submitted to the Government, establishing a central governmental freedom of information internet website that will allow easy access to the public for submitting requests for information, promoting Israel's membership and participation in the Open Government Partnership (OGP) (an international partnership aimed to foster the application of open government principles) in accordance with the Government's commitment to increase the Government's openness, transparency and accountability, and promoting the adoption and implementation of other initiatives designed to increase transparency and integrity in the public sector, (for example, Government Decision 1116 on the subject of "Publication of Permits and Contracts between Public Authorities and Private Parties").

II - Information requested from States parties in relation to public sector legislative and administrative measures, including measures to enhance transparency in the funding of candidatures for elected public office and, where applicable the funding of political parties (arts. 5 and 7).

Article 5. Preventive anti-corruption policies and practices

1. Each State Party shall, in accordance with the fundamental principles of its legal system, develop and implement or maintain effective, coordinated anti-corruption policies that promote the participation of society and reflect the principles of the rule of law, proper management of public affairs and public property, integrity, transparency and accountability.
2. Each State Party shall endeavour to establish and promote effective practices aimed at the prevention of corruption.
3. Each State Party shall endeavour to periodically evaluate relevant legal instruments and administrative measures with a view to determining their adequacy to prevent and fight corruption.
4. States Parties shall, as appropriate and in accordance with the fundamental principles of their legal system, collaborate with each other and with relevant international and regional organizations in promoting and developing the measures referred to in this article. That collaboration may include participation in international programmes and projects aimed at the prevention of corruption.

Article 7. Public sector

1. Each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, endeavour to adopt, maintain and strengthen systems for the recruitment, hiring, retention, promotion and retirement of civil servants and, where appropriate, other non-elected public officials:
 - (a) That are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude;
 - (b) That include adequate procedures for the selection and training of individuals for public positions considered especially vulnerable to corruption and the rotation, where appropriate, of such individuals to other positions;
 - (c) That promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party;
 - (d) That promote education and training programmes to enable them to meet the requirements for the correct, honourable and proper performance of public functions and that provide them with specialized and appropriate training to enhance their awareness of the risks of corruption inherent in the performance of their functions. Such programmes may make reference to codes or standards of conduct in applicable areas.
2. Each State Party shall also consider adopting appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to prescribe criteria concerning candidature for and election to public office.

3. Each State Party shall also consider taking appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to enhance transparency in the funding of candidatures for elected public office and, where applicable, the funding of political parties.

4. Each State Party shall, in accordance with the fundamental principles of its domestic law, endeavour to adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.

1. Please describe the legislative and administrative measures you have taken to prevent corruption in the public sector. In particular, please provide information on measures you have taken to enhance transparency in the funding of candidatures for elected public office and the funding of political parties.

Israel has in place a wide range of measures in the context of corruption prevention, including comprehensive statutory, regulatory and administrative schemes. Please refer to Israel's responses to previous prevention questionnaires, especially that of 2012, which details, *inter alia*, legislative and administrative measures in civil service appointments, prevention and treatment of conflicts of interest and the establishment and enforcement of codes of conduct in the civil service.

In order to curb potential corruption and limit the dependence of public officials on private actors, political parties in Israel receive most of their funding from the state's budget, and private contributions are only allowed in small sums. The Political Parties Financing Law, 1973 provides comprehensive administrative arrangements regarding the public funding of elections and political parties, and regarding contributions made to political parties and expenditures made by them.

Provisions regarding expenditures of political candidates in party primaries and donations to them are set out in the Political Parties Law, 1992. There is no public funding for candidates participating in party primaries.

In addition to public financing of election expenses, political parties with representation in the Knesset are entitled to funding for ongoing expenditures. With respect to elections in local authorities, the Municipalities Law (Funding of Elections), 1993 regulates public funding for local lists and mayoral candidates, as well as the relevant limits regarding contributions and expenditures.

Section 2(a)(1) of the Political Parties Financing Law sets out a party's right to public funding of its elections expenses, which is decided retroactively based upon the number of seats it won, out of the 120 seats in the Knesset. Each party receives an amount equal to the number of its seats multiplied by one funding unit (1.375 million NIS as of March 2014 (approx. 392,857 USD)), while section 2(a1) provides that parties that did not make it into the Knesset may receive funding in the amount of one funding unit, if they garnered at least 1% of the vote. In order for parties to be able to

pay their expenses during the campaign, the Law allows them to receive partial payment in advance, according to the rules and conditions stipulated.

In addition to public funding, parties may receive limited funding from private citizens. Each household may donate up to 1,000 NIS (approx. 300 USD) to a party each year and up to 2,300 NIS during an election year. A party that waives its right to public funding may accept private contributions of up to 126,100 NIS (approx. 36,000 USD) during an election year from each household, but this situation does not occur in practice. Contributions given to a person working for or in connection with a political party are also considered to be contributions to that party. Parties may not receive contributions from a corporation or a minor, nor may they receive anonymous donations; only registered voters may make contributions to a political party.

In theory, there is no limit as to the total amount of contributions a party can receive. On the other hand, a party's expenditures are limited in two ways. Firstly, the Law itself limits the total expenditure that a party can spend in connection with its election campaign; the limit is according to a sliding scale, based on the number of seats each party holds in the Knesset. Secondly, the State Comptroller has made it clear in various reports that if a party spends more money than it has, thereby creating a debt which it is unable to cover in the foreseeable future, even if the legal spending limit is not exceeded, it will be considered to have received illegal contributions in excess of the limit on individual contributions. In such a case, the State Comptroller may, in his discretion, deny part of the public funding.

Most of the public funding (85% minus any partial payment taken by the party during the campaign) is granted to the party immediately after the results of the elections are announced. The remaining 15% is withheld until such time as the State Comptroller gives the party a positive report; in the event of a breach of the rules, a negative report is issued, and payment of the remaining 15% can be denied in whole or in part.

The Municipalities Law (Funding of Elections), 1993 regulates the public funding of elections for local governments and for municipality heads. Similarly to the Political Parties Financing Law, the Local Authorities Law sets a maximum for contributions per household, forbids contributions from corporations and anonymous persons, and restricts faction expenditures according to the number of seats each one holds in the municipal council. Contribution sums and donor names must be published, and accounting reports must be submitted to the State Comptroller's Office. If irregularities are found, the State Comptroller may recommend that that party be denied up to 15% of the public funds it would otherwise have been entitled to receive.

As noted above, there is no public funding for political candidates in regard to party primaries. Chapter 2 of the Political Parties Law, 1992 contains provisions regarding the private funding of primary elections within a party for different positions, such as chairman of the party, minister, Prime Minister, mayor and so on. These funding provisions, which also include limitations on each candidate's income and expenditures, are meant to prevent corruption. Candidates who are elected public officials must abide by the limitations at all times, and not only during the course of the election. Elected public officials may accept contributions only for election uses

and not for other political activities (section 28B1). Each party must inform the State Comptroller of dates of primary elections and the number of potential voters.

Candidates may not take cash contributions exceeding 200 NIS (approx. 60 USD) (section 28D). The maximum contribution from one person for the primaries election is 11,480 NIS (approx. 3,280 USD) (section 28F). However, for a campaign for Prime Minister, chairperson of a party or mayor, if the number of eligible voters is more than 50,000, then the maximum contribution from one person is 45,880 NIS (approx. 13,100 USD). A candidate may also fund himself, but not beyond the total sum of contributions allowed, which is determined by the number of potential voters. If the party has under 50 members with voting rights, no contributions are allowed; if there are between 51 and 9,999 voters, the total maximum of contributions is 5,740 NIS (approx. 1,640 USD) plus 15 NIS (approx. 4 USD) for each voter over the minimum of 50. There is a higher ceiling for over 50,000 voters, and a higher one still for candidates in elections for chairman of a party or the Prime Minister. There is no distinction between contributions given to the candidate himself and contributions given to someone acting on behalf of the candidate.

Under the Elections Law (Campaigning) 1959, public property may not be used for election campaigns for the Knesset or for local government. The Political Parties Law contains a similar rule regarding primary elections.

The following laws and guidelines govern the reporting and disclosure requirements concerning parties, lists and candidates: the State Comptroller's guidelines: Local Authority Guidelines (Financing Elections) (Accounting), 2013; Guidelines for Accountants (Financing Elections in Local Authorities), 2013; State Comptroller's Guidelines in Accordance With the Financing of Political Parties Law Regarding the Management of a Party's Finances, 2009; Guidelines for the Funding of Elections in Municipalities (Appointment of Accountants), 1993; Guidelines for Political Parties Financing (Guidelines for Accountants), 1994; and the State Comptroller's Guidelines in Accordance with the Political Parties Law Regarding Accounting System's Management and Reporting in Primaries, 2008. Such reporting is supervised by a unit within the State Comptroller's Office which specializes in these matters. The State Comptroller's Office oversees all aspects of party and candidate financing by receiving detailed reports on contributions from the parties and instructing them on how to make the information public. At times other than during an election period, a candidate must inform the State Comptroller of any contribution received and of any contribution returned within 14 days of receiving it. In the time period commencing 14 days before an election and ending 14 days thereafter, any contribution must be reported within 24 hours. All of this information is published by the State Comptroller's Office. The State Comptroller publishes accounting instructions, including with regard to contributions and expenditures, and supervises the books.

The State Comptroller examines the candidates' accounts and delivers a report of each primary election in a political party. A candidate who took forbidden contributions, made forbidden expenditures, failed to report or deviated from other requirements, must pay the State treasury the amounts specified by the law. The candidate is not allowed to use contribution funds to make these payments. Some of these

infringements are also considered criminal offenses. In addition, a contribution given in breach of the rules must be returned to the giver.

Declarations by Public and Elected Officials

The **Civil Service Law (Appointments), 1959**, requires that certain public officials declare assets, debts, loans and past or additional sources of income for themselves and their families. According to section 35 of this law, as well as the **Civil Service Law (Appointments) (Declaration of Assets), Regulations, 2008**, senior officials or employees with access to sensitive and/or confidential information who may be susceptible to outside influence are obligated to submit extensive reports, including a declaration of assets. Senior officials in the public service must declare their assets when beginning their appointment and must update this information at least once every four years, and whenever there is a substantial change pertaining the content of the declaration. These declarations are submitted to the Civil Service Commission, and the information included therein may not be disclosed without the employee's consent or pursuant to a court order given after the court considered the level of invasion of privacy entailed.

Failure to comply with these Rules (besides the obligation to file a financial Statement) is a disciplinary offense. The Rules provide that the Civil Service Commission, after consulting with the Attorney General, may investigate actions taken in breach of these obligations. If the investigation reveals suspicions of a criminal offense, the matter will be turned over to the Attorney General's office.

According to the Civil Service Regulations, a civil servant may only receive a salary or other payments from the State Treasury, and may not receive any other benefit from another person for his public work or in connection with such work. In addition, the Public Service Law (Gifts), 1979 prohibits public officials from accepting gifts offered to them in relation to their capacity as public servants.

Ministers and deputy ministers are required to make such asset declarations to the State Comptroller with respect to themselves and their families, pursuant to the aforementioned **Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers, 2003**. Ministers and deputy ministers are required to submit their declaration of assets within sixty (60) days of their appointment date, annually thereafter, and within sixty (60) days of the end of their appointment. As mentioned above, these declarations are submitted to, and reviewed by, the State Comptroller's Office. The State Comptroller must protect the confidentiality of these declarations and cannot reveal the information included in them without the consent of the relevant minister or deputy minister. In additions, rule 6(3)(a) of the Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers states that a minister may not receive a salary or a benefit other than the salary paid by the state. According to Rule 6(5), a minister may not invest funds or hold securities except through a "blind trust." Rule (6)(6) of the Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers provides that a minister may not purchase or receive State assets, directly or indirectly, other than assets sold or given to the public according to predetermined principles and which the public has had an equivalent opportunity to purchase or receive.

Under section 11 of the Rules, the State Comptroller may report a breach of these Rules to a sub-committee of the Knesset's State Control Committee, should he find that the circumstances justify it. If the investigation reveals suspicions of a criminal offense, these are to be reported to the Attorney General's office.

Members of Knesset are also required to make asset declarations pursuant to sections 15-16 of the Knesset's Ethical Guidelines. The declarations are submitted within 60 days of the person's election to the Knesset, within 60 days of the end of their term and any time there is a substantial change in the content of previous declaration. MKs use the same forms submitted by ministers and deputy ministers to the State Comptroller, and include statements on fortune, assets and debts with respect to themselves and their families. The declarations are kept in the Knesset's Ethics Committee's safe, to be reviewed only upon the issuance of a court order. The Ethics Committee ensures the submission of the declarations and has the authority to sanction MKs and former MKs who fail to submit them.

Similarly, heads of municipal authorities and their deputies are also required to submit such declarations, pursuant to the **Heads of Municipal Authorities and their Deputies Law (Financial Statement), 1993**. According to this Law, these asset declarations are submitted to a former Supreme Court justice or a district court justice appointed by the Chief Justice of the Supreme Court. The declarations are used to compare the civil servants' assets before, during and after their tenure and therefore constitute a way to identify undeclared assets. It should be noted that a team recently appointed by the Attorney General, composed of representatives of the Ministry of Justice, the IMPA, the Tax Authority, and the Police, is currently examining whether and how the efficiency of this mechanism can be improved, in order to promote the integrity of the elected officials in municipal authorities and to prevent corruption among them.

On the disciplinary level, section 17 of Israel's **Civil Service Law (Discipline), 1963** includes general definitions of disciplinary offenses that allow for more flexibility than those available in criminal law. If a civil servant's behavior falls into one of the law's offenses such as "conduct unbecoming a civil servant" or "dishonest conduct", they may be tried for disciplinary offenses.

2. Please provide information demonstrating implementation of the measures described above.

Israeli authorities continually promote the enforcement of election funding legislation. As detailed above, all accounting reports are submitted to the State Comptroller's Office, and all contributions given to parties and candidates are closely examined, to ensure that they are legally received and spent.

Over the years, there have been several cases dealing with violations of the political funding provisions. One example of such a case is Cr.A. (Tel-Aviv) 70569/06 *Sharon v. the State of Israel* (2007) – the defendant, the son of former Prime Minister Ariel Sharon, pled guilty to offenses of accepting forbidden contributions, accepting

contributions beyond the maximum allowed, and making expenditures beyond the maximum allowed. In addition, he admitted to making false entries in documents of a body corporate, giving false oath and committing offenses as a director of a body corporate. These offenses were committed during the primary elections in the Likud party in September 1999, in which the defendant was his father's campaign manager for the office of the chairman of the party. The defendant accepted donations of over 6 million NIS (approx. 1,714,285 USD) from corporations in Israel and abroad, tried to hide them by directing the funds to a shell corporation and forged accounting reports. Following the appeal, the defendant was sentenced to seven months imprisonment, nine months suspended sentence and a fine of 300,000 NIS (approx. 85,700 USD).