

Annex - Questionnaire

Measures taken to implement the Convention and the commitments contained in the UNGASS political declaration, as well as good practices and progress made in the use of international cooperation mechanisms under the Convention¹

Country	European Union
Implementing authority/authorities	EU institutions, offices, bodies and agencies
Corresponding paragraph(s) of the UNGASS political declaration and/or article(s) of the Convention	Political declaration entitled “Our common commitment to effectively addressing challenges and implementing measures to prevent and combat corruption and strengthen international cooperation” (here)
Title of initiative	
Keywords of initiative	
Short summary of initiative (please indicate the start date/duration if relevant)	<p>- Preventive measures</p> <p>The annual Rule of Law Report is a major initiative of the European Commission’s work programme for 2020 and is part of the European Rule of Law Mechanism which sets an annual dialogue between EU institutions, EU member states, national parliaments and other stakeholders on the rule of law.</p> <p>The Rule of Law Report sets a positive direction towards a more effective way to address this cross-topic issue across the entire EU, including corruption. The aim of the Rule of Law Report is to look at key developments in the area of the rule of law across the EU.</p> <p>The report covers four areas:</p> <ul style="list-style-type: none"> - justice systems, in particular their independence, quality and efficiency - the anti-corruption framework - media pluralism - other institutional issues related to checks and balances <p>The assessment includes both reform progress and remaining challenges, providing country-specific assessments of all 27 EU countries.</p>

¹ Please use one form per initiative described

The first annual Rule of Law report was published the 30 September 2020. A second report has been adopted on 20 July 2021. The reports contain a clear assessment, which will allow the Commission to continue and deepen its monitoring in future editions. A third report was published on 13 July 2022, it includes, for the first time, specific recommendations to EU member states.

Corruption in the Rule of Law Report

As regards the anti-corruption framework, the report examines the strategic approach to corruption, as well as the legislative and operational frameworks, in order to enable a **preventive dialogue** with national authorities and interested stakeholders at EU and national level.

The report assesses a wide variety of corruption-risks and measures in place to prevent and repress corruption:

- effectiveness of anti-corruption strategies and evidence-based policies
- capacity of institutions and their effectiveness in investigating and prosecuting corruption
- existing resources, specialisation and enforcement of sanctions.
- integrity rules including codes of ethics, conflicts of interest, and interest and asset declaration
- lobbying and ‘revolving doors’
- political party financing
- measures to protect whistle-blowers
- COVID-19 pandemic related measures impacting anti-corruption (incl. public procurement)

- **Criminalization and law enforcement**

EU legislation on anti-corruption

One tool to help anti-corruption efforts is ensuring a common high standard of legislation, either specifically on corruption, or incorporating anti-corruption provisions in other sectoral legislation.

The EU proposes new legislation and works to prevent corruption within the limits established by the Treaty on the Functioning of the European Union (TFEU).

The EU should ensure a high level of security, including through the prevention and combating of crime and the approximation of criminal laws (Article 67 TFEU).

Article 83 of TFEU designates corruption as a 'euro-crime' - a particularly serious crime with a cross-border dimension, by which the EU may in certain circumstances, adopt minimum rules in this area.

The legal basis for combating fraud and any other illegal activities affecting the EU's financial interests is Article 325 TFEU, which

tasks the EU itself and its Member States with the obligation to protect the EU's budget.

Modernising the EU anti-corruption framework

The Commission is conducting a study, as a key action under the EU Organised Crime Strategy, to assess whether the existing EU anti-corruption rules are up to date with evolving criminal practices and to ensure that they cover all relevant corruption-related offences.

Main anti-corruption legislation

- The 1997 Convention on fighting corruption involving officials of the EU or officials of EU countries
- The 2003 Council Framework Decision on combating corruption in the private sector, which criminalises both active and passive bribery.
- The 2008 Council Decision 2008/852/JHA on a contact-point network against corruption

Legislation to protect the EU's financial interests

Legislation on combating fraud, corruption and other illegal activities affecting the Union's financial interests is also a corner stone of the EU anti-corruption policy framework

- The Directive on the fight against fraud to the Union's financial interests by means of criminal law (Directive (EU) 2017/1371) establishes rules on the definition of criminal offences and sanctions with regard to combatting fraud, corruption and other illegal activities affecting the EU's financial interests.
- Based on the new Regulation on a general regime of conditionality for the protection of the Union budget (Regulation (EU, Euratom) 2020/2092), the Commission can propose to the Council to impose budgetary measures on EU countries where breaches of the rule of law principles – including corruption - can affect, or seriously risk affecting the sound financial management of the EU budget.
- Next to that is the establishment of the European Public Prosecutor's Office, which has a mandate to conduct criminal investigations and prosecute cross-border corruption cases (Council Regulation (EU) 2017/1939 of 12 October 2017, implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office).
- The European Anti-Fraud Office (OLAF) conducts administrative investigations in line with Regulation (EU, Euratom) No 883/2013 to combat fraud, corruption and other illegal activities affecting the financial interests of the EU (see also Commission Decision 1999/352/EC, ECSC, Euratom establishing the European Anti-Fraud Office (OLAF)).

Sectoral legislation

The effective fight against corruption is facilitated by the EU rules on the prevention of money laundering and terrorist financing;

public procurement; asset recovery and confiscation rules and whistleblowing.

- The 5th Anti-Money Laundering Directive (AMLD) obliges all EU Member States to set up centralised bank account registries and data retrieval systems as well as central beneficial ownership registers. The AMLD also establishes the interconnection of the beneficial ownership registers, to enhance transparency in corporate ownership. An updated version of these rules (the 6th Directive) was proposed by the Commission in July 2021
- The Directive on combating money laundering by criminal law (EU) 2018/1673 sets minimum rules on the criminalisation of money laundering and sets out that corruption must be a predicate offence to money laundering.
- The EU regulates in the field of asset recovery and confiscation to recover the proceeds of crime – including in cases of corruption. This includes Directive 2014/42/EU on the freezing and confiscation of instrumentalities and proceeds of crime, Council Decision 2007/845/JHA concerning cooperation between Asset Recovery Offices, Council Decision 2005/212/JHA of 24 February 2005 on Confiscation of Crime-Related Proceeds, Instrumentalities and Property and Regulation (EU) 2018/1805 on the mutual recognition of freezing orders and confiscation orders. An updated version of these was proposed by the Commission in May 2022.
- The EU's Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law ('the Whistleblowing Directive') was adopted in 2019 with the aim to increase the detection of corruption and to better protect whistleblowers.
- EU rules on public procurement aim to prevent corruption in tender procedures.
- To fight tax evasion, a corruption-related crime, Directive (EU) 2010/24 provides for mutual assistance for the recovery of claims relating to taxes, duties and other measures. Directive (EU) 2011/16 in Administrative Cooperation in direct taxation provides for mutual assistance to combat tax evasion and tax avoidance, as well as measures to enhance corporate tax transparency.

Internal rules for EU institutions

The EU also applies strict rules on the prevention of corruption and transparency across its institutions. For this purpose, several rules and policies are in place:

- Rules for EU civil servants - The Staff Regulation
- Rules of Procedure of the Commission
- Guidelines on gifts and hospitality for Commission staff
- Ethics and Integrity for Commissioners
- Code of Conduct for the Members of the European Commission
- Independent Ethical Committee

- EU Transparency Register
- Transparency and Lobbying at the Commission
- Freedom of information - Access to documents

- **International cooperation**

The EU as a supranational organisation has signed and ratified the United Nations Convention Against Corruption (UNCAC) in 2008. In June 2021, at the UN General Assembly Special Session (UNGASS) on corruption, the EU launched its UNCAC implementation review mechanism. This process is led by the European Commission in close cooperation with all relevant EU institutions and relevant EU agencies or bodies. The EU is in a unique position as the only non-state actor, member of this Convention, and the first of its kind to undergo such review.

EU has concluded international agreements on mutual legal assistance and extradition), and the specialised EU agencies and bodies (OLAF, the EPPO, Eurojust, Europol) have clear provisions on the matter of international cooperation.

With the creation and start of operations of the EPPO the European Union has moved a step further in strengthening its capacity to fighting corruption, including of transnational nature, as the EPPO is the EU's independent and supranational prosecutorial body competent - within the limits of its material and territorial competence – to investigate, *inter alia*, offences criminalised under UNCAC.

Pursuant to Article 31 of the EPPO Regulation, recourse to traditional mutual legal assistance or to EU mutual recognition instruments is, as a rule, not anymore necessary for 'intra-EPPO' cross-border investigations (i.e. cases concerning only Member States participating in the EPPO). As the EPPO Regulation goes beyond the traditional forms of judicial cooperation in criminal matters provided in Chapter IV of UNCAC, this new way of 'cooperation' is a key contribution by the Union to the modernisation of the mechanisms for obtaining evidence, with an evident positive impact in cross-border cases within the scope of UNCAC.

The EPPO can cooperate with third countries and EU Member States that do not participate in the EPPO in accordance with the rules set out in Articles 104 and 105 of the EPPO Regulation.

OLAF has signed several Administrative Cooperation Arrangements (ACAs) with partner authorities in non-EU countries and territories and counterpart administrative

investigative services of International Organisations in order to facilitate practical cooperation.²

Eurojust has concluded agreements with 12 third countries. These agreements create an enabling environment in which third countries can participate in and benefit from the practical cooperation tools offered through Eurojust.

In March 2021, the Council, on the recommendation of the Commission, has adopted the decision authorising opening of negotiations with 13 third countries for cooperation with Eurojust.

Also, Eurojust has Contact Points with the competent authorities in third countries. These connections enable prosecutors from Member States to establish quick contact and liaise with their counterparts in a third country when a crime extends beyond the European Union's borders.

The European Union provides also extensive support in the framework of the fight against corruption to third countries through the European Commission (through the Directorate-Generals for International Partnerships as well as Neighbourhood Policy and Enlargement Negotiations).

EU Neighbourhood Policy and Enlargement Negotiations

The Commission's external actions and policy engagement with partner countries in the fight against corruption is part of comprehensive and wider efforts to strengthen democracy, good governance and the rule of law.

The Commission's anti-corruption assistance amounts around EUR 448 Million for the programming period 2014-2020 under both the Instrument for Pre-accession Assistance (IPA II) and the European Neighbourhood Instrument (ENI). This includes tailor-made programmes to help build partner countries capacities to implementing international standards and the EU acquis on the prevention and repression of corruption, anti-money laundering and ensuring an effective judicial response. In addition, to central and local governments and institutions in charge of anti-corruption, such activities may target parliaments, media including investigative journalists and civil society.

² For the full list, see Europa website, List of signed ACAs, https://ec.europa.eu/anti-fraud/system/files/2021-07/list_signed_acas_en_7fd50a9cbe.pdf.

The Commission's anti-corruption actions are implemented in seven Enlargement partners (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia and Turkey) under IPA and in at least six partners in the South (Jordan, Lebanon, Tunisia, Algeria, Libya, Morocco) and at least five partners in the East (Armenia, Azerbaijan, Georgia, Moldova, Ukraine) under ENI.

This engagement consists of several measures whose objective is the prevention and repression of corruption including the adoption of the revised enlargement methodology to enhance the rule of law, fundamental rights and democracy, public administration reform, socio-economic stability, and where anti-corruption aspects are considered with all their crosscutting relevance.

The EU's anti-corruption policy dialogue with Enlargement partners in particular takes place in the framework of the bilateral Stabilisation and Association Agreements (SAA) and as part of the strategic Stabilisation and Association Process (SAP). The dialogue focuses on progress in the implementation of the fight against corruption and related reform efforts, including on the justice sector, on money laundering and organised crime. Additionally, regular monitoring of anti-corruption and related reforms take place on under the EU enlargement process culminating in the corresponding Annual Reports, in which the Commission services present the detailed assessment of the state of play in each candidate country and potential candidate country, including achievements and guidelines on future reform priorities.

Under the Technical Assistance and Exchange Instrument (TAIEX), the Commission organises regular study visits, peer reviews and workshops to complement regional and bilateral programmes.

For the neighbourhood and enlargement area, the Commission Directorate-General in charge has adopted an Anti-Fraud Strategy (AFS), which addresses fraud, corruption and other illegal practices affecting the EU's interests. The strategy is based on a fraud risk assessment and is implemented through Annual Action Plans.

- One of the key objectives of the Anti-Fraud Strategy is supporting the national authorities and other implementing partners in building knowledge in the field of fraud and corruption.
- The Directorate-General is actively cooperating with OLAF, IDOC, EPPO and other investigative services. A network

of OLAF Focal Points is active with representatives in each Directorate and Delegation/ Office.

International Partnerships

As part of bilateral support, the Commission plans to support work on anti-corruption in 30+ partner countries in which anti-corruption is a main focal area in the multi-annual indicative programmes (MIPs) for the period 2021-2027. The main areas of support include:

- Strengthening the capacities of key institutions and legislation to fight against corruption
- Improving the efficiency of the judicial system in the fight against corruption, including collaboration between actors of the judicial chain
- Support to the key institutions that exert an independent oversight role, as well as cooperation between key oversight entities
- Strengthening civil society organisations in their advocacy and watchdog capacities
- Harness the enabling power of digitalisation to fight corruption, including digitalisation of critical judicial functions
- Supporting other anti-corruption measures:
 - o assets declaration, procurement policies and fight against money laundering
 - o improve access to information
 - o multi-level and transparent budgeting, geared towards the fight against corruption
 - o anti-corruption measures to improve service delivery

Under the thematic Programme on Human Rights and Democracy, in 2020 the Commission signed a EUR 5 million contract with Transparency International - Strengthening Accountability Networks among Civil Society (SANCUS) - to improve democratic accountability of public institutions globally, by empowering civil society to demand systemic change to address accountability and anti-corruption deficits in 21 countries over 36 months.

Under the thematic Programme on Human Rights and Democracy, the Directorate-General for International Partnerships at the European Commission (DG INTPA) also plans to support a project implemented by Open Government Partnership (OGP) in the period 2022-2024 to support inclusive co-creation and implementation of action plans, with a focus on anti-corruption.

At the country level, the project will support intensive engagement with selected countries across regions to advance co-creation of OGP action plan commitments on key themes. The project will also enable cross-country learning and exchange

As with all EU development cooperation, breaches of fundamental values or serious cases of corruption can lead to suspension and ultimately termination of a programme.

EU and the SDGs

In the 2021 US Democracy Summit of early December, President Von der Leyen stressed the importance of global efforts to ensure a more effective fight against corruption. Both the EU's internal and external efforts against corruption contribute to the achievement of the Sustainable Development Goals, in particular SDG 16.

Fighting corruption is also a global goal of the EU, in line with the UN Sustainable Development Goals, especially Goal 16 – Peace, justice and strong institutions. From 2014 to 2020, support to anti-corruption projects and measures by the EU and its countries steadily increased and reached over EUR 770 million worldwide.

The Commission's work on promoting integrity and good governance in partner countries remains a strong mission. For the 2021-2027 financial framework period, the Commission plans to support work on anti-corruption in 50+ partner countries through a comprehensive approach:

- invest in improving transparency
- fighting impunity
- strengthening anti-corruption agencies
- supporting national human rights institutions
- investigative capacities
- justice reform
- money laundering
- international cooperation
- civil society actors

Among other actions, The European Commission's anti-corruption efforts are centred on promoting the fight against corruption globally, through the participation in relevant international anti-corruption fora.

	<p>- Asset recovery</p> <p>Confiscation is a strategic priority in the EU's fight against organised crime as highlighted in the EU Strategy to Tackle Organised Crime 2021-2025.</p> <p>On 25 May 2022, The Commission presented a proposal for a new Directive on Asset Recovery and Confiscation, building upon previous legislation. The proposal provides a new comprehensive set of rules addressing all phases of asset recovery – from tracing and identification, through freezing and management, to confiscation and final disposal of assets. The proposal, in particular:</p> <ul style="list-style-type: none"> - Establishes clear rules on asset tracing and identification to boost cross-border cooperation, strengthening the mandate of Asset Recovery Offices with new powers and the access to information needed to conduct financial investigations and facilitate cross-border cooperation; - Strengthens existing freezing provisions to ensure that identified assets do not disappear before criminal proceedings are finalised, empowering Asset Recovery Offices with urgent freezing powers;; - Strengthens confiscation provisions, reinforcing non-conviction based confiscation measures and enabling the confiscation of unexplained wealth linked to criminal activities; - Strengthens safeguards to ensure that those affected by the measures have effective remedies; - Introduces new rules on management to minimise costs and maximise the value of assets frozen, whilst waiting the end of judicial proceedings. In particular, the proposal introduces the obligation to establish Asset Management Offices and ensure the possibility to sell property under management in certain circumstances - Strengthens cooperation among different actors, to ensure coordination between the authorities involved in the recovery of criminal assets. In order to achieve an efficient asset recovery system, the revised Directive will require EU countries to develop national strategies on asset recovery, including actions to ensure that all actors cooperate and have adequate resources. The new rules will also strengthen cooperation with the European Public Prosecutor (EPPO), Europol, Eurojust and third partners. Moreover, EU countries will have to set up registries with information on frozen and confiscated assets as well as collect statistics to measure progress made in tackling criminal finances.
<p>Detailed description of initiative</p>	

Lessons learned in implementing the initiative	
Challenges encountered in implementing the initiative	
Link to more information	https://home-affairs.ec.europa.eu/policies/internal-security/corruption_en