



Accountability Report:
Implementation Review of G8
on Anti-Corruption Commitments

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1. Introduction

No country -- its government or its private sector -- is immune from corruption. This corrosive activity poses serious governance challenges and threats to the stability and security of societies, undermines the institutions and values of democracy, and jeopardizes sustainable development and economic prosperity. Corruption also impedes global efforts to combat international crime and terrorism.

Seized with the seriousness of the issue, the G8 has brought high-level attention to the adverse global impact that corruption has on all communities around the world, and has consistently committed to fight against corruption and improve transparency both at the national and international levels.

Over the years, new frameworks have enhanced the work of the G8 to effectively combat corruption, including the successful negotiation of the United Nations Convention against Corruption (UNCAC), the continued work to implement the OECD Convention on Bribery of Foreign Public Officials in International Business Transactions, and other anticorruption regimes and initiatives. The G8 has taken determined action against all forms of corruption including by promoting robust implementation of these and other existing international commitments and by supporting additional concrete steps to investigate and prosecute corruption. The G8 also has consistently called on the international community to join in developing effective public-private partnerships and multi-stakeholder dialogues on combating transnational bribery and other forms of corruption.

In 2003 at Evian, the G8 expressed its continuing strong political will to engage in the fight against corruption and the mismanagement of public resources. Recognizing the importance of maintaining a global focus on anti-corruption efforts, the G8 has continued to promote transparency which inhibits corruption and promotes good governance. The G8 has continued to promote transparency in public financial management and accountability through a series of commitments. These have included: the launch of country-led transparency compacts in 2004 at Sea Island Summit that brought targeted focus on budget, procurement, and concession-letting transparency; the 2005 Gleneagles endorsement of good and responsive governance in Africa, and strengthening the OECD's Action Statement on Bribery and Export Credits; the 2006 St. Petersburg commitments on high level public corruption including underscoring international support for more effective enforcement mechanisms for fighting systemic corruption, denying safe haven to corrupt officials, and recovering the proceeds of public grand corruption; and the 2007 Heiligendamm commitment to fully implement obligations under existing international agreements and to intensify a range of common efforts to combat corruption worldwide.

Fighting corruption is an ongoing and deliberate process. Success depends on the action of all of our partners under individual and collective anticorruption strategies. This G8 report demonstrates our leadership role in setting examples to combat corruption and holding ourselves to the highest standards of transparency and accountability*.

*This report is prepared to review progress made by each G8 member in implementing past G8 commitments on corruption from Evian to Heiligendamm.

*The statistical data presented by each G8 member in the report may not be standardized or comparable and definitional differences may preclude any direct comparisons.

2. Summary of G8 members' Anti-Corruption efforts

[Canada]

Canada has taken a number of steps to combat corruption. At the forefront of these efforts is the ratification and implementation of the United Nations Convention against Corruption (UNCAC) in October 2007.

Ratification of UNCAC complements domestic measures implemented as part of the Government of Canada's *Federal Accountability Act* which received Royal Assent in December 2006. This Act established new institutions, brought amendments to existing laws and led to other pieces of legislation.

An important component of the Federal Accountability Act is the protection of public servants from reprisals for having reported wrongdoing. *The Public Servants Disclosure Protection Act*, or "whistleblower protection legislation", as it is commonly referred to, came into force in Canada for federal public sector employees in April 2007. The Act has two core components: one dealing with disclosures of wrongdoing, as defined in the Act, and the other being a reprisal complaint process. Under the Act, "reprisals" include loss of employment, demotions, disciplinary measures or any other measure affecting the employment conditions of an employee, taken against an employee because he or she has disclosed wrongdoing in the federal public sector.

In the last year, Canada has significantly stepped up its enforcement efforts with the creation of two new, dedicated anti-corruption units within the RCMP. The teams specifically target public sector corruption, including bribery of national and foreign public officials and related laundering of the proceeds of crime.

Complementing its anti-corruption measures, Canada has integrated anti-corruption programming into its development assistance. On the technical assistance side, Canada has supported UNCAC implementation and asset recovery workshops in different regions in partnership with the United Nations Office on Drugs and Crime (UNODC), Canada has also provided funding for UNODC's *Criminal Justice Assessment Toolkit* which provides a practical and detailed guide to criminal justice issues. The toolkit is intended for use by those charged with the assessment of criminal justice systems and the implementation of criminal justice reform.

-Other relevant conventions

Canada is also a party to the Inter-American Convention against Corruption, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UN Convention against Transnational Organized Crime.

[France]

France is committed to combating corruption over the long term. That commitment is widely recognized, for example in the OECD evaluation conducted by its peers and the answers given by the NGO Transparency International (TI) to the consultation document published on the OECD website in connection with the anti-corruption instruments of that organization: "*TI calls on the governments that actively enforce the prohibition on foreign bribery, including France (...) to press the laggards*" (p. 3).

Having been the first G8 State to ratify the United Nations Convention Against Corruption, France decided to provide its financial support to the StAR initiative of the World Bank and UNODC. Similarly, France actively supports the Extractive Industries Transparency Initiative (EITI) and contributes to its funding.

In November 2007, the French authorities made substantial improvements to the system of legislation against corruption and trading in influence, extending its scope to cover a wider range of offences and thus strengthen the instruments available to the judicial system to counter this phenomenon.

France's commitment is also reflected in programmes for cooperation and raising

awareness. For example, the Central Department for the Prevention of Corruption has focused on three areas in its most recent actions: assisting SMEs in connection with their international dealings by drawing up a guidance document; signing agreements with the sports community; and making available in the near future a guide for local authorities to methods for auditing public procurement contracts.

Where cooperation is concerned, the Ministry of Foreign and European Affairs is promoting a strategy based on technical assistance in order to help strengthen recipient States. This strategy has three major planks:

- **Support for civil society:** notably through support for the NGO TI and its various national chapters.
- **Bilateral cooperation:** in order to link the reinforcement of institutional capacities into the fight against corruption, the aim being to restore the legitimacy of the public authorities as perceived by the general public.
- **Support for international organisations:** in line with its commitment to implementing the UN Convention Against Corruption, France is supporting technical assistance programmes directed at that implementation.

[Germany]

Germany has always supported the idea that the fight against corruption is an important tool preventing crime and achieving the general aim of safeguarding liberties world wide. Key factors in this fight are the legal instruments established over the past years dealing with this issue on an international level. The UN Convention against Corruption as well as the other existing international anti-corruption instruments as the OECD Convention on combating Bribery of Foreign Public Officials and the Council of Europe's Conventions on Corruption were important steps towards a global action. Therefore, Germany is participating in all of these processes on all levels. Germany is a member of the OECD Working Group on Bribery in International Business Transactions and the Council of Europe's Group of States against Corruption from the beginning of these institutions. Germany was successfully evaluated in both groups and is taking part in the ordinary work of the groups as well as evaluator of other states.

[Italy]

Italy has always ascribed great importance to combating corruption. Italy ratified the OECD Convention on Bribery, the Convention on safeguarding the European Communities' financial interests and its protocols, and the Convention on combating bribery involving officials of the European Communities or the EU Member States. Italy also participates in two major international anti-corruption initiatives within the aegis of the OECD and the Council of Europe: the Working Group on Bribery and GRECO. Furthermore, the High Commissioner against corruption was established in 2003 in response to an internationally identified need to create a specialized technical body capable of promoting the fight against corruption, with particular emphasis on its prevention within the public administration. A further instrument in the fight against bribery is the legislation establishing the administrative liability of legal entities.

As noted above, on 1 July 2007 Italy joined the Group of States Against Corruption (GRECO) of the Council of Europe. This means that Italy shall open its legal system to the peer review mechanism provided for in the GRECO agreements. To this end, in the second half of 2008 Italy will undergo both the first and the second GRECO evaluation round on corruption. Italy's interest in corruption peer review mechanism is therefore not only theoretical, but it also encompasses concrete field-work.

[Japan]

Corruption is a widespread complex phenomenon which affects the stability and development of all societies, as well as the security and prosperity of the entire world.

Japan, therefore, attaches great importance to a global action to prevent and combat corruption. In this sense, Japan is fully committed to supporting international efforts in implementing the UN Convention against Corruption as well as other global/regional anti-corruption instruments and initiatives such as the OECD Anti-bribery Convention, the Asia Development Bank/OECD Anti-Corruption Initiative for Asia and the Pacific, the Strategy of the World Bank in the field of Governance and Anti-Corruption, and APEC anti-Corruption and Transparency Task Force.

Japan believes that a sense of ownership is indispensable for effective prevention and suppression of corruption. In this sense, Japan supports the idea of establishing global mechanisms, especially those to be established under the UNCAC, which encourage the countries' ownership to fight against the corruption. Japan will continue to give priority, in the provision of ODA, to countries that make active efforts to pursue good governance with a view to promoting transparency and rule of law, as it is clearly stated in its ODA charter.

[Russia]

Countering corruption has been one of the priorities for the Russian central governmental authorities, as well as for local authorities. At the same time, given the truly global scale of the threat, Russia is eager to take an active part in the international anti-corruption efforts, above all under the aegis of the UN. Russia signed in December 2003 and ratified in July 2006 the UNCAC and participated with large high-level, multi-agency delegations in the work of the two very important Conferences of States Parties to the UNCAC (COSPs) in Jordan in 2006 and in Indonesia in 2008, at which significant efforts were made by the world community to move forward the implementation of the Convention – by seeking to work out an effective review mechanisms, by studying the issues of assets recovery and promoting technical assistance.

Russia remains of the opinion that global, international anti-corruption efforts should be promoted and intensified, but that this should be done in an adequate, i.e. consistent and step-by-step manner, which would allow the world community to move ahead together, without introducing any sort of ranking or competition into the field of international anti-corruption cooperation. We think that this is exactly how the UN is approaching the issues relating to the fight against corruption within the framework of the mechanisms established in accordance with the UNCAC.

Russia consistently puts issues of anti-corruption cooperation on the agendas of its relations and interaction with all the foreign partners, including within the framework of dialogues and cooperation between ministries and agencies, law enforcement bodies, directly involved in countering corruption crimes within the Russian territory.

Russia is actively and very constructively engaged in the anti-corruption work within a number of European organizations, such as the Council of Europe and the OSCE. In 2006 Russia ratified the Council of Europe Criminal Law Convention on Corruption and thus acceded the GRECO group. The GRECO experts carried out their first evaluation mission to Russia (combined rounds 1 and 2 of evaluation) in April 2008 and will present their assessment of Russia's anti-corruption efforts at the autumn 2008 plenary of the GRECO. Proposals to sign the Council of Europe Civil Law Convention on Corruption are at present agreed upon by all the competent Russian ministries and agencies and are under consideration in the Russian Government.

Contacts have been started between the Russian authorities and the OECD to examine the ways of promoting interaction, which would include Russia's joining the OECD Anti-Bribery Convention.

Accession to the UNCAC and to the Council of Europe Criminal Law Convention on Corruption gave a huge impetus to the work of all the branches of power in Russia in the fight against corruption. On February 3, 2007 the Interdepartmental Working Group (IWG), headed by an assistant to the President of the Russian Federation, was

established by Presidential Decree. The IWG consisted of representatives of the federal and regional executive bodies, parliamentarians, representatives of supreme judicial bodies, civil society, as well as leading scholars specialized in law and was charged with the task of working out proposals on introducing provisions of the international anti-corruption conventions into the national legislation, including the issue of establishing a specialized body to coordinate the work aimed at countering corruption. A draft law on countering corruption was worked on within the IWG.

New anti-corruption structure – the Council on Countering Corruption headed by the President of the Russian Federation – is now established in Russia by Presidential decree of 19 May 2008 with the aim of working out proposals on state policy in the field of countering corruption, of coordinating activities of central and local authorities to implement the state anti-corruption policy, exert adequate control in these matters. The mentioned decree ended the work of the IWG.

[U.K]

International co-operation is essential to tackle bribery, corruption and money laundering. The UK ratified the UN Convention against Convention (UNCAC) in February 2006 and is committed to taking forward the recommendations of the G8. These set out what the international community can do to prevent international corruption and promote the better use of resources. In July 2006, the Prime Minister appointed a Ministerial Anti-Corruption Champion to lead the Government's fight against international corruption. The Government has focused on improving the systems to investigate and prosecute bribery overseas; combat money laundering by political elites and recover stolen assets; promote responsible business conduct in developing countries; and support international efforts to fight corruption.

The Government has made significant progress. The UK criminal legislation goes beyond the mandatory requirements of UNCAC. Laws are in place to assist in all aspects of mutual legal assistance, money laundering, extradition and asset recovery. The UK has provided £6million of funding over the next three years for two police units to enforce these laws. Almost £50 million of corrupt assets have been restrained and £1.5 million has already been repatriated to the countries from which it was stolen.

The UK has fully implemented the Third EU Money Laundering Directive and worked with the EU Committee on the Prevention of Money Laundering and Terrorist Financing to promote full implementation within the EU. In addition, during the UK Presidency of the Financial Action Task Force (FATF) in 2007-8, proposals were agreed to assist low-capacity countries to implement FATF standards to strengthen global anti-money laundering efforts.

The UK has also committed to support countries implement the UN Convention against Corruption through the provision of technical assistance. Further support has been provided to help international efforts to improve governance. This includes £100 million for a new Governance and Transparency Fund.

[U.S.]

The global fight against corruption remains a central priority for the United States, linked to fighting terrorism and transnational crime, promoting free and open markets, increasing economic growth, and encouraging stable democracies. U.S. efforts focus on working collaboratively with our partners to promote effective implementation of the first global legally binding instrument against corruption, the UN Convention against Corruption, in particular by developing an effective review mechanism and provision of technical assistance. The United States has undertaken significant efforts to support implementation of Chapter V (Asset Recovery), to build country capacity in this area, and to continue its robust collaboration with other governments on investigations and mutual legal assistance to support recovery of assets.

The United States also actively participates in other multilateral regimes, including the OECD Anti-Bribery Convention. U.S. authorities aggressively enforce U.S. domestic corruption and foreign bribery statutes. Under the Foreign Corrupt Practices Act (FCPA), U.S. authorities concluded 16 criminal and 6 civil enforcement actions in 2007.

Following the St. Petersburg Summit, in August 2006, the United States announced its "National Strategy to Internationalize Efforts to Combat Kleptocracy." This strategy builds on and reinforces our collaboration in the G8 and other multilateral fora. Its components include: (1) denying safe haven to kleptocrats and those who corrupt them; (2) bringing together major financial centers to develop best practices to deny financial haven to illicit funds and assets; (3) enhancing information sharing with foreign partners and financial institutions on corrupt individuals; and (4) identifying, restraining, confiscating, and returning corruption proceeds to their prior owners. The U.S. has established the authority to deny safe haven to corrupt foreign persons and is regularly applying it to deny their entry into the United States.

Economic growth and democracy will not flourish in the presence of corruption. The U.S. is a major provider of technical assistance to support governance and anticorruption reform. The U.S. provided more than \$760 million in Fiscal Year 2007 towards good governance and anti-corruption assistance on the global level through the Department of State and USAID, and approximately \$144 million through Millennium Challenge Corporation (MCC) threshold programs signed in Fiscal Year 2007.

3. Review of the implementation of past G8 commitments

UN Convention against Corruption

G8 Commitments

- Encourage provision of technical assistance related to effective implementation of the UN Convention Against Corruption (Heiligendamm, 2007)
- Coordinate closely to promote effective implementation of the UNCAC, particularly related to developing effective review mechanisms, strengthening international measures on asset recovery, and encouraging provision of technical assistance (Heiligendamm, 2007)
- Support the global ratification and implementation of the UN Convention Against Corruption (St. Petersburg, 2006)
- Remain committed to become parties to the UN Convention against Corruption and complete all necessary steps to ratify and implement the Convention (Sea Island, 2004)

[Canada]

Canada became a signatory to the *United Nations Convention against Corruption* (UNCAC) on May 24, 2004. Prior to ratification and implementation of UNCAC, technical amendments to the *Criminal Code* were required. The Government of Canada introduced proposed legislation on March 22, 2007. Following the Bill's passage by Parliament, the amendments came into force on May 31, 2007. Canada ratified the UNCAC on October 2, 2008.

Canadian Initiatives in Support of UNCAC: As part of a G8 commitment developed in the G8's Roma/Lyon process, Canada has identified 10 key countries as priority partners: Afghanistan, Bolivia, Dominican Republic, Guyana, Haiti, Jamaica, Nigeria, Peru, Pakistan, and, Trinidad and Tobago. Within this framework Canada subsequently included Central America as a priority.

Through a contribution program with the United Nations Office of Drugs and Crime (UNODC), Canada provides annual funding in support of UNCAC. Key initiatives for fiscal year 2007-2008 included support for three regional training seminars held in the Caribbean, Central and South America, and Central Asia. The seminars provided technical assistance on implementation of key provisions of the Convention, including full coverage for our G8 priority partners. Another key initiative is support for a training workshop on asset recovery for South Asian countries and an anti-corruption briefing program targeted at UNODC field staff. Canada has also supported UNODC efforts to develop a comprehensive information gathering software tool which supports reporting on implementation of *the United Nations Conference against Transnational Organized Crime* and *United Nations Convention against Corruption*.

[France]

France was the first G8 country to ratify the United Nations Convention Against Corruption, on 11 July 2005. At the first conference of the States Parties in Jordan in December 2006, France put forward a number of draft resolutions which were subsequently adopted by the conference: the first two related to the creation of intergovernmental working groups on the recovery of assets and on technical assistance, the others called for the States Parties to establish criminal offences in their domestic law, as required by the Convention, and to implement the optional provisions of Article 16-2 of the treaty concerning the criminalization of passive corruption of officials of public international organizations.

Taking this process still further, and demonstrating its commitment, France instigated the adoption by the second conference of States Parties in January 2008 of

three resolutions, one on the necessity of rationalizing technical assistance with a view to matching supply and demand for expertise in order to facilitate the implementation of the Convention's provisions. Its adoption is a milestone both for the strengthening of coordination between donors and for the definition of action plans in beneficiary countries. The other two resolutions related to follow-up on the resolutions of 2006 calling for States to adopt the provisions on mandatory criminalization and to criminalize passive corruption of officials of public international organizations.

In addition, France decided to join the pilot group reviewing the implementation of the UN Convention against Corruption. In this connection, it is currently reviewing Jordan, Finland and, in the near future, Fiji; it is itself also being reviewed by Greece and Argentina.

And lastly, France has added to its legislation the law of 13 November 2007 on the fight against corruption. Hitherto, France had not made corruption of foreign public officials and officials of public international organisations a criminal offence other than in the European Union and, outside the EU, only in connection with international trade transactions (pursuant to the OECD convention). After the adoption of the law of 13 November 2007, France introduced into its code of criminal law four criminal offences for international corruption:

- Passive corruption of foreign public officials and officials of international organizations,
- Active corruption of foreign public officials and officials of international organizations,
- Passive corruption of international or foreign judicial personnel,
- Active corruption of international or foreign judicial personnel.

These offences abandon the previous distinction based on whether the acts were committed within the European Union or outside its borders, and in connection with international trade or not.

France has thus chosen to go further than the binding provisions of the Convention on two points *inter alia* by establishing the following criminal offences:

- Acts of active corruption of foreign public officials even in cases where the advantage obtained does not relate to international trade,
- Passive corruption of foreign public officials or officials of international organizations

Furthermore, in the same spirit, the 2007 law established as a criminal offence active and passive trading in influence directed at an official of a public international organization or international judicial personnel.

France has also defined two new offences of tampering with witnesses in the context of foreign or international judicial proceedings and threatening or intimidating foreign or international judicial personnel, these being added to criminal offences already defined in domestic law but which were limited to the perversion of the course of justice at the national level.

The law also establishes in the code of criminal law a criminal offence of active and passive trading in influence by a private individual in relation to members of national judicial personnel (magistrates, clerks to courts, arbitrators, etc.).

Guided by the provisions of Article 50 of the Convention, the legislature also resolved to extend to cases involving corruption and trading in influence certain specific investigative techniques hitherto applicable only to offences involving organized crime (surveillance and undercover operations, intercept evidence gathered in the investigative phase, the recording of conversations and images in specific locations and vehicles and the option of application of provisional judicial measures).

In conclusion, the legislature decided to define in the French code of labour law a provision instituting effective statutory protection against all forms of disciplinary sanctions directed at employees testifying or providing in good faith to their employers or to official or judicial authorities information relating to corruption of which they have become aware in the course of their duties, in accordance with the spirit of Article 33 of

the Convention.

[Germany]

Germany has signed the UN Convention and therefore indicated that it is willing to ratify provided that all necessary legal implementations have taken place. A draft law concerning the implementation has been sent to the German parliament (Bundestag) by the German Government in 2007. The Intention of ratification has not changed since the last G8-summit.

It must be noted that Germany already fulfils many requirements set by the Convention. There is, for example, Chapter IV concerning mutual assistance in international criminal investigations. Germany fully complies with these provisions. Furthermore, Germany follows in advance of ratification Chapter VI obligation of UNCAC by supporting developing countries through technical assistance in their efforts to implement UNCAC. From 2005 until mid 2008 21 pilot initiatives have been supported directly in relation to German development cooperation through national or international partners. The support aims at promoting UNCAC as universal anti-corruption instrument, which in turn contributes to de-politicising the combat against corruption. It addresses anti-corruption in the policy dialogue through the UNCAC provisions; it links anti-corruption to governance and adds to the ongoing domestic debate and to international networking. (e.g. Germany supported for UNCAC compliance reviews and sponsored an asset recovery workshop and intensive training of the ADB/OECD Anti-Corruption Initiative of the Asian and Pacific Countries as well as for the Indonesian Anti-Corruption Commission in 2007 and will continue supporting these initiatives. Germany also supports the work of the Judicial Integrity Group on the Bangalore Principles, which is closely related to Article 11 of UNCAC as well as UNODC by supporting an international anti-corruption workshop on technical Assistance for Implementation of the UNCAC based on resolution 1/6).

Germany is committed to the aims laid down also by the European Union concerning technical assistance as there are:

- establishing rule of law programmes involving all relevant provisions on preventing and combating corruption, in particular by supporting good governance and integrity and reforms in the legislative, regulatory, administrative, law enforcement and/or judicial area, depending on the needs manifested by the requesting states;
- facilitating the meeting between the donors' offers for technical assistance and the needs of the requesting states;
- encouraging the coordination of existing bilateral and multilateral initiatives in the area of asset recovery with a view to avoiding duplication of work and overlap with existing initiatives.

[Italy]

Italy has not yet completed the process of ratification of the UN Convention against Corruption. During the XV legislature (April 2006-April 2008), Italy adopted the necessary draft law providing for the ratification of the Merida convention, and presented it to Parliament on 13 June 2007. The draft law introduced only minor modifications in the existing Italian legislation. In fact the main provisions of the Convention, such as the five mandatory criminalisation provisions provided for in articles 15, 16.1, 17, 23 and 25, are already fully reflected in the Italian legal system, which therefore can be said to be already in compliance with the Convention. The draft law was examined by the competent parliamentary commissions. However, due to the dissolution of the Italian Parliament in April 2008, the ratification procedure has to be re-scheduled on the agenda of the newly elected Parliament. The delay in the procedure of ratification of the UN Convention against Corruption should not be interpreted as meaning that Italy does not pay the proper attention to this instrument. On the contrary, Italy strongly believes that the Convention will definitely become a

cornerstone in the fight against corruption and must be ratified, acceded to and implemented by all States.

[Japan]

Japan signed the UNCAC in December 2003, and the Japanese Diet approved its conclusion in June 2006. Japan will conclude the convention as soon as the bill to amend the domestic laws necessary to implement several provisions of the UNCAC is passed by the Diet (The remaining provisions are already covered by existing domestic laws).

Japan is fully aware of the paramount importance of efforts to be made by the international community for the implementation of the UNCAC, and has participated actively in Conference of State Parties and relevant Working Groups to contribute to promote its implementation.

Japan has provided various types of technical assistance in order to support efforts of developing countries in the fight against corruption, mainly through JICA. For example, in 2007, JICA organized 18 group training courses and seminars on anti-corruption, and 215 people from countries of all regions participated in them. In addition, JICA organized 10 training courses on the transparent use of ODA financial resources provided by the Government of Japan in which 137 people participated.

Moreover, the UN Asia and Far East regional institute, situated in and funded by Japan, has organized various international training courses and seminars on corruption. Recent examples are the training course on the “Criminal Justice Response to Corruption” of Oct-Nov 2007 and the senior seminar on “Effective Legal and Practical Measures for Combating Corruption: A Criminal Justice Response” of Jan-Feb 2008, both held in Tokyo, in which officials involved in the criminal justice systems of countries of various regions participated.

[Russia]

Russia signed the UNCAC in December 2003 and ratified it in July 2006. Russia fulfils many of the requirements of the UNCAC.

At the same time, in order to implement the Convention fully Russia continues consistent and thorough efforts. The IWG set by the Presidential decree on 3 February 2007 accomplished important work in order to identify the necessary changes to be introduced into the Russian legislation to comply with the UNCAC and also with the Council of Europe Criminal Law Convention on Corruption. A draft law on countering corruption has been worked on within the framework of the IWG. Now this work is to be continued and intensified by the Council on Countering Corruption headed by the President of the Russian Federation, established on 19 May 2008.

Russia makes every effort to promote ratification and implementation of the UNCAC, is eager to take part in uniting such efforts with other G8 partners, first of all, within the mechanisms of the COSP, like this was done at the two sessions of the COSP in Jordan and Indonesia. Russia has been taking active part in the work of the three working groups established by the

COSP – on review mechanism for the UNCAC, asset recovery and technical assistance – and will continue to do so, including to ensure that significant decisions are prepared for the 3rd COSP in 2009 in Qatar.

[U.K.]

The UK ratified the UNCAC on 9 February 2006. The UK has also ratified the OECD Convention on Combating the Bribery of Foreign Public Officials in International Business Transactions and the Council of Europe Criminal Law Convention on Corruption (GRECO). Work is on track for the extension of UNCAC, the OECD Bribery Convention and GRECO to the Crown Dependencies. In addition all the Overseas Territories have requested the extension of UNCAC. At their request, a legislative audit is being undertaken with a view to support the extension of the

UNCAC and OECD Conventions to them.

The UK is actively involved in supporting international efforts to implement UNCAC by providing technical assistance related to the effective implementation of UNCAC. The UK is also one of 16 countries which volunteered to pilot review mechanisms to inform discussions on the shape of the review mechanism for UNCAC. As part of this process, the UK is being reviewed by Austria and Greece and in turn is reviewing Tanzania and Indonesia.

[U.S.]

The U.S. became a party to the UNCAC on October 30, 2006, and has fully implemented the convention.

The U.S. is pleased to be working closely with G8 partners to actively promote global ratification and implementation of UNCAC through multilateral coordination and support for capacity building and technical assistance. The U.S. also welcomed G8 coordination at the first and second Conference of States Parties (COSP) in 2006 and 2008, and looks forward to continued close G8 collaboration in follow-up meetings to define steps forward to achieve progress on asset recovery provisions, technical assistance, and development of a proposal for implementation review. The U.S. also provided its timely response in the self-assessment checklist program and participates in the pilot review project, which we were pleased to see expanded to include additional countries. The U.S. is committed to the adoption of a process for review of implementation at the 3rd Conference of States Parties in 2009 in Qatar.

The U.S. sponsors anticorruption programming throughout the world that is intended to contribute to countries' abilities to implement their UNCAC commitments. The U.S. has supported the placement of anticorruption advisors and the provision of other technical assistance to help a number of countries implement UNCAC, in partnership with UNODC and other organizations. The U.S. provided more than \$760 million in Fiscal Year 2007 towards good governance and anti-corruption assistance on the global level through the Department of State and USAID, and approximately \$144 million through Millennium Challenge Corporation (MCC) threshold programs signed in Fiscal Year 2007. Through in-country technical assistance such as skills development training and advice on legislative drafting, U.S.-funded programs support the adoption of anti-corruption reforms including governance institutions, effective prevention and enforcement mechanisms, as well as laws, processes, and policies that promote transparency and accountability consistent with the UNCAC and other multi-lateral instruments that articulate best practices. The U.S. assistance also promotes strengthening of rule of law and justice institutions including integrity and internal oversight mechanisms, criminal tax and customs enforcement systems, anti-money laundering reforms, asset forfeiture tools, financial intelligence units, and specialized and vetted law enforcement units. For example, U.S.-funded advisors are helping Guatemala improve access to information and implementation of the Inter-American Convention against Corruption; helped the Philippines Office of the Ombudsman and the Supreme Court to design and implement systems and safeguards to prevent corruption in public sector agencies; and are currently assisting Ukrainian officials in restructuring of law enforcement agencies to better combat corruption including within their ranks.

Asset Recovery

G8 Commitments

- Ensure that developing countries can access and develop technical expertise to help recover illicitly-obtained assets. (Heiligendamm, 2007)
- Implement regional G8 workshops on the recovery of illicitly-obtained assets. (Heiligendamm, 2007)
- Work together and with international and regional institutions to develop and promote mechanisms that support effective return of recovered assets. (St. Petersburg, 2006)
- Support our (Justice and Home Affairs) Ministers' determination to detect, recover and return these illicitly acquired assets. (Sea Island, 2004)

✧ In 2004, G8 Justice and Home Affairs Ministers issued a Declaration on recovering proceeds of corruption in support of the implementation of the UN Convention against Corruption. Their initiatives were supported and reaffirmed by the G8 Leaders at subsequent Summits, and the report on implementation of the Declaration was compiled and submitted to the G8 Justice and Home Affairs Ministers in 2007. (The report is available at the website of the Ministry of Justice of Germany. <http://www.bmj.bund.de>)

[Canada]

Canada can provide mutual legal assistance in criminal matters in relation to requests submitted to Canada under bilateral or multilateral conventions and under administrative arrangements, pursuant to Canada's *Mutual Legal Assistance in Criminal Matters Act*. The International Assistance Group of the Department of Justice is the central authority for Canada in relation to matters of extradition and mutual legal assistance; it both makes and responds to requests for mutual legal assistance.

Canada responds to requests for technical assistance in this area on a case-by-case basis, but has been particularly active in multilateral initiatives including UNODC initiatives noted previously, participation at meetings of the Asian Development Bank (ADB)/ Organization for Economic Cooperation and Development (OECD) Anti-Corruption Initiative for Asia-Pacific on International Cooperation (September 2007, Bali, Indonesia).

[France]

At the spring meetings of the Bretton-Woods institutions, France announced its intention to provide financial support for the StAR initiative of the World Bank and UNODC, an initiative which represents a major stride forward in the international fight against corruption, as well as translating into reality the commitments given by the G8 in Saint Petersburg.

In addition, in order to facilitate requests for mutual legal assistance, a new system was put in place at the time of ratification of the United Nations Convention Against Corruption to allow positive responses to requests for mutual legal assistance made in the six official languages of the United Nations.

In terms of domestic law, a bill is currently undergoing examination. Its aim is to extend the possibilities of seizure and confiscation of illicitly obtained assets, enhance the efficacy of such measures and improve the management of the assets seized. The bill notably provides for the creation of a procedure for the seizure under criminal law of real property, intangible property and seizure without dispossession. This mechanism will

allow the courts to issue orders for provisional measures concerning property without having to use civil law procedures for execution, these being ill-suited to the demands of criminal cases. The assets concerned may consist of real property, sums of money held on bank accounts, shares in companies, investment securities and other intangible assets, businesses, or, finally, monetary accounts receivable. Seizure under criminal law will have the effect of making the relevant assets unavailable. In order to perform the procedures required to execute a seizure without dispossession, seizure of real property or intangible assets, the public prosecutor may requisition assistance from any qualified person. The Court ordering the seizure will be competent to rule on all petitions concerning its execution, and the examining magistrate will have competence in the event that an enquiry is formally commenced following the seizure. A possibility of challenge to such rulings will be formalized. Action in civil law concerning property subject to seizure in criminal law will in principle be inadmissible.

The bill also provides for the development, right from the investigation and examination stage, of the asset seizure options available to the public prosecutor and the examining magistrate in order to ensure the full effectiveness of confiscation penalties that may be ordered at such time as the Court hands down its judgment. The new procedure for criminal law seizure will be used.

France is also preparing to enact in its domestic law Council framework decision 2006/783/JHA of 6 October 2006, the aim of which is to facilitate the execution of confiscation rulings within the European Union. This will make it possible in dealings with the other EU Member States to take advantage of the progress constituted by this instrument compared with existing conventions: partial exclusion from the verification of double criminality applicable to a list of 32 categories of serious offence, execution of confiscation measures for certain assets that do not represent the proceeds or instrument of an offence, and a widening of the scope for allocation of the recovered assets.

[Germany]

Germany as a requested country can provide international legal assistance aimed at investigating, securing, seizing and confiscating proceeds (or assets or corresponding value) deriving from criminal acts and therefore from money laundering and its predicate offences. But enhancing the recovery of illicitly obtained assets requires a broad approach and expertise needs to be enhanced in the countries of origin:

Germany supports the work programme 2007 and 2008 of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific and sponsored an asset recovery and mutual legal assistance regional seminar and intensive training of the Initiative as well as for the Indonesian Anti-Corruption Commission in 2007 and will continue supporting these initiatives. Germany cooperates closely with UNODC and the International Centre for Asset Recovery to ensure and offer needed technical expertise to partner countries.

[Italy]

Italy is fully aware of the scope and the extent of the provisions laid down by the UN Convention against corruption and consider particularly relevant the provisions related to asset recovery (Chapter V). Italy is already able to afford mutual legal assistance when it comes to detect, freeze or seize the proceeds of crimes derived from corruption, as well as property, equipment or other instruments used in, or destined for, use in corruption offences. Italy is also able to afford assistance in confiscation of the abovementioned proceeds and instruments. In this connection, it is worth mentioning that Italian legal system allows the confiscation of proceeds and instruments related to corruption offences, even when the confiscation is not provided for by a court judgement.

[Japan]

Japan can provide cooperation to detect, freeze and execute proceeds or assets or equivalent value of criminal acts either through mutual legal assistance or through the application of “*the Law for Punishment of Organized Crimes, Control of Crime Proceeds and Other Matters*”. Japan also underwent necessary amendment of the Law in 2006, to be able to return all or a part of the confiscated assets to the requesting countries.

Japan participates with great interest in discussions on asset recovery held within the framework of the UNCAC, and is willing to collaborate with the international community to promote its implementation.

[Russia]

We consider asset recovery provisions as absolutely crucial to the UNCAC, being the most innovative and, at the same time, the most ambitious and result-oriented part of the Convention. The success of the implementation of these provisions thus would to a great extent define the success of the international anti-corruption cooperation on the basis of the Convention.

Russia is able to provide mutual legal assistance in criminal matters including on the issues relating to corruption. For Russia the optimal framework for such cooperation in current circumstances are multilateral treaties and bilateral agreements on fighting crime concluded with foreign countries, which provide for mutual assistance in countering illegal financial transactions, laundering of proceeds of crimes, including those of corruption nature.

[U.K.]

In the UK, the Metropolitan Police Service established the Proceeds of Corruption Unit to combat money laundering by Politically Exposed Persons. It is a unit of 12 officers that has worked closely with the Economic and Financial Crimes Commission. The Metropolitan Police Service has £49m of Nigerian assets under restraint. £1.5 million of cash has been returned to date, including proceeds from the sale of a flat. Joyce Oyebanjo, a UK citizen is one of two people convicted for money laundering. She helped Joshua Dariye, a former Nigerian State Governor, launder £1.4 million through her bank accounts and was sentenced to three years in prison.

The UK has supported the creation of the International Centre for Asset Recovery (ICAR) which is tasked with providing legal assistance and advice to states seeking to recover assets taken illegally by corrupt officials or politically exposed persons. In addition technical assistance was provided by prosecuting authorities to Ghana, Nigeria and Bangladesh to improve capacity in tackling corrupt practices and asset recovery and the UK hosted a very successful G8 workshop in Nigeria on asset recovery and corruption.

The Stolen Asset Recovery Initiative (StAR) was established to further this work and improve on the identification, freezing and repatriation of stolen assets. The UK has funded this initiative of the UNODC and World Bank to develop mechanisms to support the recovery of assets. The UK has also made available funding to Interpol to assist with the development of their Anti-Corruption Academy and operational Units which will have a specific Asset Recovery focus.

[U.S.]

The U.S. has vigorously promoted asset recovery and the implementation of Chapter V of the UNCAC, through multilateral coordination and policy development, support for the dissemination of best practices, and provision of capacity building.

With respect to multilateral coordination, the U.S. has promoted the adoption of a policy of “denial of safe haven” toward corrupt foreign officials and their assets in numerous multilateral fora, including the Summit of the Americas and the Asia Pacific Economic Coordination, and others. The U.S. participated actively in developing and implementing the G8 Justice and Home Affairs Ministerial Declaration on Recovering

the Proceeds of Corruption. In the G8's Lyon-Roma Anti-Crime and Terrorism Group, the United States worked with other G8 members to develop practical guidance and best practices for effective implementation of the asset recovery commitments of UNCAC. The U.S. looks forward to working with G8 partners to sponsor proposals for concrete implementation of the asset recovery provisions through intersessional meetings to be held of the inter-governmental Asset Recovery Working Group of the UNCAC Conference of States Parties. The U.S. also collaborates with other leading organizations and initiatives that are promoting best practices and facilitating asset recovery capacity building, such as the Stolen Asset Recovery (StAR) Initiative, the International Centre for Asset Recovery (ICAR), and the Lausanne conferences.

The U.S. places priority on building capacity in partner countries. The U.S. participates in donor coordination/expert meetings related to asset recovery and has provided financial and expert support to asset recovery workshops in various regions. The U.S. sponsored an asset recovery workshop with other G8 partners for countries within the Organization of American States (OAS) in April 2006, provided instructors for a similar workshop sponsored by the UK in Nigeria in December 2005, held a workshop, together with the Government of South Africa, for ten other African nations in 2004, sponsored an asset recovery workshop for APEC economies in Lima in October 2007, and partnered with StAR on an April 2008 experts meeting on non-conviction based forfeiture in Vienna, among other efforts.

A range of ongoing U.S.-sponsored technical assistance is targeted to build capacity to recover corruption proceeds. Principal areas include corruption and financial crimes investigation/prosecution capacity-building; anti-money laundering systems; training in mutual legal assistance procedures; and a wide range of related criminal justice reform. The U.S. intends to post asset recovery country advisors in 2008 to build capacity related to mutual legal assistance, in three countries.

U.S. law enforcement and prosecutorial authorities work closely with counterparts in other governments on investigations and mutual legal assistance to support recovery of assets. The United States has numerous law enforcement attachés posted abroad who can facilitate assistance in support of investigations. The U.S. has repatriated corruption proceeds in several significant cases in recent years. For example, the U.S. has confiscated and repatriated to Peru corruption proceeds worth more than USD \$20.2 million that were connected to the criminal conduct of former Peruvian intelligence chief Vladimiro Montesinos and his associates. Similarly, as a result of close investigatory cooperation, the United States was able to forfeit and repatriate to Nicaragua more than USD \$2.7 million connected to the criminal conduct of former Nicaraguan Tax and Customs Minister Byron Jerez.

OECD Antibribery Convention

G8 Commitments

- Investigate and prosecute corrupt public officials and those who bribe them, including by vigorously enforcing our laws against bribery of foreign public officials (St. Petersburg, 2006)
- Reduce bribery by the private sector by rigorously enforcing laws against the bribery of foreign public officials, including prosecuting those engaged in bribery; strengthening antibribery requirements for those applying for export credits and credit guarantees, and continuing support for peer review in line with the OECD Convention; encouraging companies to adopt antibribery compliance programs and report solicitations of bribery (Gleneagles, 2005)
- Implement permanent peer review mechanism under the OECD Antibribery Convention (Heiligendamm, 2007)
- Adhere rigorously to OECD Antibribery Convention enforcement review schedule, honor pledges to serve as lead examiners or examinees, and send prosecutors and other law enforcement officials to participate in peer reviews. (Sea Island, 2004)
- Accelerate peer reviews of each country's implementation of the OECD Antibribery Convention, so as to complete a first cycle of reviews by 2007. (Evian, 2003)

[Canada]

Canada adopted legislation against foreign bribery in the *Corruption of Foreign Public Officials Act* in 1999, when it joined the OECD Convention against foreign bribery. Since then, law enforcement authorities have been enforcing the law against offences in the CFPOA in the same manner as they enforce all other criminal offences. To date, there has been one prosecution resulting in a conviction under the *Corruption of Foreign Public Officials Act*, in 2005.

At the Canadian International Development Agency (CIDA), all entities involved in CIDA-financed contracts and contribution agreements are expected to declare whether they were convicted in the past, and to note that engaging in corrupt practices would be sufficient grounds for terminating the contractual arrangements or for undertaking other action.

At Export Development Canada (EDC), exporters are required to sign anti-corruption declarations. EDC's insurance policies and loan documents include clauses / representations and warrants against bribery. EDC introduced its Anti-Corruption Policy Guidelines which outline the measures EDC will apply to combat corruption, including a section on debarring companies convicted of bribery as well as a section on disclosure to law enforcement authorities.

In 2006, under the auspices of the OECD Export Credit and Credit Guarantees Group, EDC worked with export credit agencies to enhance the OECD Action Statement on Bribery. Revisions to the Action Statement necessitated a number of changes to EDC's anti-corruption practices. In addition to providing a no-bribery declaration, exporters seeking export credit agency EDC-backed support are required to indicate whether they have been previously convicted of bribery, and whether they have been debarred by the World Bank, the Asian Development Bank, the European Development Bank or the African Development Bank, for which the Export Credit Agencies agreed to undertake enhanced due diligence. Furthermore, EDC asks for details about agents and commissions when they deem it necessary as part of their due diligence process.

EDC encourages companies to adopt anti-corruption programs in several ways. The President writes to all new customers with a copy of EDC's anti-corruption brochure. In his letter, the President reiterates the message of the brochure which encourages those companies conducting business internationally to fully understand Canadian legislation

in the area of corruption, to ensure policies and procedures are in place and employees are well-educated on the issue in order to avoid the risks of corruption in international business transactions. EDC periodically publishes articles in its quarterly newsletter on various anti-corruption issues. EDC's quarterly newsletter has a distribution of over 10,000 subscribers. In addition, EDC is targeting key industry associations to publish an anti-corruption article in their membership newsletters in order to reach even more Canadian companies who may conduct business internationally.

EDC's Anti-Corruption Program includes a procedure regarding disclosure to Canadian law enforcement officials of credible evidence of bribery in international business transactions, of which there have been no such instances to date.

OECD Peer Review Process

Canada participated in its Phase I and Phase II reviews. Canada contributed to ensure that reviews were completed in the timeframe decided by the Working Group by providing information and organizing meetings on schedule for its own review. Canada also provided a team of experts that was available in the timeframe required and met all the deadlines to complete the peer reviews when Canada was one of the lead examiners.

In addition, Canada organized meetings with all the individuals or groups that the OECD reviewing team wished to meet with at the dates planned for the OECD team visit to Canada.

In addition, Canada provided a team of experts to participate with Italy in the Phase II peer review of France in 2003, and with France in the Phase II peer review of UK in 2004 and the Phase II bis of UK in 2008. In each case, the Canadian team of experts included an RCMP officer involved in investigations of corruption and other commercial crimes, and an expert in criminal law. In addition, Canada has been represented by a Foreign Affairs officer and a criminal law expert at all meetings of the Working Group on Bribery, and participated actively in the Working Group.

Canada supports the development Phase III of the peer review mechanism that is currently under discussion at the Working Group on Bribery. The development of Phase III will ensure the continuation of the peer review of the implementation of the Convention.

[France]

France is resolutely committed to the OECD peer review process. The OECD corruption group had in fact arrived at an extremely positive assessment of the implementation by the French authorities of the recommendations submitted in connection with the phase 2 review.

Moreover, France actively supports the ongoing process of revision of the OECD's anti-corruption instruments and the definition of the terms of reference for the future mutual review phase, or the "phase 3" review, aimed at enabling the continuation of mutual evaluations after the completion of phase 2.

Additionally, France has made changes to its legislation in order to cover a wider range of criminal offences involving corruption and trading in influence (cf. above).

To conclude, a number of official inquiries have been commenced relating to charges of corruption of foreign public officials.

Pursuant to the Anti-Corruption Charter it adopted at the beginning of 2007, Coface (the French export credit guarantee agency) is rolling out and organizing the implementation of these new commitments by its departments. Coface is thus making provision for:

- **A general obligation to inform beneficiaries of guarantees:** Coface will include reminders in its institutional documentation and communications of the legal consequences entailed by corruption of foreign public officials and incentives to set up internal systems for the control and prevention of corruption.
- **Immediately on receipt of a guarantee application, a duty of due diligence:**

Coface officials examining applications must verify whether the applicant and the exporter are currently subject to legal proceedings for this type of offence, whether they have been convicted for offences of this kind in the five preceding years, and whether they are on a temporary exclusion list issued by a multilateral bank (World Bank, ADB, AfDB, IBD, EBRD).

- **At such time as an application is examined, obligations of enhanced vigilance:** such obligations may take the form, in cases where Coface entertains doubts, of requests for further information from the exporter (particularly concerning any transaction intermediaries and commission payments) and, in certain defined cases, evidence of the implementation of preventive or corrective measures within the company, or possibly a request for further information from economic missions.
- **Precautionary measures at other stages in the procedures,** for example in conjunction with the monitoring of contracts, compensation (examination of accounts) or the collection of receivables.
- **Formation of an anti-corruption committee in Coface** to comprise the directors of the legal affairs and medium term departments (or the market exploration department): this committee will rule on dossiers in which there are “substantive indications of corruption” to be passed on to officials in the DGTPE (French Directorate-General for the Treasury and Economic Policy) with responsibility for export credit guarantees (the latter may then, if the case justifies it – that is to say, if on examination the information provided clearly points to the commission of acts of corruption – inform the public prosecutor’s office pursuant to Article 40 of the French code of criminal law procedure).
- **Appointment of an anti-corruption correspondent** charged with advising Coface departments in the implementation of this system of measures and ensuring its satisfactory coherence.

This Charter is also supplemented by a number of memoranda setting out the mechanisms specific to each type of product (export credit and investment guarantees, exchange insurance, market exploration insurance).

[Germany]

Germany was one of the initiating states during negotiations for the OECD anti-bribery convention advocating for the form of a convention rather than non-binding guidelines.

In Germany bribery of foreign public officials is a criminal offence since 1998 (EU) and 1999 (other public officials). This led to numerous prosecutions and several convictions. Germany is participating actively in the Working Group on Bribery in International Business Transactions of the OECD. Germany was successfully evaluated by the Group in two rounds and has taken part in many tasks as the tour de table evaluations as well as reviewing other countries by experts on legislation of acts against corruption and prosecution of relevant cases. Germany has provided OECD with all necessary information about ongoing legislation and relevant court decisions in the field. As far as legally possible Germany shared information concerning investigations in alleged corruption cases. For Germany an effective mechanism is always the key issue of the peer review process. Developments in 2006 and 2007 explicitly have shown that criminal prosecution is dealing with international corruption cases in an adequate manner as required by the OECD Convention. There is a significant number of cases German prosecution offices deal with. Investigations have an international and global relevance as there are companies involved doing business on a global level.

[Italy]

An international recognition of the Italian commitment against corruption can also be seen in the celebration, which took place in Rome on 21 and 22 November 2007, of the tenth anniversary of the OECD Anti-Bribery Convention, organised jointly by the Government of Italy and the OECD Working Group on Bribery. This event has been a unique occasion to show that all State Parties strengthened their anti-bribery legislation and systems to match the challenges linked to the global business environment.

Italy has been active in issuing instructions and disseminating information regarding the adoption of the OECD Convention and the resulting changes in Italian legal legislation to overseas posts. In turn, Italian Embassies have taken steps to inform Italian enterprises operating abroad of innovations introduced in the Italian legislation by the OECD Convention.

Furthermore, in order to strengthen fighting bribery in export credit transactions, SACE, the Italian public export credit agency adopted a special anti – bribery procedure which implements the principle set by 2006 OECD Recommendation against Bribery. The new anti – bribery procedure deals with new applications and transactions that may be affected by bribery: applicants requesting official support to SACE are informed in the policy application form of legal consequences arising from bribery. The applicant is also requested to certify no involvement in bribery facts related to the transaction; no conviction of corruption for himself and/or company's management and intermediaries; no ban from any list of International Financing Institutions. The same declaration must be renewed in case of claims and recoveries distribution, when the applicant/exporter is under suspicion (i.e.: press reports, legal charges, etc).

The strong commitment of Italy to fight corruption is also shown by the fact that, apart from the UN Convention against corruption, various draft laws relevant to the ratification of other multilateral instruments dealing with corruption have been considered during the XV legislature (April 2006- April 2008). In particular, on 12th October 2007, the Italian Government approved two bills ratifying and implementing the 1999 Strasbourg Conventions on corruption. While the first bill ratified the Council of Europe (COE) Civil Law Convention against Corruption, the second ratification bill reworded most of the offences against the Public Administration and, in particular, the offences of *concussione* and bribery. This intervention in particular transposed the OECD recommendation on the defence of *concussione*. However, due to the dissolution of the Italian Parliament in April 2008, the process of parliamentary ratification of the 1999 Strasbourg Conventions on corruption has to be re-scheduled on the agenda of the newly elected Parliament.

[Japan]

Japan signed the OECD Anti-Bribery Convention on December 17, 1997, and deposited the instrument of acceptance on October 13, 1998. Japan's acceptance was the second earliest among the member countries. On September 18, 1998, it enacted implementing legislation in the form of amendments to the Unfair Competition Prevention Law (UCPL), which came into force on February 15, 1999.

Japan has undergone the assessment of phase 1(1999), phase 2(2004) and phase 2-bis (2006), and has implemented the recommendations made by the OECD working group on bribery. The Working Group on Bribery is satisfied that Japan has made a serious and comprehensive effort to satisfy the recommendation. Japan has also fulfilled the role of a lead examiner sending expert team to relevant countries; the phase 1 assessment in US(1999) and Spain(2000), the phase 2 assessment in Germany(2002) and Australia(2005).

Since the criminalization of the bribery of foreign public officials in 1998, the Ministry of Justice of Japan has ensured the public prosecutors to be familiar with the offence through the distribution of reference materials and lectures at the training courses. The Ministry of Justice has also given instructions to public prosecutors for

vigorous investigation/ prosecution of such offence and such efforts accordingly have led to a conviction in the case of the bribery of foreign public officials in 2007. Japanese authorities are determined to continue making efforts on investigation/prosecution of the offence.

In 2000, OECD's Working Party on Export Credits and Credit Guarantees agreed on the "Action Statement on Bribery and Officially Supported Export Credits", which was then adopted by the OECD Council as the recommendation in 2006. Following up the action statement and recommendation, Japanese export credit agencies, which are Japan Bank for International Cooperation and Nippon Export and Investment Insurance, took necessary procedures and appropriate measures in order to comply with the OECD rules.

In order to ensure that the endeavors under the Convention are to be successfully implemented, fight against the corruption by newly industrialized countries and developing countries that are not State Parties to the Convention is of vital importance. In that context, such outreach programmes as the ADB/OECD Anti-Corruption Initiative for Asia Pacific is quite important. For this initiative, in January 2008, Japanese government has made financial contributions (fifty-thousand EUR) to cover the cost of capacity building seminars for the officials in this region.

[Russia]

Russia is not party to the OECD Convention, but the issue of joining it is to be part of discussions between Russia and the Organization in the near future.

[U.K.]

The UK has recently established a new Serious Fraud Office anti-corruption unit and is expanding the City of London Police's dedicated International Anti-Corruption Group. This has resulted in 20 foreign bribery enquiries ongoing in the UK, with 46 further allegations under preliminary investigation.

Export Credit Agencies are the largest source of public funds for private sector projects in the world. These agencies need to make sure that they are not supporting companies or their agents who may be paying bribes. The UK Export Credits Guarantee Department anti-corruption requirements go beyond international requirements. The Export Credits Guarantee Department fully implemented the OECD recommendation through its revised procedures that came into force on 1 July 2006. UK Trade and Investment's new Defence and Security Organisation is promoting the adoption of the Common Industry Standards, the European Aerospace & Defence Society's code of conduct on anti-corruption.

The UK is fully engaged in Working Group on Bribery discussions of possible Phase 3 review process, and has been involved in peer reviews of Poland and Italy. The UK fully cooperates with the OECD Working Group on Bribery peer review process, and recognises the importance and value of this process in raising standards across the 37 signatory countries. The OECD Secretariat has expressed its appreciation for the high level of UK cooperation with the ongoing Phase 2 bis review.

[U.S.]

The U.S. vigorously investigates and prosecutes domestic corruption and transnational bribery. From 2001 to 2006 (the most recent period for which data is available) the Department of Justice charged 6,899 individuals with public corruption offenses nationwide and obtained 5,876 convictions. The Federal Bureau of Investigation (FBI) has dedicated substantial resources to this effort: the FBI currently has more than 600 agents dedicated to investigating public corruption offenses, up from 358 in 2002.

The U.S. actively prosecutes companies and individuals that bribe foreign

government officials. The U.S. implements the OECD Anti-Bribery Convention through the Foreign Corrupt Practices Act (FCPA). In the past two years the U.S. has resolved nearly three dozen enforcement actions against companies and individuals (which is an unprecedented number in the 31-year history of the FCPA), including the largest corporate settlements and, in the last year, the largest settlement in FCPA history. This last case involved a U.S. company that in 2007 agreed to pay more than USD 44 million to settle charges under the FCPA, including USD 11 million in criminal penalties, USD 10 million in civil penalties, and the requirement to disgorge more than USD 20 million in profits. The company was also required to hire an independent compliance consultant to review the company's ongoing efforts to comply with the FCPA.

The U.S. has also actively pursued allegations related to the Oil for Food Program. The Oil for Food Program was established by the UN to enable Iraq to sell its oil for humanitarian purposes, with the proceeds from those sales to be deposited in a UN bank account. Beginning in 2000, the Iraqi government began requiring companies wishing to sell humanitarian goods to government ministries to pay a kickback, usually 10 percent of the contract price. Companies which paid the kickback were in violation of U.S. law. Thus far, the U.S. has resolved cases against nine corporations and four individuals for paying kickbacks to the Iraqi government in connection with the Oil for Food Program. Additional U.S. investigations are ongoing.

The following statistics provide an overview of the level in recent years of U.S. implementation of the OECD Convention through criminal enforcement actions:

2001:	6 criminal FCPA actions
2002:	5
2003:	3
2004:	3
2005:	5
2006:	8
2007:	16 (including 6 related to Oil-for-Food)
2008:	7* (including 2 related to Oil-for-Food)

* As of June 2008

In conjunction with vigorous enforcement, the U.S. government works to raise public awareness of the commitment to fight bribery and to ensure that corporations develop compliance mechanisms and procedures to meet that challenge. For example, the U. S. government participated in or sponsored approximately ten major conferences in the United States on FCPA or related issues during the course of 2007.

The U.S. has actively participated in OECD peer reviews, both as lead examiners and in plenary discussions.

The U.S. actively promotes continued systematic monitoring beyond the Phase II process to ensure effective implementation of international anti-bribery obligations. The U.S. joined consensus in March 2008 to approve a permanent cycle of peer reviews after the final Phase II country review is completed.

During 2007, the United States Export-Import Bank (Ex-Im) implemented the December 2006 OECD Council Recommendation on Bribery and Officially Supported Export Credits by tightening a variety of anti-corruption standards and instituting new procedures to combat bribery. Ex-Im increased surveillance and investigation of exporters or other applicants for government-backed financing, including through questioning on previous accusations, legal proceedings, or convictions linked to corruption. Ex-Im enhanced its due diligence when an exporter or credit applicant appears on any publicly available debarment list, or if the firm reports any corruption convictions over the five years prior to the application. Ex-Im may now suspend applications, deny support, or demand immediate repayment of existing loans from firms bearing recent convictions. Ex-Im notifies law enforcement authorities whenever there is credible evidence of bribery in an export credit transaction. Finally,

Ex-Im requires exporters or other applicants to disclose, upon demand the identity of any agents in the transactions and the amount and purpose of their commissions and fees paid.

Transparency

G8 Commitments

- Supporting International Financial Institutions' efforts to combat corruption, including the implementation of the World Bank's Governance and Anti-Corruption Strategy to increase assistance to countries to strengthen governance and reduce corruption (Heiligendamm, 2007)
- Take concrete steps to protect financial markets from criminal abuse, including bribery and corruption, by pressing all financial centers to obtain and implement the highest international standards of transparency and exchange of information (Gleneagles, 2005)
- Support, by providing bilateral technical assistance and political support, partner countries that have signed transparency and anticorruption compacts with the G8 (Georgia, Nicaragua, Nigeria, and Peru) (Sea Island, 2004)
- Focus bilateral assistance on countries demonstrating commitment to improve performance on transparency, good governance and rule of law (Evian, 2003)
- Require fiduciary assessments before countries can access budgetary support (as already done with the World Bank Poverty Reduction Support Credit program); work to ensure that all fiduciary and governance diagnostics are made public, and improve coordination and harmonization of our administrative procedures (Evian, 2003)
- Develop with donors and governments a public financial management and accountability performance assessment based on the HIPC tracking exercise (Evian, 2003)
- Work with others to achieve full disclosure of multilateral development bank (MDB) performance allocation systems, require publication of all MDB country assistance strategies, urge presumptive publication of Article IV staff reports, and require publication of staff reports for all exceptional access cases (Evian, 2003)
- Provide continuous assistance to strengthen EITI, as appropriate through financial, technical and political means (Heiligendamm, 2007)

[Canada]

Canada strongly supports the efforts of the World Bank and other IFIs to develop and implement strategies to combat corruption.

Canada has introduced recent enhancements to the anti-money laundering /anti-terrorist financing requirements for financial institutions and intermediaries contained in amendments to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and associated regulations including:

- New reporting, client identification, record-keeping and compliance requirements, and bringing new sectors such as the legal profession and dealers in precious metals and stones under Canada's regime.
- Enhanced information sharing among the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), law enforcement and other domestic and international agencies.
- The establishment of a registration regime for money service businesses.

During International Development Association's (IDA) discussions in 2005, donors, including Canada, encouraged IDA to make the key components of their Performance-Based Allocation (PBA) system - the Country Policy and Institutional Assessments ratings and the Country Performance Ratings - publicly available on their external website, and this is now done. For further transparency, IDA plans to publicly disclose their Post-Conflict Performance Indicators, on which allocations to post-conflict countries that fall outside of the regular PBA system are based.

The World Bank's Executive Board has approved several revisions to the Bank's disclosure policy over the last few years to maximize public access to their Country Assistance Strategies (CASs). The Bank first allowed CASs to be publicly released in 1998, but only at the request of the country in question. Now, all CASs are automatically posted on the Bank's external website, except in the rare case that the country in question objects to the disclosure. Canada has been actively supportive of these policy revisions to increase transparency.

In February 2007, Canada announced its official support for the Extractive Industries Transparency Initiative (EITI). This support includes a contribution of \$750,000 to the EITI Multi-Donor Trust Fund, as well as \$100,000 in annual funding for the following few years. Canada also indicated that it will provide technical support in areas such as corporate governance in cooperation with leading Canadian mining companies.

Recognizing that corruption is a global phenomenon, the Canadian International Development Agency (CIDA) considers anti-corruption activities a core component of its approach to aid effectiveness and governance priorities. Within that approach, prior to project approval, CIDA assesses countries, recipient institutions, programs and projects for risk and general performance capacity. When approved, all contracts and contribution agreements include an anti-corruption clause and must be consistent with Government of Canada financial frameworks. Projects are also subject to ongoing monitoring and end of project audits and evaluations.

Since 2000, CIDA has supported over 50 projects with an anti-corruption focus or components related to accountability, transparency, oversight, financial reform, management of public resources, stewardship and corporate social responsibility, totalling an investment of approximately CAN\$218 million. The outcomes of these investments include supporting a network of African parliamentarians dedicated to fighting corruption, providing training for 175 auditors from 49 countries in conjunction with the Canadian and Quebec Auditors-General, improving transparency, efficiency and effectiveness in government procurement/contracting (e.g., Nicaragua, Honduras, Philippines), and support for civil society institutions including Transparency International as well as the Global Organization of Parliamentarians against Corruption (GOPAC).

[France]

France has defined a strategic policy document for the combat against corruption connected with its cooperation programmes, and this has been validated by an inter-ministerial committee. With the aim of defining the procedures for action by the various French public stakeholders in this field, the document defines transparency of procedures and practices as a guiding principle for all action, seeking most notably at the same time to ensure the traceability and security of public resources.

France provides political support to EITI and contributes \$800,000 to the Trust Fund administered by the World Bank for its implementation. It shares a donor nation seat with Germany on the EITI Board, where it is represented by our Ambassador with responsibility for the fight against organised crime. It has mobilized its diplomatic network, particularly in French-speaking African nations, in order to encourage EITI implementation. France was co-sponsor of the UNGA draft resolution supporting EITI. It supports the projected Mediterranean Conference on EITI (autumn 2008) with a view to bringing the countries of North Africa into the Initiative.

[Germany]

Germany invited German (commercial banks/KfW), European (EIB) and regional/international (AsDB) financial institutions to follow transparency standards as for instance EITI.

Germany also participates actively in the work of the Norwegian task force on illicit financial flows to prepare concrete steps to protect financial markets from criminal abuse, including bribery and corruption.

Following its commitments in particular of the Heiligendamm summit, Germany is lending both political and financial backing to the Extractive Industries Transparency Initiative and is itself a member of EITI's Board, sharing a seat with France. Germany contributes to the global initiative with payments to the Multi-Donor Trust Fund of the Worldbank (EUR 1 Mio so far) and the EITI international secretariat (EUR 100.000 p.a. for 2007-2009). Responding to local demands, Germany offers advice to the African regional organisation CEMAC, a Public-Private Partnership (PPP) project and bilateral technical support (Ghana, DR Congo) as well as further multilateral contributions.

[Italy]

In line with Italy's commitment to the OECD's Development Assistance Committee, the documentation relating to competitive tendering for contracts funded by the Italian co-operation and development agency, whether on a gift or a loan basis, includes anti-bribery clauses. Additionally, the guidelines on poverty reduction in the context of Italian development aid include the fight against corruption as part of their general objective. Italy also requests any participant in competitive tendering for contracts funded by the Italian cooperation and development agency to subscribe to an "integrity pact" against corruption which requires enterprises that participate in the tender process to certify that they have not been involved in acts of bribery. See also Italy's comments under sections on OECD Anti-bribery Convention and Money Laundering.

[Japan]

Japan gives priority, in the provision of development assistance, to countries that make active efforts to pursue good governance with a view to promoting transparency and rule of law, as it is clearly stated in its ODA charter. With regard to the budgetary support, Japan conducts various assessments including fiduciary ones before the provision of the financial assistance.

Japan extended assistance to partner countries which signed transparency and anticorruption compact with the G8. Japan provided group training courses targeted to computer engineers and specialists participating from Nicaragua and other Latin American countries in 2006 and 2007 in order to promote E-government in their countries which improve the accessibility of information by the public and enhance transparency. Japan has also provided group training courses to assist capacity building of overseas local governments. A Nicaraguan official participated in one of those courses. Regarding Peru, Japan invited a group of Peruvian local public officials, and organized a capacity building program to promote transparency in March 2005. Moreover, Japan has supported criminal justice system reforms in Latin America i.e. through the provision of training courses.

Japan made contribution of ca. USD 4.5 million to IMF from 2003 to 2007 in order to provide technical assistance to 25 HIPC eligible countries with a view to improving public financial management.

Some of Japanese mining companies support and actively participate in the EITI process through International Council on Mining and Metals, ICMM.

[Russia]

A number of measures directed at perfection of legal mechanisms referring to prevention of corruption has been recently adopted on the legislative level.

Among the legal acts containing a significant anti-corruption component and transparency provisions, it is necessary to mention the following Federal Laws: No. 58 of 25.05.2003 "On the public service system in the Russian Federation"; No. 79 of

27.07.2004 "On the public civil service in the Russian Federation"; No. 25 of 02.03.2007 "On the municipal service in the Russian Federation"; No. 94 of 21.07.2005 "On placement of orders for delivery of goods, execution of work, provision of services for the public and municipal needs"; Decree of the President of the Russian Federation No.885 of 12.08.2002 "On general principles of the civil officials' conduct", which create prerequisites for the prevention of corruption in the sphere of the State and municipal management.

Other laws aimed at the increase of openness and transparency of authority, expansion of access of nationals to information were adopted, namely No. 149 of 27.07.2006 "On information, information technologies and protection of information", No. 59 of 02.05.2006 "On the procedure for consideration of the requests of nationals of the Russian Federation". In March 2007 the State Duma approved in the first reading bill 386525-4 "On providing access to information on the activity of the State bodies and bodies of the local government".

Within the framework of realization of the federal target program "Development of the judicial system of Russia" for 2007-2011, the Supreme Court of Russia introduced to the State Duma bill No. 287750-4 "On securing the rights of nationals and an organization to information on judicial activity of the courts of general jurisdiction in the Russian Federation" aiming at the increase of transparency of justice.

Pursuant to Russian Federation Government Directive 1789-r of 25 October 2005 the Concept of the Administrative Reform in the Russian Federation for 2006-2008 was adopted, involving as its integral part the Plan of Actions to Prevent and Eradicate Corruption in the Public Administration.

The administrative reform is aimed at finding the most appropriate ways of executive governmental authorities functioning, presuming the development of anti-corruption mechanisms on federal, to include departmental, and regional levels.

The following objectives shall be attained within the framework of the administrative reform:

- increasing the transparency of all-level governmental authorities along with the promoting of interaction with civil society;
- improvement of the control and supervisory mechanisms;
- increasing the government procurement efficiency;
- development of mechanisms of prevention of the corruption in executive governmental authorities;
- development of the mechanism of monitoring the course of the administrative reform along with reporting to the common public on the practical results of the reform.

[U.K]

The UK is strongly supportive of the World Bank's 2007 Governance and Anti-Corruption Strategy.

DFID is focusing its bilateral assistance on countries demonstrating commitment to improve performance on transparency, good governance and rule of law through a policy which requires that countries demonstrate a shared commitment to:

- a) reducing poverty and achieving the Millennium Development Goals;
- b) respecting human rights and other international obligations; and
- c) strengthening financial management and accountability, and reducing the risk of funds being misused through weak administration or corruption.

The UK does require a comprehensive fiduciary risk assessment be carried out before countries can access budgetary support. In January 2008, the UK updated guidance for country offices on assessing fiduciary risk taking account of broad based consultation including with the UK National Audit Office and other donors.

DFID was one of the founding members of the Public Expenditure and Financial Accountability (PEFA) partnership between the World Bank, the International Monetary Fund (IMF), several national aid agencies and the Strategic Partnership with

Africa. This group developed the PEFA Strengthened Approach to public financial management which includes a Framework for measuring the performance of public financial management systems based on internationally recognised standards. This tool has been endorsed by the OECD DAC and roll out of the approach has exceeded expectations. As at end of August 2007, some 67 PFM assessments – based entirely on or significantly incorporating the PEFA Framework at both central and sub-national level- had been finalised or completed. The UK continues to be an active Steering Committee member and funder of this important initiative.

The UK has fully implemented the Third EU Money Laundering Directive and worked with the EU Committee on the Prevention of Money Laundering and Terrorist Financing to promote full implementation within the EU. The UK implementation provides more detailed obligations for customer due diligence and have greatly strengthened supervision. They impose explicit requirements for ongoing monitoring of business relationships and for firms to identify not just customers but beneficial owners and managers, who will be subject to a mandatory 'fit and proper' test.

During its Presidency of the Financial Action Task Force (FATF) in 2007-8, the UK secured agreement in principle to increase FATF surveillance of emerging trends and threats, and developed proposals to assist low-capacity countries to implement FATF standards

[U.S.]

Transparency and good governance are pillars of economic growth. The United States recognizes that one of the central ways for governments to help their people benefit from economic globalization -- open markets, the free flow of trade and investment, and access to global capital -- is to govern justly.

The U.S. supports the good governance and anti-corruption programs of the World Bank (WB) and other International Financial Institutions (IFIs). In coordination with G8 partners and other governments, the U.S. helped lead efforts to secure, in 2007, WB Board endorsement of the enhanced Governance and Anti-corruption strategy, which is under implementation. Consistent with the strategy, the WB provides extensive assistance to help borrowing countries put in place sound governance systems and anti-corruption measures and has also taken steps to improve internal control processes to prevent the misuse of Bank funds and to deter fraud and corruption.

At the Asian Development Bank (ADB), the United States has worked to promote stronger internal controls and procurement rules and procedures. In September 2006, the ADB and other multilateral development banks adopted a harmonized set of definitions of corrupt and fraudulent practices. The U.S. has also pressed for a stronger role in governance by the Inter-American Development Bank (IDB). In 2007, the IDB committed over \$400 million for Reform and Modernization of the State, established an Anticorruption Activities Trust Fund (AAF), and expanded to work of the Office of Intitutional Integrity (OII).

In support of the G-8 Transparency Compacts advanced in the Evian (2003) and Sea Island (2004) Summits, the United States provided technical expertise and assistance to Georgia, Nicaragua, Nigeria, and Peru to strengthen their efforts on public procurement, the management of public finances, and other critical areas to combat corruption and improve transparency. The U.S. has also incorporated provisions on transparency in public procurement in the 12 bilateral Free Trade Agreements it has signed since 2004, see below.

The U.S. Millennium Challenge Corporation (MCC) – an innovative development assistance program that rewards a commitment to good governance and combating corruption – negotiates and signs Compacts with countries that score above the median of their per capita income group peers on "control of corruption" and several other measures of governance, economic freedom, and investing in people. To provide further incentive for reform and help additional countries qualify for Compacts, MCC

provides threshold assistance to select countries that fall just short of Compact eligibility. Most of MCC's Threshold programs have an anti-corruption component.

The U.S. has been supportive of the Public Expenditure and Financial Accountability (PEFA) Framework, which tracks 28 indicators, as a tool in assessing public financial management and accountability. The PEFA has a Secretariat housed at the WB.

Regarding disclosure of performance allocation systems, the U.S. notes that the IMF has increased significantly the amount of information on its programs that it has made available to the public. The U.S. has stressed the need to build on this progress and expand the number of publications and IMF practices open to public scrutiny. The U.S. Executive Director consistently encourages countries to publish the full Article IV staff report on the IMF's public website, and the percentage of staff reports published has increased in recent years.

The United States is an active supporter of, and participant in, the Extractive Industries Transparency Initiative (EITI). The U.S. holds a seat on the EITI board and supports implementation directly through bilateral assistance programs in selected countries. The United States provided a total of \$990,000 in FY06 funds to support civil society participation in EITI implementation, in Peru, Nigeria, and the Democratic Republic of Congo, and FY07 funding provides for approximately the same level of support.

Denial of Safe Haven

G8 Commitments

- Deny safe havens through our national laws to individuals found guilty of corruption with high priority and developing additional measures to prevent such individuals from gaining access to the fruit of their criminal activities in our financial system. (Heiligendamm, 2007)
- Deny safe haven to assets illicitly acquired by individuals engaged in high-level corruption. (St. Petersburg, 2006)
- Seek, in accordance with national laws to deny safe haven to public officials guilty of corruption, by denying them entry, when appropriate, and using extradition and mutual legal assistance laws and mechanisms more effectively. (Evian, 2003)

[Canada]

Canadian legislation on proceeds of crime denies a person access to the proceeds of their criminal activity by providing for the seizure, restraint and forfeiture of those proceeds or their return to a legitimate owner.

Canada's *Mutual Legal Assistance in Criminal Matters Act* allows, under the existence of mutual agreements, for the enforcement of foreign seizure, restraint and forfeiture orders of property that is the proceeds of crime.

Canada's extradition legislation allows for extradition under multilateral agreements (including the United Nations Convention against Corruption, which Canada ratified in 2007) or extradition treaties, which cover fraud. As well, Canada's mutual legal assistance can be provided under multilateral agreements and under bilateral treaties, which also apply to fraud cases.

Canada's *Immigration Act* provides that a foreign national, a permanent resident or a temporary resident may be found to be inadmissible to Canada on the basis of their past criminal activity. A person may also be found to be ineligible to make a refugee claim if they are found to be inadmissible for "serious criminality", which includes fraud.

Canada's Financial Intelligence Unit (FIU), the Financial Transactions Reports Analysis Centre of Canada (FINTRAC), has expanded its network of MOUs with FIUs in other countries.

In 2006, Canada made amendments to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* that facilitate disclosure of information to the Canada Border Services Agency where there are reasonable grounds to suspect the information would be relevant to the investigation or prosecution of a money laundering offence (including an offence of laundering the proceeds of corruption) and FINTRAC has determined that the information would be relevant to determining whether a person should not be admitted to Canada on the grounds of criminal activity (including in certain cases criminality involving corruption).

The 2006 amendments to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* also include requirements for reporting entities to undertake enhanced monitoring of high-risk situations, correspondent banking relationships and transactions by politically exposed persons. Banks, insurance companies, securities dealers and money service businesses are required to take measures to identify and monitor the transactions of foreign nationals and their immediate family who hold prominent public positions. These provisions come into force on June 23, 2008.

[France]

France's legislation is compliant with Chapter IV of the UNCAC (regarding international cooperation) and can put into full effect the provisions of this Chapter (see

also answers under Assets recovery and Money laundering).

[Germany]

Chapter VI of the UN Convention on Corruption provides effective mechanisms to the state parties to ensure a close cooperation between judicial authorities, especially in the field of cross-border criminal cooperation. This includes extradition and mutual legal assistance as much as new mechanisms as provided for in art. 50. German law includes already corresponding provisions on a national level.

In order to prevent individuals from gaining access to the fruits of their criminal activities, internal effective mechanisms need to be installed, especially on forfeiture and confiscation.

[Italy]

Italian criminal legislation provides for mutual legal assistance when it comes to detect, freeze and confiscate the proceeds of crimes derived from corruption, as well as property, equipment or other instruments used in, or destined for, use in corruption. International judicial cooperation in the Italian proceedings is given also for repressing bribery offences by means of international instruments (bilateral and multilateral ones) in force in Italy, among which the 1959 Convention of the Council of Europe on mutual assistance on criminal matters, the 1990 Convention of the Council of Europe on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and the UN Convention against Transnational Organized Crime (Palermo Convention). In the absence of a bilateral or multilateral convention, the requests for assistance are regulated by relevant sections of the criminal procedure code. As far as MLA is concerned, Italy has concluded bilateral agreements with Argentina, Australia, Austria, Bolivia, Brazil, Canada, Costa Rica, Egypt, El Salvador, Germany, Japan, Lebanon, Morocco, Peru, San Marino, Switzerland, Tunisia, USA, Venezuela. All of them allow to undertake judicial as well as police cooperation in the field of corruption offences.

[Japan]

If public officials guilty of corruption falls under the provision of art.5 of “Immigration Control and Refugee Recognition Act”, they shall be denied their entry to Japan. Japan may also refuse visas to those who have been sentenced to imprisonment for certain period. Furthermore, in case of the public official yet to be sentenced but his/her travel purpose was found to be an escape, Japan may refuse visas, if the public official in question is identified as a corrupt official.

[Russia]

Russia’s policy is to ensure effective denial of safe heaven to any criminal - especially those guilty of serious crimes, including those involved in corruption activities. Notably, Russian legislation on extradition allows to extradite criminals under multilateral agreements (such as UNCAC) and bilateral treaties. Adequate mutual legal assistance can be provided to foreign states on the basis of corresponding multilateral and bilateral agreements (see part on assets recovery and on money laundering).

[U.K.]

The UK has UNCAC compliant laws in place to deal with asset recovery, mutual legal assistance and extradition. The laws have been used to freeze assets worth millions of pounds suspected to have arisen from criminal or corrupt activities. The Border and Immigration Agency has been working closely with FCO on the exclusion of high profile corrupt individuals from Kenya. The Home Secretary has personally excluded six Kenyans, including four former Ministers, on the basis of their

involvement in corruption. This is in line with our G8 commitment to consider the denial of safe havens to individuals found guilty of corruption. There are possibly others that have corruption-connections but this is not immediately obvious - for example, in the case of Zimbabwe, exclusions have tended to be based on land seizures and other abuses of power, all linked with connections to the regime.

[U.S.]

The U.S. has acted to deny safe haven to corrupt officials and private actors. In January 2004, President Bush issued Presidential Proclamation 7750, which establishes the authority for the U.S. to deny or revoke visas to corrupt officials and those that corrupt them, in the U.S. national interest. Under this authority, the U.S. has denied or revoked visas to a large number of corrupt actors. The U.S. will continue to vigorously apply this authority, including through increased scrutiny of those involved in corruption in the extraction of natural resources. The 2006 "National Strategy to Internationalize Efforts to Combat Kleptocracy" reiterated U.S. policy of promoting denial of safe haven to corrupt officials, those who corrupt them, and the proceeds of their corruption. The U.S. has worked with other G8 partners to promote the adoption of denial of safe haven in other multilateral fora, as described above.

Money Laundering

G8 Commitments

- Fight vigorously against money laundering, including by prosecuting money laundering offences and by implementing the revised recommendations of the FATF-related customer due diligence, transparency of legal persons and arrangements (St. Petersburg, 2006)
- Implement the FATF revised 40 recommendations. (Sea Island, 2004)
- Require that our own financial institutions establish procedures and controls to conduct enhanced due diligence on accounts of "politically exposed persons" (Evian 2003)

[Canada]

To bring its regime up to current international (FATF) standards, Canada made significant changes to its anti-money laundering and anti-terrorist financing legislation in December 2006. The changes include strengthened customer due diligence measures and reporting requirements, as well as the requirement for enhanced customer due diligence measures for clients that are politically exposed foreign persons. The measures are currently in force or will be coming into force by the end of 2008.

The following is an abridged list of the recent changes to the Canadian regime:

Client Due Diligence and Reporting Requirements

- Identify clients whenever a suspicious transaction is conducted.
- Ascertain again the identity of the client where there are doubts about previously obtained client information.
- Expand customer due diligence requirements for accountants and realtors.
- Expand client identification measures for transactions in the non-face-to-face environment.
- Obtain information on beneficial owners.
- Include meaningful information on the originator in the case of electronic funds transfers (EFT) of \$1,000 or more; and
- Require customer due diligence requirements in foreign branches and subsidiaries of Canadian financial institutions in non-FATF countries.

Risk-Based Customer Due Diligence

- Risk assessments of businesses and clients are a new element of the compliance program.
- Transaction monitoring and keeping client information up-to-date is to be done using a risk-based approach.
- Enhanced customer due diligence must be undertaken for clients that are politically exposed foreign persons and for correspondent banking relationships.

Prohibitions

- Entering into correspondent banking relationships with shell banks.
- Opening accounts where the identity of the client cannot be established.

Enforcement Measures

- An administrative monetary penalties scheme will allow Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) to levy penalties proportionate to instances of non-compliance with the Proceeds of Crime (*Money Laundering*) and *Terrorist Financing Act*.

Information Sharing

- The list of information that the FINTRAC can disclose has been expanded and additional domestic agencies can receive disclosures.
- Enhanced information sharing capabilities on charities between FINTRAC, the Canada Revenue Agency and law enforcement.
- Improved international information sharing on compliance issues and cross-border

currency reporting.

[France]

France's Anti-Money Laundering and Counter-Terrorist Financing System (AML/CFT) were evaluated in April 2005 by the IMF, showing that France enjoyed a high level of compliance with the 40 + 8 FATF recommendations; indeed, its national legislation goes beyond FATF requirements.

Since then, France has continued its efforts by creating in September 2005 the Interministerial Platform for the Identification of Illicitly Obtained Assets (PIAC) the aim of which is to identify assets that may be seized or confiscated. It has also strengthened its national system for freezing the assets of individuals involved in terrorist activities (the law of 23 January 2006 and the decree of 11 April 2007) and it has completed the enactment in domestic law of the second AML/CFT directive by issuing a decree on 26 June 2006 whose principal purposes are to allow the application of the preventive measures to the accounting, audit and legal professions, strengthen the due diligence requirements applicable to occasional clients and define the concept of effective beneficiary.

Additionally, the countries of Europe wished to harmonize the implementation of the 40 + 9 recommendations in their June 2003 version and to do so they have adopted the third AML/CFT directive, and France is now transposing to its domestic law those provisions of the directive not already part of its national legislation. Moreover, the European Union adopted a regulation on 15 November 2006, directly applicable in French law, which concerns the information that must accompany all fund transfers for compliance with FATF Special Recommendation VII.

The French Ministry of Foreign and European Affairs has developed a multiyear financial instrument, the Priority Solidarity Fund (*Fonds de solidarité prioritaire*), dedicated to the fight against money laundering and essentially directed at African countries; this has three focuses:

- Raising the awareness of those subject to international recommendations against money laundering and the financing of terrorism (banks, insurers, real estate agents, lawyers, etc.) and a strengthening of control bodies.
- Structuring financial intelligence units (FIUs) handling declarations of suspicion by those covered by the recommendations; enhancement of the professional skills and specialisation of actors in the criminal law chain (judiciary and police).
- Reinforcement of the capacities of regional bodies of FATF type (e.g. GIABA)

[Germany]

A determined fight against money laundering is one of the key tasks in the field of the protection of the financial market and the internal security in Germany. Existing legal regulations for the prevention and prosecution of money laundering offences, which are based on international standards in the fight against money laundering, have stood the test. A Bill of the German Money Laundering Act, which will bring existing regulations on money laundering in line with the revised Recommendations by the Financial Action Task Force on Money Laundering, is currently being discussed in the German Bundestag. The Bill will be based on a risk based approach. It includes provisions concerning the identification of the beneficial owner as well as specific due diligence for "politically exposed persons".

[Italy]

Since 1991, the Italian AML legislation provides for a number of important measures for preventing the use of the financial system for the purpose of money laundering. Firstly, the definition of predicate offences of money laundering has been widely broadened, in accordance with the FATF Recommendations, and extended to

proceeds of any crime committed intentionally.

Furthermore, Legislative Decrees nos. 109 and 231 of 2007 have been passed, with a view to fully implementing Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purposes of money laundering (ML) and the financing of terrorism (FT). An enhanced, comprehensive and consistent framework of measures has thus been instituted for combating money laundering and terrorist financing, largely compliant with the European legislation as well as the FATF Recommendations.

Notably, Legislative Decree no. 231 provides for a Risk Based Approach as well as Customer Due Diligence measures (CDD). Enhanced CDD requirements have been set out in respect of Politically Exposed Persons (PePs), and a definition of "Beneficial Owner" has been introduced, specifically with respect to legal entities (including trusts). Moreover, persons and entities required to report suspicious transactions now include Financial Institutions as well as a long list of Designated Non-Financial Businesses and Professions (DNFBPS), thus involving a wide range of activities, such as collecting credit on behalf of third parties, custody and transport of cash, securities or other assets, real estate brokering, dealing in gold, manufacturing, brokering and dealing in valuables, including export and import, managing casinos (including internet casino), loan brokering and financial agency; lawyers, notaries, accountants, chartered accountants, labour advisers and auditors.

Furthermore, in order to ease asset recovery of the proceeds of crimes, the Italian Financial Intelligence Unit (UIF as from January 1st, 2008) may require the incumbent institutions to suspend suspicious transactions related to money laundering or terrorist financing for up to 5 days, promptly informing the Investigating Agencies - Guardia di Finanza and Direzione Investigativa Antimafia - and Judicial Authorities involved on the matter.

[Japan]

In Japan, measures against money laundering including the prosecution of offences and the implementation of the revised recommendations of the FATF has been rigorously taken and strengthened. In April 2007, "The Act on Prevention of Transfer of Criminal Proceeds" was enforced and the FIU function was transferred from the Financial Services Agency to the National Public Safety Commission/National Police Agency. This enabled further integration of criminal information relating money laundering including corruption cases and to take further comprehensive measures against money laundering and terrorist financing. The law also expanded the scope of business operators that are obligated to conduct customer due diligence, keep record and undertake suspicious transactions report as well as the financial institutions.

The Financial Service Agency, supervisory administration on financial institutions, releases and distributes the Comprehensive Supervisory Guidelines to Major Banks and to the Small and Medium-Sized/Regional Financial Institutions which set forth the supervisory key points for the due diligences of "politically exposed persons". Based on these, FSA supervises whether financial institutions have established and are maintaining appropriate internal control environments to perform the customer identification and suspicious transaction reporting obliged by the Act on Prevention of Transfer of Criminal Proceed.

[Russia]

Russia has advanced national legislation and highly competent authorities to ensure consistent and effective countering of money laundering and related crimes, among which those of corruption nature.

Basic documents in this field are: Federal Law of 7 August 2001 on combating laundering of proceeds from crime and financing of terrorism (with amendments introduced in 2002, 2004, 2005 and 2007; amendments introduced in November 2007

take into account important provisions of the UNCAC and the CoE Criminal Law Convention on Corruption); Presidential decree of 1 November 2001 establishing a specialized federal executive body ? now named the Federal Financial Monitoring Service (Russian FIU) ? with competence in combating money laundering and financing of terrorism and coordinating activities of other federal executive structures in this sphere.

Russian legislation and practice in the field of countering money laundering are entirely in line with the recommendations of FATF. Russia became a full-fledged member of FATF in 2003. The third evaluation mission of FATF (3rd round of evaluation) worked in Russia in November 2007, its report is scheduled to be discussed and adopted at the plenary of FATF in June 2008.

Moreover, Russia seeks to actively promote the implementation of the international AML/FT standards: on the Russian initiative the Eurasian Group on combating money laundering and financing of terrorism (EAG) – a FATF-style regional body and observer to FATF (unites Belarus, China, Kazakhstan, Kyrgyzstan, Russia, Uzbekistan and Tajikistan) - was established on 6 October 2004 and since then is very active in facilitating cooperation between members. 16 states and 12 international organizations are observers to the EAG.

[U.K.]

The UK has met all these commitments. Legislation to tackle money laundering is in place and used wherever possible to prosecute such offences.

The UK has established a framework to identify and investigate allegations of money laundering by corrupt PEPs and their associates. DFID (part) funded a dedicated unit (Proceeds of Corruption) within the Metropolitan Police Service to investigate allegations of money laundering by corrupt PEPs and to date has had some notable successes in identifying and securing criminal assets from corrupt PEPs, particularly those of former Nigerian State Governors.

The UK implemented the 3MLD in December 2007. That gives effect to all of the FATF 40+9 Recommendations, and imposes specific enhanced requirements on regulated firms in respect of PEPs.

The UK was subject to a FATF (Financial Action Task Force - the global standard setter for AML) mutual evaluation of our money laundering regime in 2006/7, and that report was published last year, and received an excellent assessment, for example with more fully compliant ratings than any other country at the time (24 out of 49). And to the extent that there were issues to address many were dealt with by the subsequent adoption of the Money Laundering Regulations 2007.

[U.S.]

The U.S. is complying with the Financial Action Task Force's (FATF) 40 Plus 9 Recommendations on money laundering and terrorist financing. The U.S. underwent a thorough assessment conducted by the FATF to assess its compliance in June 2006. The U.S. aggressively investigates and prosecutes money laundering offenses, securing more than 900 convictions in 2007.

The U.S. continues to tighten its regime and has already resolved one of the deficiencies listed by the FATF assessors. In the insurance sector, FinCEN, the U.S. Financial Intelligence Unit, has completed and released a study of trends, typologies and suspicious transaction report quality for that sector. It is now employing these conclusions in drafting its outreach strategy for the industry. With regard to customer due diligence (CDD), the U.S. requires banks to take a risk-based approach to CDD requirements. It is also examining appropriate regulatory requirements and the application of AML/CFT standards for financial gatekeepers as well as dealers in precious metals and stones.

The U.S. received a rating of largely compliant with FATF Recommendation 6

regarding customer due diligence requirements for politically exposed persons. Section 312 of the USA PATRIOT Act requires enhanced scrutiny of private banking accounts that are maintained by or on behalf of senior foreign political figures, their immediate families and close associates. This provision requires financial institutions to establish appropriate, specific, and where necessary, enhanced, due diligence policies, procedures and controls that are reasonably designed to enable the financial institution to detect and report instances of money laundering through private banking accounts.

Protecting the integrity of financial markets is essential to the global economy. The U.S. works within FATF, the nine FATF-style regional bodies, as well as bilaterally and with G8 and other multilateral partners to support the global observance of FATF 40 Plus 9 Recommendations. Additionally, the U.S. has engaged in private sector outreach to the Middle East/North Africa region and Latin America to raise awareness and address implementation of the FATF 40 Plus 9 Recommendations. Finally, along with other G8 members, the U.S. participates in promoting global financial transparency and the exchange of investigative information for law enforcement through its participation in the Egmont Group, which facilitates cooperation among financial intelligence units (FIUs).

Trade Agreement

G8 Commitments

- Work towards including in our regional and bilateral trade agreements provisions promoting transparency in procurement and concessions (St. Petersburg, 2006)
- Work towards including in our regional and bilateral trade agreements provisions promoting transparency in procurement and awarding of concessions, and ensure that transparency also constitutes a core element of a WTO trade facilitation agreement (Evian, 2003)

[Canada]

Transparency obligations are an important aspect of all of Canada's bilateral and regional trade agreements that include government procurement commitments. Canada promotes transparency in all the WTO fora that address government procurement. Canada continues to participate actively in the Doha Round trade facilitation negotiations and is supportive of proposals to enhance the transparency of trade regulations in that context.

[France]

Regional and bilateral trade agreements do not fall under French competence.

[Germany]

Bilateral and regional trade agreements do not fall under German competence. However, Germany has been advocating the inclusion of rules promoting transparency in procurement and concessions in regional or bilateral trade agreements negotiated on an international level. The EU member states have included provisions on transparency of government procurement in the mandates of the Commission who is currently negotiating several free trade agreements.

[Italy] See comments under sections on OECD Anti-bribery Convention

[Japan]

Japan has concluded Economic Partnership Agreements (EPAs) that include a chapter on Government Procurement to ensure and enhance transparency in procurement and concessions. For instance, EPAs with Singapore, Mexico and Chile include provisions on detailed and mutually applicable procurement procedures related to national treatment, information disclosure and prohibition of offset, etc. Japan will continue its effort to include provisions in our regional and bilateral agreements which promote transparency in procurement and concessions.

Japan has actively led the discussion over transparency in the WTO Negotiating Group on Trade Facilitation by submitting, in collaboration with other WTO members, three proposals; proposals on publication and availability of information, on prior publication and consultation, and on appeal procedures, in order to ensure that the transparency also constitute a core element of a WTO trade facilitation agreement.

[U.K.]

The UK Government continues to work with the European Commission, EU Member States and other WTO members towards an ambitious and pro-development outcome to the Doha Development Round within the World Trade Organisation (WTO). The UK fully supports the case for a multilateral agreement on Trade Facilitation, including robust transparency provisions, as part of those negotiations.

A rules based approach for trade facilitation would reduce scope for illegal trafficking,

corruption and fraud. Trade facilitation rules in the WTO would ensure that improvements in customs procedures are locked into place and irreversible.

Technical Assistance and Capacity Building is a key element - if the full benefits of the agreement are to be realised it must deliver operational support in its implementation by Developing Countries. The UK is committed to practically supporting Developing Countries during the negotiations:-

- UK provided £200,000 to the WTO needs assessment project to enable developing countries themselves to assess what has to be done to implement the draft trade facilitation agreement and what further support is necessary; and.
- UK contributed £375,000 through WTO to enable participation of capital based delegates from African and least developed countries in meetings of the Trade Facilitation Negotiating Group during summer 2008.

[U.S.]

The U.S. has included transparency and anticorruption language in all of its free trade agreements (FTAs) that have been signed since July 2004 (i.e., FTAs with 12 countries). Under these FTAs, each party assumes an obligation to make it a criminal offense to offer or accept a bribe in exchange for favorable government action in matters affecting international trade or investment. Additionally, all of these FTAs include Government Procurement Chapters, which set out detailed requirements aimed at ensuring the transparency, predictability, and fairness of the procurements covered by those agreements.

The U.S. has also sponsored proposals on transparency at the World Trade Organization (WTO) negotiations on trade facilitation, including proposals on advance rulings and on internet publication of documentation and import and export procedures. The U.S. supports transparency-related proposals on publication of laws, regulations, requirements and decisions, prior consultation on rules, and establishment of inquiry points.

Africa

G8 Commitments

- Support African countries' efforts to make their governments more transparent, capable and responsive to the will of their people; improve governance at the regional level and across the continent; and strengthen the African institutions that are essential to this. (Gleneagles, 2005)

[Canada]

Canada strongly supports the Africa Peer Review Mechanism (APRM) and New Partnership for African Development (NEPAD) as African-led initiatives for the development of good governance structures. Canada's \$5 million additional contribution over 3 years in 2007 to the APRM, Kenya, Sudan and Uganda with the policy, legal and training foundation they need Trust Fund is another example of our commitment to Africa, the NEPAD and the G8.

Canada has also supported corruption related projects in Africa. For example, in 2007 Canada provided support for a UNODC-organised a five-day training workshop for countries from East Africa in prosecution, detection and investigation of corruption cases, seizure, freezing and confiscation of proceeds of corruption, international cooperation, asset recovery and technical assistance. The training was delivered in collaboration with the Kenyan Ministry of Justice in March 2007 and 45 representatives from Burundi, Djibouti, Ethiopia, Kenya, Liberia, Rwanda, Tanzania and Uganda took part. The training aimed at creating a pool of anti-corruption experts in East Africa. This informal network will be critical in advancing the processing of mutual legal assistance in corruption cases. The training encouraged Member States to use the *United Nations Convention against Corruption* as the main instrument in combating corruption. A number of activities were designed to raise the profile of anti-corruption initiatives in East Africa which resulted in extensive media coverage.

In 2006-2007 Canada provided funding to UNODC's Global Programme against Money Laundering (GPML) to support a number of African initiatives. These were capacity building for Financial Intelligence Units in East Africa, support for GPML's Mentor Programme, funding of the production and delivery of AML/CFT computer-based training products and provision of technical assistance for the Anti-Money Laundering International Database.

The ICPAT project provided beneficiary states in the IGAD region (Djibouti, Eritrea, Ethiopia) to further develop their counter-terrorism architectures and to implement required new counter-terrorism measures and standards. Activities included supporting member states to strengthen the legal regime against crimes that can be linked to terrorism, money laundering, organized crime and corruption, and drugs and arms trafficking.

Canada's Counter-Terrorism Capacity Building Program also funds the UNODC to strengthen the legal, financial and operational capacities of African states (Tanzania, Uganda, Rwanda, Algeria, Egypt and Morocco) to deal effectively with terrorist financing and money laundering. Anti-corruption and anti-money laundering initiatives are linked in numerous ways, especially in recommendations that promote transparency, integrity and accountability.

The Canadian International Development Agency also plays an active role in the governance and anti-corruption field in Africa. We strongly supported, and were a member of, the OECD DAC GOVNET's multi-donor anti-corruption assessment exploratory mission to Cameroon in late 2006. It prepared a joint corruption assessment in order to assist the government of Cameroon to advance its anti-corruption and good governance agenda. We continue to support good governance and anti-corruption

capacity building in Africa through bilateral programming, through Canada's Parliamentary Centre as well as through supporting Global Organization of Parliamentarians against Corruption (GOPAC) and Transparency International (TI) chapters.

[France]

For many years France has been resolutely committed with its partners throughout the world, with a focus on Africa, to a policy of better governance. More recently, it has sought to raise their awareness specifically to the issues involved in the fight against corruption. Those issues are part of a wider problem of transparency in the management of public finance, which is a core focus of projects for the support of economic and financial government agencies and departments in many French-speaking countries in sub-Saharan Africa. These projects are based on programmes for reform implemented by the relevant government agencies.

France is also committed to promoting EITI (cf. above at 3.4: "Transparency"), notably in connection with the Franco-British Action Plan Against Organized Crime in Africa, adopted in November 2004.

The principal cooperation instruments developed above are essentially directed at Africa.

[Germany]

Germany has been a supporter of the **African Peer Review Mechanism process** from the outset, while also completely respecting African ownership of the unique process. Germany will provide support of 4 million Euro for the APRM process over the next two years through technical assistance and a contribution to the APRM trust fund. Additionally, Germany will give special attention to countries that, following a Peer Review, implement sound policies consistent with the recommendations of the Peer Review and support those countries in implementing their National Plans of Action. In support of regional integration, Germany has initiated a **Capacity Development Initiative in support of RECs** in close cooperation with the AfDB. In the first phase, this initiative will be aimed at increasing capacities for the development and implementation of infrastructure projects in cooperation with the Infrastructure Project Preparation Facility. Germany will provide 4 million Euro in support of this initiative. At the meeting of G8 Finance Ministers in Potsdam in May 2007, an **Action Plan on Good Financial Governance in Africa** was endorsed, aimed at supporting transparency and accountability in public financial management. The Action Plan was presented to the African Finance Ministers at their Conference on Financing for Development in Accra, Ghana, also in May 2007. In December 2007 Germany, Japan and African partners discussed further steps in the implementation process in Addis Abeba. In the years 2008-2010 Germany will provide 9 million Euro in technical assistance to implement the Action Plan.

[Italy]

On the bilateral level Italy boasts good diplomatic relations with all the main African nations and is engaged daily in active collaboration in various sectors: from development cooperation to technical-scientific initiatives, cultural exchanges to trade relations, healthcare assistance to support for the creation of an African system of peace and security; from sponsorship of scientific and technological initiatives to support for local education systems; from protecting the continent's environment and natural resources to the regulation of legal migration and combating of illegal migration (particularly that most reprehensible phenomenon of trafficking in human beings) to initiatives aimed at counteracting the perverse effects of climate changes.

On the multilateral plane, Italy is working toward placing the difficulties of Africa more at the centre of the political agenda of major international assemblies so that the

world's industrialized nations sustain the efforts being made on the African continent, where a new approach to existing problems is currently being elaborated; an approach that, within the framework of the African Union and of NEPAD (New Partnership for African Development), is based on Africa's desire for "ownership" of its destiny and which is, therefore, to be linked with the major processes of globalisation. Furthermore, Italy actively contributed to the drafting of the European Strategy for Africa adopted by the Council in December 2005 (and renewed last December). It also continues to use its influence to maintain, and possibly heighten, our continent's attention for Africa by fostering a political dialogue conducted in a constructive and regular manner not only with African governments but also with democratic opposition parties and members of the civil society. The ultimate aim is to create that concrete political EU-ACP dimension that characterizes the Cotonou Accords (June 2000) and that hinge on themes of democracy, respect for human rights and good governance. Finally, it should be noted that 42% of the overall Italian development aid has been distributed to Sub-Saharan Africa in 2005.

[Japan]

Japan has been supporting APRM as a good example of African ownership by conducting training programmes for capacity building in such fields as legislature, public finance and judiciary. Japan has also supported APRM activities through APRM partnership institutions such as UNECA and UNDP.

The TICAD IV Yokohama Action Plan, issued in 30th May 2008, states that actions to be taken on promotion of good governance in the next 5 years under the TICAD process will be:

- support the implementation of the Program of Actions of the APRM country review report
- provide assistance to build capacity in legal systems, financial control and the public service
- strengthen economic governance through the NEPAD-OECD Africa Investment Initiative

[U.K.]

As part of its development programme, the UK is providing extensive assistance to improve many different aspects of governance in many countries in Africa. Activities depend on country circumstances and on the assistance being provided by others.

We also provide support for governance initiatives and institutions with a regional or continent-wide focus. We are the largest bilateral donor to the Africa Peer Review Mechanism (APRM), an African response to the challenge of improving governance on the continent, whereby countries are assessed against a set of political, economic and corporate standards and plans are developed to address governance challenges. We have helped to fund APRM activities, centrally and in some of the countries in which reviews have been carried out.

To support regional efforts to combat money laundering in Africa, the UK has contributed to the operation of the Eastern and Southern Africa Anti-Money Laundering Group (ESAMLAAG) Secretariat for the development of its work plan and channeled funds to both ESAAMLG and the Intergovernmental Action Group against Money-Laundering in Africa (GIABA), through UNODC.

We are also helping to strengthen African institutions which can play an important role in improving governance. Together with other donors, the UK is contributing funding to the Africa Union's institutional transformation programme and we are providing support to the Pan African Parliament. We are helping to fund work by the United Nations Economic Commission for Africa, including work on combating corruption. We are a core funder of the Africa Capacity Building Foundation (ACBF), an

African-led institution with a remit to help build institutional capacity in Africa. We are a very strong partner of the African Development Bank, now being the largest donor to the African Development Fund and the first country to sign a Technical Cooperation Arrangement with the Bank, part of which is being used to help strengthen their role in promoting improved governance. We are also supporting four of the Regional Economic Communities in Africa: The East African Community (EAC), the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA).

[U.S.]

Drawing upon our international development and other agencies, the U.S. has provided significant support to build the capacity of African countries in good governance, anticorruption, and implementation of the UNCAC. Assistance to implement the UNCAC, and other U.S. good governance programs, will also support African governments that are parties of the AU Convention to implement that treaty. The Millennium Challenge Corporation is providing \$88 million through the threshold agreements to fund anti-corruption programming in a number of African countries.

The U.S. works with governments and civil society institutions throughout Africa to strengthen budget and financial management policies, legal frameworks, and systems, and to improve oversight and accountability mechanisms. The U.S. provides financial support to a UNODC program that has placed a regional UNCAC anticorruption mentor in Kenya. The U.S. has bilateral programs in a large number of individual countries, focusing on issues such as training to government auditors to promote budget transparency and grants to local organizations for civic education and advocacy campaigns against corruption; adherence in the copper mining sector to international standards in disclosure of revenues paid to the central government; state auditing and inspection bodies; transparency and oversight in public procurement; budgeting, fiscal management, and financial control systems; assessment and strengthening of government anti-corruption bodies; and local government accountability.

Other bilateral country programs include support for the finance ministry fiscal programming function; support for civil society budget-monitoring activities; training for parliamentarians on preparation and analysis of national budgets; support for a computerized, decentralized budgetary and financial system; training to targeted transitional federal institutions focused on transparency and responsiveness; and development of fair electoral processes. The U.S. is a key supporter of Liberia's Governance and Economic Management Assistance Program.

U.S. advisors have worked with the governments of several African countries to address budget policy and administration, tax policy and administration, financial institutions policy and regulation, government debt management, and financial crimes law enforcement. In several other African countries, the U.S. has provided technical assistance designed to improve capacity to investigate and prosecute allegations of public corruption.

Throughout Africa, U.S. officials encourage governments to meet their targets under IMF and World Bank programs, which require government adherence to standards of budgetary discipline and financial integrity.

The United States also furthers good governance in Africa by enforcing our laws against the bribery of foreign public officials. U.S. has taken 11 criminal enforcement actions since 2005 involving violations of the U.S. Foreign Corrupt Practices Act for bribery of foreign public officials in Africa.