

2017

G20 Anti-Corruption Working Group
ACCOUNTABILITY

R E P O R T



ACCOUNTABILITY REPORT 2017

“We remain committed to fighting corruption, including through practical international cooperation and technical assistance, and will continue to fully implement the G20 Anti-Corruption Action Plan 2017-18.”
Hamburg Summit Declaration

Introduction

Corruption destroys public trust, undermines the rule of law, skews competition, impedes cross-border investment and trade, and distorts resource allocation. It is a severe impediment to sustainable and inclusive economic growth, and remains a significant challenge for developed, emerging and developing countries. As major trading nations, the G20 have a special responsibility to prevent and tackle corruption, to establish legal and policy frameworks that promote a clean business environment and to continue to assist countries in their capacity building efforts to combat corruption.

G20 Leaders established the Anti-Corruption Working Group (ACWG) at the Toronto Summit in 2010. The group’s work is guided by biennial Action Plans that are endorsed by Leaders and identify priorities for action focused on practical and valuable contributions to international efforts to combat corruption. The [Action Plan for 2017-18](#) was endorsed by Leaders at the 2016 Hangzhou Summit and the accompanying [Implementation Plan](#) by Sherpas at their meeting in Wuhan in October 2016.

From the beginning, G20 States have been holding themselves accountable for their commitments by reporting regularly¹ on individual and collective progress made in the implementation of outstanding anti-corruption commitments².

¹ For the Monitoring/ Progress/ Accountability Reports of 2011, 2012, 2013, 2014 and 2015 cf. www.bmjv.de/G20ACWG.

² For a list of G20 anti-corruption commitments and resources cf. www.bmjv.de/G20ACWG.

Key Achievements

Co-chaired by China and the UK in 2016 and by Germany and Brazil in 2017, the ACWG has, to date, made the following key achievements since the last Accountability Report of 2015:

- ❖ **G20 Action Plan and Implementation Plans for 2017-18:** The [Action Plan](#) and [Implementation Plan](#) developed under the Chinese and UK co-chairs contain a solid and ambitious road map for 2017 and 2018, prioritizing eight topics and laying out 46 individual actions. The topics included in the Action Plan are: practical cooperation, beneficial ownership, private sector and public sector integrity and transparency, bribery, vulnerable sectors, international organizations, and capacity building.
- ❖ **G20 High Level Principles on the Liability of Legal Persons for Corruption Offences:** Establishing and enforcing the liability of legal persons is critical to the global fight against corruption. Today's economy, both at the national and international levels, is mainly driven by companies, i.e. legal persons, and fighting corruption would fall short if only the natural persons involved were punished while the legal person was exempt from sanctions. Following the G20 leaders' commitment to "lead by example in combating bribery" including by "establishing and, where appropriate, strengthening the liability of legal persons for corruption offences", the ACWG developed [High Level Principles](#) that were endorsed by Leaders at the Hamburg Summit in July. By identifying mechanisms and practices that have proven useful to the enforcement of corruption offences involving legal persons the Principles offer guidance to States wishing to establish or strengthen the liability of legal persons.
- ❖ **G20 High Level Principles on Organizing against Corruption:** A public administration underpinned by a culture of integrity, accountability and transparency helps attract high quality investment and fosters economic growth and inclusive and sustainable development. The [High Level Principles](#), developed by the ACWG and endorsed by Leaders at the Hamburg Summit, aim at supporting countries in organizing their public administration in a way that promotes integrity and helps identify and minimize corruption risks and detect corrupt behavior, thus making their public administration more resilient against corruption.
- ❖ **G20 High Level Principles on Combatting Corruption Related to Illegal Trade in Wildlife and Wildlife Products:** Illegal trade in wildlife and wildlife products not only threatens the very survival of many protected and endangered species and the biodiversity of this planet, but has negative impacts on economic development in many countries and represents a threat to health and safety, security, good governance and sustainable development. Corruption has been identified as a key enabling factor for illegal trade in wildlife and wildlife products in source, transit and destination countries. The [High Level Principles](#), developed by the ACWG and endorsed by Leaders at the Hamburg Summit, provide a reference for intensifying efforts to combat corruption related to illegal trade in wildlife and wildlife products.

- ❖ **G20 High Level Principles on Cooperation on Persons Sought for Corruption and Asset Recovery:** At the 2016 Hangzhou Summit, Leaders endorsed the [High Level Principles on Cooperation on Persons Sought for Corruption and Asset Recovery](#), proposed by the Chinese G20 Presidency. In these principles, G20 members are encouraged to work towards “zero tolerance, zero loopholes and zero barriers” in their cooperation on persons sought for corruption and asset recovery. G20 members recognize the importance of reinforcing the efforts to enhance international cooperation against corruption, while fully respecting international law, human rights and the rule of law as well as the sovereignty of each country.

- ❖ **G20 High Level Principles on Countering Corruption in Customs:** Customs have significant responsibilities for regulating cross-border trade, including collecting taxes, deterring illicit trade, controlling goods subject to prohibitions or restrictions, and contributing to economic competitiveness by facilitating trade. Ineffective and inefficient customs, whether caused by under-resourcing, cumbersome customs procedures, or corruption, can negatively impact the benefits of international trade, trust in government, as well as sound economic and public sector reforms. Led by Mexico, the ACWG developed [High Level Principles](#) that were endorsed by Leaders at the Hamburg Summit in July. The Principles offer guidance to countries wishing to strengthen the prevention of and the fight against corruption in customs.

- ❖ **Provision of Technical Assistance by G20 ACWG Countries:** The effective implementation of the United Nations Convention against Corruption, as well as other international anti-corruption instruments, poses great challenges for the State parties and may require “significant changes in legislative and policy frameworks, institutional arrangements, the criminal justice system and the civil service”³, making the delivery of technical assistance pivotal to a successful, consistent, and effective implementation of anti-corruption measures. Led by Brazil, the ACWG has been conducting a mapping exercise in 2017 on Provision of Technical Assistance by G20 ACWG Countries.

- ❖ **Cooperation with B20 and C20:** As the support from business and civil society is crucial in the fight against corruption, the ACWG continues to work closely with B20 and C20 on anti-corruption efforts. In January 2017, the German G20 presidency together with OECD organized the 6th Annual High-Level Anti-Corruption Conference for G20 Governments, Business and – in 2017, for the first time – also for Civil Society. In addition, representatives from B20 and C20 were invited to 2017’s three ACWG meetings to update the ACWG on their anti-corruption work streams and present their recommendations to the G20. In June 2016, the UK co-chair hosted a discussion with civil society, businesses and academia on future priorities for the G20.

6th Annual High Level Conference for G20 Governments, Business and Civil Society

On 26 January 2017, participants from the public sector, the private sector and civil society in G20 countries and beyond came together in the German Federal Ministry of the Interior to discuss implementation of anti-corruption measures in thematic and sectorial panel discussions. Panelists and audience discussed the challenge of implementing integrity measures into day-to-day business, emerging challenges of collective action initiatives such as anti-trust concerns with a special emphasis on small- and medium-sized enterprises (SMEs), addressing corruption in the healthcare sector as well as the issue of strengthening integrity in sports.

³ “Technical assistance in support of the implementation of the United Nations Convention against Corruption” (CAC/COSP/IRG/2016/11).

JAPAN

NATIONAL HIGHLIGHT:

“The Government of Japan submitted a bill to the Diet to amend the Act on Punishment of Organized Crimes and Control of Crime Proceeds and other relevant Acts, which is an implementing legislation of the United Nations Convention against Corruption (UNCAC). Following the passage of the bill in June 2017, Japan deposited its instrument of acceptance to the Secretary-General of the United Nations on 11 July and consequently became a State Party to the Convention on 10 August 2017. All G20 members are now Parties to the UNCAC.”

Update on Progress in 2016 and 2017

The ACWG is committed to fully implementing the 2017-18 Anti-Corruption Action Plan. To date, the ACWG has made the following progress since the last Accountability Report:

❖ International/practical cooperation

At the Hamburg Summit, the G20 published a **Guide on Requesting International Cooperation in Civil and Administrative Proceedings Relating to Corruption** that was developed by Brazil. The Guide provides a comprehensive overview of the possibilities available for cooperation, including the scope of the assistance that may be provided as well as the requisites that must be met in a cooperation request, complementing and building on the Step-by Step Guide for Requesting Mutual Legal Assistance in Criminal Matters from G20 Countries, produced by the ACWG in 2012.

In April 2017, ACWG co-chairs, in cooperation with the OECD, organized a **Seminar on International Cooperation in Civil and Administrative Proceedings** relating to Corruption in the G20. The seminar provided an opportunity for G20 countries and invited experts to share experiences, best practices and challenges faced when seeking cooperation to enable civil and administrative liability of legal persons for corruption. Panelists and audience discussed frameworks for civil and administrative liability of legal persons for corruption and for international cooperation in such cases, as well as non-criminal tools in international cooperation for the recovery of assets.

The **G20 Denial of Entry Experts Network**, established in 2015 to further support implementation of the *G20 Common Principles for Action: Denial of Safe Haven (2012)* and to advance the ACWG's efforts to ensure that corrupt officials are unable to travel abroad and enjoy the proceeds of their crimes with impunity, held its second meeting in London in June 2016. A third Network meeting took place in Berlin in January 2017. The Network is compiling legal texts outlining G20 States' authorities to deny entry to corrupt actors and will hold its next meeting in 2018.

At the Hangzhou Summit, G20 Leaders welcomed the Chinese initiative to establish a **Research Center on International Cooperation Regarding Persons Sought for Corruption and Asset Recovery in G20 Member States**. In the meantime, the Center was officially established in September 2016 and is now operational, with a database of experts established and several research projects ongoing.

CHINA

NATIONAL HIGHLIGHT:

"China is now participating in 15 anti-corruption mechanisms including UNCAC, G20, and APEC. It led a productive year in G20 ACWG history as the chair of 2016 by reaching consensus on enhancing practical cooperation against corruption. It has signed over 80 anti-corruption agreements bilaterally and conducted law-enforcement cooperation with other jurisdictions. In line with the 2016 Hangzhou High Level Principles, China has updated its Skynet Operation to continue its focus on persons sought for corruption and asset recovery. China is now drafting a Law on International Legal Assistance in Criminal Matters and taking concrete steps to implement special confiscation procedures for proceeds of corruption."

❖ Beneficial ownership

Regarding **asset tracing and beneficial ownership of bank accounts**, G20 States are sharing their practices and experiences on how they access, in a timely fashion, up-to-date information held by banks, updating and enhancing the [asset-tracing country profiles](#) of 2012.

The ACWG explored practices and policy consideration on the issues of “unaccounted assets”.

In October 2016, the ACWG held its **6th joint meeting with the FATF** and brought together anti-money laundering/counterterrorist financing (AML/CFT) experts and anti-corruption experts from 36 jurisdictions and 16 international organisations to discuss transparency of beneficial ownership.

Among other topics, the group had an [in-depth exchange on the implementation of international standards on beneficial ownership](#), including countries’ experiences and ways to create further synergies and constructive collaboration between different bodies at international level. Participants also discussed measures to ensure the accuracy, quality and timely access of beneficial ownership information collected at both domestic and international levels, including national experiences of establishing central registries, and how the information is being used to enhance AML/CFT and anti-corruption efforts while balancing transparency and data protection.

❖ Public sector integrity and transparency

In April 2017, the ACWG adopted the **Compendium of Good Practices on the Use of Open Data for Anti-Corruption** prepared by Mexico and the OECD. The [Compendium](#) raises awareness of the benefits of the digital transformation of public sector institutions for good governance, national productivity, economic development and social innovation. It provides a general overview of the state of initiatives for the publication and re-use of open data to fight corruption across OECD and G20 countries in line with the G20 Anti-Corruption Open Data Principles adopted in November 2015, building on the expertise of the OECD on open government data policies and initiatives.

UK

NATIONAL HIGHLIGHT:

“In June 2016 the UK implemented a public central register of beneficial ownership information (the “People with Significant Control” register) held at Companies House. The PSC register increases transparency over who owns and controls UK companies. The Criminal Finances Act came into force in 2017 and provides new powers to enable the UK to respond to money laundering, tax evasion, corruption, and terrorist financing. This legislation gives law enforcement agencies – and private sector partners – enhanced capabilities and greater powers to recover the proceeds of crime and tackle these threats.”

MEXICO

NATIONAL HIGHLIGHT:

“On July 19, 2017, the National Anticorruption System (NAS) began its formal implementation. This marks the starting point of a new set of laws, institutional coordination and citizen participation, which builds up one of the most robust and complete Anti-Corruption Systems within the international community. The NAS is supported by a strong legal framework based on the reform of 14 articles of the Mexican Constitution and on seven secondary laws approved on July 18th, 2016. A Coordinating Committee of authorities of all levels of government comprises the System. This framework will be replicated in 32 Anticorruption local systems at every federal state.”

USA

NATIONAL HIGHLIGHT:

“The United States has implemented a number of measures to strengthen efforts to prevent and combat corruption domestically and internationally. Major measures include the U.S. Office of Government Ethics (OGE) issuance of a comprehensive revision of the regulations setting forth the elements and procedures of the executive branch ethics program. As part of its changes to the regulation, OGE augmented the requirements for agency ethics education programs, in order to strengthen the effectiveness of ethics training.”

KOREA

NATIONAL HIGHLIGHT:

“In September 2016, Korea’s Improper Solicitation and Graft Act took effect. According to a corruption perception survey conducted by the Anti-Corruption and Civil Rights Commission (ACRC) in 2014, about 63% of Koreans believed that their society is corrupt. It was necessary to address the limitations of the existing anti-corruption laws and enact comprehensive legislation to prohibit improper solicitations and the receipt of graft. The purpose of the Act was to establish a more advanced corruption prevention system by setting codes of conduct and ethics standards for public officials living up to international standards.”

NATIONAL HIGHLIGHT:

SOUTH AFRICA

"In August 2016, the Public Service Regulations, 2016 (PSR, 2016) was issued. The PSR 2016, through a ministerial Directive, has strengthened measures relating to acceptance of gifts, additional remunerative work, prohibition of public service employees from conducting business with an organ of state and has provided for an extension of the disclosure of financial interests to additional categories of employees in the public service, such as supply chain management officials, finance officials and all middle managers in the Public Service. In addition, the PSR, 2016 prescribes the disclosure of financial interests to be done electronically."

BRAZIL

NATIONAL HIGHLIGHT:

"Since 2015, Brazil has taken important steps to prevent and combat corruption, including establishing new legislation and tools to tackle corruption offences. These steps include the approval of a law defining new integrity rules for state-owned and state-controlled enterprises (SOEs), the adoption of the Open Data Policy for the federal executive branch, as well as the enactment of a decree regulating the Corporate Liability Law which sets guidelines for companies on integrity programmes and establishes parameters for the negotiation of leniency agreements and the imposition of sanctions and fines on legal persons for acts of corruption."

SPAIN

NATIONAL HIGHLIGHT:

"On 25 November 2016, the Council of Ministers adopted two Projects of Law, aiming at a comprehensive update and improvement of the Spanish Law on Public Procurement: These are the Project of Law on Contracts within the Public Sector; and the Project of Law on public procurement procedures for specific sectors: Water, Energy, Transport and Postal Services. Both bills currently being considered by the National Parliament. They will implement three EU Directives on public procurement and have a number of main objectives related to increase the degree of transparency, in order to fight corruption and achieve integrity in the public administration."

RUSSIA

NATIONAL HIGHLIGHT:

"In accordance with the National Anti-Corruption Plan approved by the Presidential Decree № 147 of 1 April, 2016, Russia has been focusing in particular on improving the legal framework and organisational mechanisms of detecting and preventing conflict of interests in relation to public officials; on improving the effectiveness of anti-corruption cooperation between public authorities and business, paying special attention to the implementation of the Russian Anti-Corruption Charter for Business; on enhancing the effectiveness of corruption prevention in procurement and on extending the use of international cooperation mechanisms for asset recovery."

Also in April 2017, the ACWG welcomed the **Budget Transparency Toolkit** prepared by the OECD with the participation of the Global Initiative for Fiscal Transparency Network (including the International Monetary Fund, the World Bank Group, the International Budget Partnership, the International Federation of Accountants and the Public Expenditure and Financial Assessment Program). The **Toolkit** serves as a guide for practitioners navigating the various existing standards and guidelines available on budget and fiscal transparency, helping them to better understand how these materials complement each other. The Toolkit contributes to the dissemination and standardization of recognised good practices, making it a very valuable tool in promoting open, responsive government and in supporting global anti-corruption efforts.

To promote a culture of integrity and accountability in public institutions, the ACWG discussed policies and systems to prevent, resolve and manage **conflicts of interest** affecting public officials.

In order to explore the role modern technology can play in the fight against corruption, the ACWG discussed **innovative approaches and the use of new technologies to prevent and combat corruption**, including implementation of UNCAC-COSP resolution 6/7 on Promoting the use of information and communications technologies for UNCAC implementation.

The ACWG discussed the contribution that **internationally acknowledged standards for regulatory policy and governance** can make to preventing corruption given that simple, comprehensible, and effective regulation helps prevent corruption in making, implementing and executing rules.

In September 2017, the ACWG discussed questions of **judicial integrity and transparency** with the Hon. Prof. Dr. Mellinghoff, a member of the Judicial Integrity Group, and with the Executive Secretary of the Council of Europe's Group of States against Corruption (GRECO), which dedicated the last evaluation round to prevention of corruption including with respect to judges and prosecutors.

NATIONAL HIGHLIGHT:

SAUDI ARABIA

“Following a study on "Financial & Administrative Corruption in Public Service Government Bodies", the National Anti-Corruption Commission has developed the National Integrity Perceptions Index in 2017 to identify the integrity status in Saudi Arabia and to assess (a) the spread of corruption in the public and private sectors, (b) the sovereignty of laws and how well they are respected and maintained, (c) the administration’s efforts in combating corruption and maintaining integrity, (d) infrastructure, (e) compliance with transparency in all government transactions and procedures, and (f) the role of the media in combating corruption and maintaining integrity.”

CANADA

NATIONAL HIGHLIGHT:

“In April 2017, Canada launched the [Federal Contracting Fraud Tip Line](#), a dedicated telephone tip line and online form to accept anonymous tips from Canadians who suspect fraud, collusion or corruption in federal government contracts and real property agreements. Those who witness or suspect unethical business practices in federal contracting, such as bid-rigging, price fixing, bribery, undisclosed conflict of interest and fraudulent contract schemes, can provide information anonymously.”

NATIONAL HIGHLIGHT:

NETHERLANDS

“In the summer of 2016 the Anti-Corruption Centre was established in The Netherlands. Consisting of around 60 fte, the Centre focuses mainly on (large) foreign bribery cases and provides for coordination on all corruption-related signals within the Financial Intelligence and Investigations Service. Next to this, the Centre has powers of confiscation vis-à-vis corruption-related proceeds of crime. Finally, the Centre develops and shares specific knowledge on corruption-related matters in order to help and support other agencies in the fight against corruption.”

❖ Corruption and Economic Growth

In October 2016, the 2016 ACWG co-chairs China and UK, together with the OECD, hosted a **G20 Seminar on Corruption and Economic Growth** in which expert panelists from business, civil society, international organisations and academia presented their views on the complex interplay between corruption and economic performance and the role that measures to tackle corruption can play in raising long-term growth and reducing its variability. [Discussion topics](#) included the transmission channels between corruption and economic growth and the negative impact of corruption on the level and variability of growth, on multi-factor productivity, on social inequalities, on government behavior and public trust in government decisions, and on research, innovation and stability. Panelists also discussed the challenge of developing a good evidence base to document corruption and its economic impact as well as counter measures such as collective action and capacity building.

❖ Private Sector Transparency and Integrity

NATIONAL HIGHLIGHT:

INDONESIA

“In 2016, the Supreme Court of Indonesia enacted the Supreme Court Regulation on the Procedural of Corporate Criminal Liability to provide guidance for judges and other law enforcement agencies on corporate criminal liability. Moreover, the Indonesian Corruption Eradication Commission has launched PROFIT (Professional with Integrity). The program aims to develop an anti-corruption guideline for the private sector; encourage Anti-Corruption champions within companies or associations; and promote collective action by organizing sectoral public-private dialogue to share progress and updates, as well as identify challenges on preventing corruption.”

AUSTRALIA

NATIONAL HIGHLIGHT:

“The Australian Government held the Government Business Roundtable on Corruption on 31 March 2017. This Roundtable brought together government and business stakeholders to explore practical steps to build a more productive partnership between government and business, strengthen business practices, and drive ethical cultures and behaviour to reduce corruption and bribery in Australia and wherever Australian businesses operate.”

FRANCE

NATIONAL HIGHLIGHT:

“France passed a law on "transparency, fight against corruption and modernization of economic life" (Sapin 2) in December 2016 that provides for innovative measures to significantly strengthen the anticorruption framework. The main measures include: (i) Companies over a certain size have to adopt prevention and compliance programs, (ii) a new Deferred Prosecution Agreement (DPA) system, (iii) the creation of the French Anti-corruption Agency in charge of ensuring that companies adopt compliance and prevention plans as well as post-DPA's conformity programs.”

❖ Sectors

Sports: In 2017, the ACWG discussed the potential for a strong call towards international sport organizations to intensify their anti-corruption efforts. Efforts are being made worldwide to

NATIONAL HIGHLIGHT: GERMANY

“In 2016-17, Germany took several measures to substantially strengthen and update its anti-corruption framework including by modernizing its asset recovery system, broadening the criminalization of foreign bribery and bribery in the private sector, criminalizing bribery in the healthcare sector as well as match fixing in sports competitions, and by introducing a transparency register for beneficial ownership information as well as a debarment register for public procurement.”

strengthen governance standards in the sports sector, specifically around the principles of democracy, transparency, accountability in decision-making, and inclusiveness in the representation of interested stakeholders. The 6th High Level Anti-Corruption Conference, jointly held by the German G20 Presidency and the OECD in January 2017, devoted a panel to these issues. In addition, the ACWG was updated by the United Kingdom on the follow up to the London Anti-Corruption Summit and briefed by the UNODC and the OECD on ongoing activities regarding corruption and sports, including the International Partnership Against Corruption in Sports (IPACS). Moreover, Swiss experts reported on integrity requirements for international sport organizations based in Switzerland.

“We will continue our work to address integrity in sports and urge international sports organisations to intensify their fight against corruption by achieving the highest global integrity and anti-corruption standards. In this respect, we strive for a common understanding regarding corruption risks in bids to host major sport events.”

Hamburg Summit Declaration

Wildlife Crime: In September 2017, the German G20 Presidency jointly with UNODC organized a special event on **Corruption and Wildlife Crime** to identify concrete ways and means to implement the High Level Principles on Corruption Related to Illegal Trade in Wildlife and Wildlife Products and to generate further ideas on how to strengthen the implementation of the principles. Together with experts including from customs authorities, international organisations such as CITES, and civil society, participants discussed detection, investigations and international cooperation in source, transit and destination countries as well as knowledge gaps on the impact of corruption on wildlife crime, initial steps taken to reduce these gaps, and practical steps to prevent corruption linked to wildlife crime.

Customs: The ACWG adopted a compendium on **Customs Integrity: Taking Stock of Good Practices**, prepared by Mexico and the OECD. The [compendium](#) identifies good practices on promoting integrity in customs, as corruption in customs administrations can have extremely severe consequences for economic growth and development, including by diverting funds away from businesses and governments and ultimately disrupting the flow of trade by discouraging potential trading partners.

Extractives: The ACWG was briefed by the International Secretariat of the Extractives Industries Transparency Initiative (EITI) on the work and goals of the EITI.

INDIA

NATIONAL HIGHLIGHT:

India has taken various steps to combat corruption domestically: Besides the existing legislation, the Benami Transactions (Prohibition) Amended Act, 2016, empowers authorities to attach undisclosed assets which can eventually be confiscated. Through Direct Benefit Transfer (DBT) benefits of social welfare schemes are transferred directly to beneficiaries' bank accounts with authentication through the Aadhaar (Unique Identification No.) to curb pilferage and corruption. To address corruption in extractive sectors, measures like e-auction of coal reserves, video-recording of proceedings, mining surveillance systems through space technology and integrity Pacts with bidders and buyers have been established.

TURKEY

NATIONAL HIGHLIGHT:

“With a Circular titled Increasing Transparency and Enhancing the Fight Against Corruption, the Prime Minister’s Office issued an action plan for 2016-19 that outlines steps to increase transparency and to fight corruption. A Commission on Increasing Transparency and Strengthening the Fight Against Corruption in Turkey was established, consisting of a Deputy Prime Minister and the Ministers of Justice, Labor and Social Security, Customs and Trade and Finance. The action plan also foresees the establishment of a supervisory Board and a Monitoring Group, including representatives from the public sector and civil society.”

❖ United Nations Convention against Corruption

The ACWG warmly welcomed Japan’s acceptance of and becoming a State Party to the United Nations Convention against Corruption. With all G20 members now being Parties to the Convention, the ACWG can focus even more strongly on closing existing gaps in the implementation of UNCAC’s priorities.

❖ Bribery

The ACWG continues to encourage the two G20 members that have not done so yet to criminalize foreign bribery as required by United Nations Convention against Corruption. India and Indonesia updated the ACWG on steps taken in this respect towards criminalizing foreign bribery.

ITALY

NATIONAL HIGHLIGHT:

“On 14 June 2017 the Parliament adopted a long-awaited structural reform of the Criminal Code and of the Criminal Procedure Code that entered into force on 3 August 2017. Among the many innovations, the new law enhances the capability of the criminal system to fight corruption through a structural reform of the time limitation regime. The limitation period for corruption offences has been increased to up to 1.5 times the level of the maximum sentence. Rogatory requests for receiving mutual legal assistance from abroad are grounds for suspension of time limitation for up to six months.”

The ACWG continues to encourage the four G20 States which are not yet party to the **OECD Anti-Bribery Convention** to participate actively with the OECD Working Group on Bribery, including through possible Participant status, and exploring possible adherence to the Convention. China, India, Indonesia and Saudi Arabia updated the ACWG on their steps taken in this respect.

NATIONAL HIGHLIGHT:

ARGENTINA

“The Bill on the Liability of Legal Persons, sent by the National Executive to the Chamber of Deputies on October 2016, has as its main purpose to prevent corruption through the implementation of integrity programmes and to encourage private sector collaboration in the investigation of corruption. The initiative follows the parameters established by the Organization for Economic Cooperation and Development (OECD). This Bill has been approved at the National Congress on 8 November 2017.”

❖ Cross-cutting

In order to keep track of on-going work on the **role of cash in facilitating corruption**, the ACWG was briefed on initiatives to reduce cash by using digital payments in public spending.

❖ Agenda 2030

In September 2017, the ACWG was briefed by UNODC on progress towards the anti-corruption goals set out in the list of indicators for Goal 16 of the 2030 Agenda for Sustainable Development.

EU HIGHLIGHT:

"Since 2015, several anti-corruption measures have been adopted or initiated. These include new rules protecting the EU's financial interests against fraud and corruption by strengthening administrative and criminal procedures, establishing the European Public Prosecutor's Office and improving the early detection and exclusion system. New legislation has been initiated to ensure the mutual recognition of freezing and confiscation orders; criminalise money laundering; extend cash controls; revise the 4th AML directive to further improve transparency of beneficial ownership. In addition to a reinforcement of its internal control framework, the President of the European Commission also announced a new code of conduct for its Members, significantly enhancing the ethical framework."

❖ Stocktaking

As stipulated by the Implementation Plan, the ACWG **compiled and reviewed all G20 commitments on corruption**, including those enshrined in High Level Principles, and took stock of what has been achieved and where further action is needed.

NORWAY

NATIONAL HIGHLIGHT:

"A new penal code came into force in October 2015. Draft legislation on transparency of beneficial ownership has been on public consultation in 2017, and the Norwegian Government is currently working on a proposal for new legislation to present to parliament. New legislation on protection of whistle blowers entered into force on July 1, 2017."

We thank the International Organisations, namely **UNODC, OECD, Worldbank, FATF and IMF** for their continued support and commitment and very much value the contributions of these key dialogue partners. We particularly thank UNODC for their hospitality in hosting the ACWG's September meeting at the UN headquarters in Vienna and the OECD for their support and co-organisation of the two conferences in January and April.

We also warmly thank the C20, especially Transparency International and the World Wildlife Fund (WWF), and the B20 Cross Thematic Group on Responsible Business Conduct for their contributions and fruitful dialogue throughout the year and will continue to value this close partnership in 2018.

Future Priorities/ Outlook on 2018

The ACWG is committed to fully implementing the 2017-18 Action Plan and Implementation Plan and will continue to strengthen and implement its ongoing commitments. In line with the Implementation Plan, Argentina has identified prevention and management of conflicts of interests and the role government can play to promote a culture of integrity in the private sector, including within State Owned Enterprises (SOEs), as priorities for their G20 Presidency in 2018; the ACWG will continue and deepen the discussions on these topics.

Moreover, the ACWG will, inter alia, focus on the following implementation plan issues:

International cooperation

- ❖ The ACWG will continue to promote the denial of safe haven to corrupt officials and those who corrupt them.
- ❖ G20 countries will hold a meeting of the Denial of Entry Experts Network in 2018 and will complete a survey before the next meeting on their approaches to denial of entry and relevant legal frameworks.

Beneficial ownership

- ❖ The ACWG, working in close coordination with the Finance Track, will act consistently with the work commissioned by G20 Finance Ministers on ways to improve the implementation of the international standards on transparency, including on the availability of beneficial ownership information of legal persons and legal arrangements, and its international exchange.
- ❖ With the support of the World Bank, the ACWG will consider procedures for linking beneficial ownership information with other information sources, such as information provided in financial declarations, to identify conflicts of interest and other forms of malfeasance, consistent with applicable law.

Private Sector

- ❖ The ACWG will continue to encourage the private sector, including SMEs and the non-financial professional services sector, to develop anti-corruption initiatives, including anti-corruption training and education.

Bribery

- ❖ The ACWG will consider holding a joint session with the OECD Working Group on Bribery.

Public sector integrity and transparency

- ❖ We will share experiences on how to prevent and manage conflicts of interest affecting public officials, taking into account the potential of asset and income disclosure systems. We will work with international organisations to highlight good practice, consistent with domestic law, and consider next steps in this regard.
- ❖ We will share good practice in promoting public sector integrity and transparency, including the contribution made by an anti-corruption body or bodies. This may include conducting a survey of G20 countries' frameworks for encouraging domestic public institutions to implement anti-corruption measures and preparing a compendium.
- ❖ We will promote transparency in public contracting, including the use of open data across the contracting cycle, consistent with applicable law, and the use of e-procurement. We will seek briefings on the Open Data Charter and the Open Contracting Data Standard on how they can be used to promote transparency and accountability and to help reduce corruption.
- ❖ We will conduct analytical work on the opportunities provided by open data, and by improved sharing of data between government agencies, for tackling corruption. We will explore ways of sharing information across borders, in accordance with applicable law, to help ensure that corrupt bidders cannot participate in public procurement tenders.

- ❖ G20 countries will complete a survey describing their existing laws and practices relating to immunities from prosecution for corruption offences.
- ❖ G20 countries will conduct a self-assessment of their whistleblower protection frameworks in both public and private sector with reference to the *OECD Study on G20 Whistleblower Protection Frameworks, Compendium of Best Practices and Guiding Principles for Legislation*, and consider next steps.

Sectors

- ❖ The ACWG will continue to focus on ways to address corruption in sports.

International Organisations

- ❖ The ACWG will encourage international organisations to increase their focus on fighting corruption, to improve coordination and cooperation and to ensure they operate according to the highest standards of integrity. We continue to ask the international organisations to update ACWG periodically on their efforts to do so.

Capacity building

- ❖ G20 countries will promote the establishment of integrity partnerships between institutions to share good practice and promote a culture of integrity, including the following pillars: law enforcement, institution building, capacity building, value dissemination.

The national highlights featured in the blue circles were supplied by the ACWG delegations.

All questionnaires filled out by delegations are annexed to this report. For a full account of national highlights, cf. question 1.

