

Information requested from States parties in relation to achieving the commitments regarding corruption prevention from the UNGASS political declaration.

We understand that paragraphs 1-22 of the UNGASS Political Declaration comprise, to a large extent, the information that is being provided by Brazil within the scope of the evaluation of the Second Review Cycle of the International Review Mechanism.

Elaborating in detail on the actions taken by the Office of the Comptroller General to achieve these objectives would repeat much of what is being evaluated and would be an exhaustive task for the moment.

However, some points are highlighted for the purposes of this request for the next meeting of the Working Group on the Prevention of Corruption:

Anticorruption Plan

Brazil launched, in December of 2020, the Anticorruption Plan for the period of 2020-2025. The Plan is the result of a coordinated effort of the Interministerial Committee against Corruption – a Committee established in 2019 that includes the participation of the Office of the Comptroller General, the Ministry of Justice and Public Security, the Ministry of Economy, the Attorney General's Office, the Cabinet of Institutional Security and the Central Bank.

The Anticorruption Plan encompasses measures of short, medium and long term, to be implemented in the period of 2, 5 and 10 years. The main objective of the Plan is to structure and execute concrete measures to strengthen and improve mechanisms of prevention, detection and sanction of corruption and fraud within the Federal Executive Branch. It has been structured based on a diagnosis that allowed the public administration to get a better view of its responsibilities, set up by laws and regulations. The diagnosis has also gathered together the international recommendations issued by the Follow-up Mechanism to the Implementation of the Interamerican Anti-corruption Convention (MESICIC), the OECD Working Group on Bribery and the Implementation Review Mechanism of UNCAC, which were cataloged and divided according to the subject and level of implementation.

The Plan allows the involved institutions to prioritize actions to be implemented, as well as a methodology for regularly informing the Interministerial Committee on the stage of execution of such actions and it shall be updated on an annual basis. A panel for the follow-up of the implementation of the Plan is also under development, with the aim of making publicly available the deadlines of execution of each phase of the Anticorruption Plan and give access to the results achieved. In that sense, we believe the Plan will respond to various commitments made in the context of the UNGASS.

Promoting Integrity

In the field of corruption prevention, the federal government, through CGU, has been developing, since 2019, joint work with the Organization for Economic Cooperation and Development (OECD), with the aim of strengthening the Integrity Policy in Brazil.

With regard to Public Integrity, the focus is on improving Integrity Management Units and on managing integrity risks in federal agencies and entities, in addition to applying behavioral science to public integrity policies.

Likewise, Brazil contracted a Public Integrity peer review from OECD – which consists of an assessment of the public integrity system of the Federal Executive Branch. This assessment will enable Brazil to formally adhere to the OECD Council's Public Integrity Recommendation and is, today, the greatest benchmark for the development and implementation of public integrity policies worldwide.

In this context, we highlight the institution of the Public Integrity System of the Federal Executive (Sipef, acronym in Portuguese), according to Decree 10,756, of 27 July 2021, which aims to increase the effectiveness of the integrity programs of ministries, autarchies and public foundations, increasing the prevention of acts of corruption in Brazil.

Sipef will coordinate activities related to public integrity in the Federal Executive, as well as establish standards for integrity measures adopted by public administration bodies and entities. The System is composed of the CGU, the central body with regulatory and technical supervision attributions, and the sectoral units (Integrity Management Units), which are responsible for managing integrity within the bodies and entities of the federal government.

The implementation of Sipef is the result of a public policy initiated more than five years ago, when the adoption of public integrity programs by individual entities was not mandatory. CGU's activities in this area began with the Public Integrity Promotion Program, which focused on training, promoting and raising awareness about the importance of preventing acts of corruption and fraud within public organizations. In 2017, the program evolved into a governance policy of the federal public administration, with the advent of Decree 9,203, of 22 November 2017, which made the establishment of integrity programs mandatory.

The decree establishing Sipef is in line with the best international practices and reflects the result of the partnership signed between the CGU and the OECD, to carry out studies related to public integrity.

Still in terms of promoting integrity, within the scope of the partnership with the OECD, CGU also implemented the Federal Public Service Values project, which was recognized as a good international practice and is already part of the Organization's dissemination portfolio in other countries.

The initiative's objectives are to build, in a participatory way, the values of the federal public administration and align the result of this construction with the OECD's public integrity strategy (OECD Handbook on Public Integrity), bringing together public and private sectors and society as participants of the project.

Technology

CGU has been increasingly incorporating the use of advanced technologies into its anti-corruption work, such as artificial intelligence and machine learning algorithms. CGU even has in its organizational structure a specific department dedicated to the collection, processing and treatment of strategic information, which relies on the intensive use of information technology resources, analyses and intelligence activities.

Examples of innovative tools currently employed by CGU:

- ALICE is an automated system using AI to identify irregular patterns in public procurement procedures and issue red flag alerts to CGU auditors for secondary analysis, helping prevent any issues before awarding the contract. The tool will be fully embedded into the procurement portal compras.gov.br.
- FARO is an ombudsman risk analysis tool that uses Natural Language Processing to triage reports received through ombudsman platform Fala.BR. In this way, CGU is able to prioritize the investigation of complaints that are more likely to result in concrete findings.
- e-Patri is an electronic system that collects, stores and analyses asset and conflict of interest declarations of public officials in the federal executive branch. Based on the information provided by the Federal Revenue System or the public officials themselves, the system carries

out an automated analysis of the declarations to monitor the evolution and compatibility of public agents' assets with their lawful earnings.

Private Sector

Pro-Ethics program is the result of a joint effort between the public and private sectors to promote a more honest, ethical and transparent corporate environment in the country. The initiative consists in fostering the voluntary adoption of integrity measures by companies, by means of public recognition of those companies that, regardless of their size and field of activity, are committed to implementing measures aimed at the prevention, detection and remediation of acts of corruption and fraud.

The program was developed in partnership with the private initiative, in 2010, and has been constantly improved in order to adapt to the reality of the Brazilian market. Pro-Ethics aims to make companies aware of their relevant role in fighting corruption. By taking an affirmative stance in favor of preventing and combating illegal practices, the risk of fraud and corruption in the relations between the public and private sectors is reduced. In addition, Pro-Ethics seeks to promote good business integrity practices, inviting the private sector to take part in the fight against corruption.

The Program consists of the evaluation of companies that voluntarily submit information for analysis, by completing the Profile Analysis form and the Evaluation Questionnaire. All companies that meet the admissibility requirements provided for in the Pro-Ethics regulation will be evaluated by the Executive Secretariat of Pro-Ethics, in charge of CGU. In the admissibility phase, it is assessed, among other things, the fiscal and labor regularity of the company, as well as if it is not included in the registries of companies punished by the government. It is also verified if the company is not responding to an administrative liability proceeding or negotiating a leniency agreement for the commitment of illicit acts under the terms of Law 12.846/2013 (Anti-Corruption Law). Based on the Profile Analysis, it is possible to determine the company's exposure to corruption risks and some of its specific needs in terms of integrity measures. The Evaluation Questionnaire consists of questions related to six areas:

Top Management Commitment; Policies and Procedures; Communication and Training; Whistleblowing and Remediation Channels; Risk Analysis and Monitoring; Transparency and Social Responsibility. Each of these areas receives a score and, at the end, the company that achieves a score equal to or greater than 70 points and achieves the minimum required in each area is qualified to compose that year's Pro-Ethics list.

At each edition, an event is held to announce the annual list and deliver the Pro-Ethics seal to companies. The best integrity practices presented in the year will also be valued and publicized, in order to increase publicity around qualified companies. Thus, the company receives a notable gain in reputational image by making the list, achieving public recognition for its commitment to preventing and fighting corruption. In addition, all participating companies receive a detailed assessment of their integrity program, with suggested measures for improvement.

The development of the Program was based on benchmarks of international experiences in promoting integrity in the private sector, with its methodology evolving over the years and based on lessons learned.

At the end of each edition of Pró-Ética, a follow-up report is prepared with the results of the Program. With lessons learned, in 2014, a process of restructuring Pro-Ethics began, with the objective of adapting it to the changes brought about by the Anti-Corruption Law, also to increase the number of participants and increase publicity around the companies with positive evaluations. This restructuring

ended in 2015, with the creation of a new evaluation methodology and a new way of publicizing Pro-Ethics companies.

In fact, over these years, there has been a continuous process of improving and valuing Pro- Ethics. This process will be continuously conducted to increasingly integrate this initiative into the annual calendar of the Brazilian business sector and permanently consolidate it as a reference for those who want to build and participate in a society in which business relationships, especially those with the public sector, are based on integrity, ethics, competence and respect for free competition.

Some lessons learned include, for example, extending the validity period of the Program to biannual lists (instead of annual). This is because CGU observed that companies need time to implement the improvement measures suggested in the evaluation reports. It was also observed the need for constant adaptation of the evaluation questionnaire to incorporate changes in the business environment in Brazil. All documents and further information on the Pro-Ethics program are available at: <https://www.gov.br/cgu/pt-br/assuntos/etica-e-integridade/empresa-pro-etica>.

Covid 19 - Ex-Ante Risk Analysis in Public Procurement

The Ministry of Health, in order to treat and mitigate the advance of the pandemic in Brazil, started to conduct emergency purchases of materials, services and supplies necessary to face the situation, without bidding proceedings, in accordance with Provisional Measure 926, of March 20, 2020, converted into Law 14,035, of August 11, 2020.

In view of this need, the federal managers requested the support of CGU, as the Internal Control Body of the Federal Executive Branch, to assess compliance aspects of these public contracts.

In this context, considering the inherent risks and the need for timely action, the Ministry of Health established a workflow to refer proceedings to CGU without the need for a formal request. In addition, the institutions agreed that the auditor's analyzes would be carried out and forwarded in a timely manner, so as not to impact the adoption of measures by the Ministry of Health with the urgency that cases require.

CGU defined requirements for analysis of acquisitions, based on a prior (ex-ante) analysis of the associated risks that could impact the objectives of the contract. For this, CGU elaborated a specific document, called "Guide for risk analysis in Covid-19 emergency contracts", on which the analyzes issued and forwarded to the Ministry of Health were based, as well as the recommended mitigating measures to reduce or eliminate the potential risks identified. From March 2020 to December 2021, the aforementioned Guide was used to analyze 45 procurement proceedings conducted by the Ministry of Health, which totaled approximately BRL 28.26 billion (USD 6 bi). As a result, 160 recommendations were issued to mitigate the risks identified in the analyses carried out on these procurement proceedings presented by the Ministry of Health. It should be noted that recommendations remain under monitoring by CGU to verify compliance by the Ministry of Health.

As a consequence of the measures adopted by the Ministry of Health, in compliance with the proposed recommendations, procurement proceedings were canceled or revised due to, among others, evidence of fraud and manipulation of bidding proceedings, risks of favoring companies, reference prices above market prices during the pandemic, uneconomical acquisitions and incompatibility of contracts with the exceptional authorization provided for by Emergency Acquisitions Law 13,979, of 6 February 2020.

With the adoption of mitigating measures and suspension of procurement proceedings with an indication of fraud in the proposals, CGU prevented losses to the public treasury in the amount of over BRL 6 billion (USD 1.25 bi).

Conflict of Interest and Asset Declarations

In order to prevent conflict of interests, CGU developed the Electronic Conflict of Interest Prevention System (SeCI), which enables public agents of the Federal Executive Branch to submit consultations and requests for authorization to exercise private activities.

Consultations and authorization requests submitted through SeCI are based on the Law on Conflict of Interest (Law 12,813/2013) and Interministerial Ordinance 333, of the Ministry of Planning and CGU, also of 2013.

Decree 10,571/2020 provides that public agents' asset declarations must be submitted electronically, using a system developed by CGU specifically for this purpose: e-Patri. The decree also established instruments for CGU to monitor the evolution of assets, not only of public agents of the direct administration, but also of the employees, directors and advisers of state-owned companies, including those companies whose operating costs are not funded by the Public Treasury.

The e-Patri system was launched in December 2021. The system will enable CGU to carry out a systematic and large-scale analysis of the asset information that will be sent annually by the civil servants of the Federal Executive Branch to monitor the asset evolution of these public agents to verify the compatibility of their assets with the resources they officially receive.

Survey on Ethics and Corruption in the Public Service

The Survey on Ethics and Corruption in the Public Service was conducted between April 27 and May 28, 2021 - as part of CGU Action 26 of the Federal Government's Anti-Corruption Plan. The initiative was led by the World Bank and developed in several countries. In Brazil, it aims to better understand the experiences, perceptions and ideas of Brazilian federal public agents regarding the ethical challenges they face in their daily work. The survey was supported by the Brazilian government, through CGU and the National School of Public Administration, and joins the global research effort to generate current data on the phenomenon of corruption, giving due voice to participating public servants, with the protection/confidentiality of their responses guaranteed by the World Bank. It should be noted that the survey was based on the work of the World Bank's Bureaucracy Laboratory, which specializes in Public Administration empirical studies through surveys, and interviewed at least 250,000 public servants in more than 35 countries. Similar surveys on the topic of corruption are currently being implemented in Madagascar, Bangladesh and Pakistan.

The aggregated results will serve as input for the improvement of measures aimed at preventing corruption in Brazil.