



Ministry of Finance  
of the Czech Republic



REDUCING DISPARITIES | STRENGTHENING COOPERATION



ANTI  
CORRUPTION  
CONFERENCE

# Developing trends in combating corruption, money laundering and recovering criminal assets in Europe

20 - 21 October 2015, Prague

About the themes

Useful links

[www.eeagrants.cz/anti-corruptionconference](http://www.eeagrants.cz/anti-corruptionconference)



## **Introduction**

The International Conference "*Developing trends in combating corruption, money laundering and recovering criminal assets in Europe*" is aimed to be a forum of professional debates on major trends and challenging new international standards on anti-corruption, anti-money laundering and asset recovery. Being one of the most important EEA and Norway Grants events in 2015, the participation comprises practitioners, experts, policymakers and other stakeholders, including civil society, from Grants beneficiary states and Council of Europe's member states.

## **Setup**

The Conference is structured in five themes which will be taken successively, each in one dedicated session (please see agenda). In each session there will be a panel of experts which will have a 15 minutes presentation followed by discussions and questions for the panellists. A moderator and a rapporteur will be assigned to each session.

In the first day of the Conference, a working group will break off to discuss the novelties recently brought to the Anti-Money Laundering (AML) international standards (mainly the 4<sup>th</sup> EU AML Directive), in a parallel session. The working group will then report on their findings in the main session.

## **Themes:**

### **Theme I: Transparency and political funding**

Ensuring transparency of political funding continues to be a major challenge for the majority of European countries. Following the 3<sup>rd</sup> round of GRECO evaluations, a large number of governments still stagger in the implementation of political funding recommendations in all three pillars: regulating the funding process, ensuring comprehensive supervision and applying effective sanctions. The Conference will seek to identify the typical problems the European countries face in this area and eventually recommend ways forward.

Lobbying is another challenge to the transparency of the legislative process in all of its stages. Legislatures and members of parliament (MPs) are particularly vulnerable to potential conflicts of interest and other corruption-related risks that may arise as a result of opaque lobbying regimes. Initial discussions on these subjects have been held in the framework of the Council of Europe Parliamentary Assembly "Anti-corruption platform". In addition, a number of preliminary findings can be drawn from the first GRECO evaluations under the 4<sup>th</sup> round of assessments, which target *inter alia* preventive anti-corruption measures for MPs. Building on these discussions, the Conference will aim to identify proposals for governments and international bodies - to be addressed through policy, regulatory and possible standard-setting measures.

### **Theme II: Preventing and combating judicial corruption**

The effective prevention of corruption among judges and prosecutors requires a broad range of measures to be undertaken by all governments in regulating the recruitment, career, conditions of service, case management and court procedure, ethical standards, conflict of interest and asset declaration regimes, as well as measures to supervise and enforce these requirements. Case studies of successful corruption investigations/adjudications will contribute to enhanced preventive and repressive action. The Conference participants will be invited to take stock of the state of affairs in the prevention of corruption among judges and prosecutors based on the different European models, and engage in a policy discussion on the possibilities to enhance current international

measures in this area.

### **Theme III : Whistleblower protection**

The international standards and guidance on the protection of whistleblowers have been intensively evolving in recent years, in particular with the development of guidelines by the OECD in 2012 and more recently the Council of Europe Recommendation CM/Rec(2014)7. At the same time, most countries have yet to demonstrate practical effectiveness - both in terms of enforced protection mechanisms and proper systemic follow-up to whistleblowers' reports. The Conference aims to take stock of the most recent implementation models and the state of play in the European countries with regard to the implementation of the recent international standards in whistleblowers protection.

### **Theme IV: Key challenges in implementing the new anti-money laundering standards**

The revised international standards (the FATF Recommendations adopted in 2012 and the 4<sup>th</sup> EU Directive) introduced new requirements which pose a number of significant challenges for the states in adjusting their legislation, regulatory framework and institutional set-up. The three areas of significant change include: the national risk assessment (NRA); the transparency of legal persons through the creation of centralized national registers of beneficial ownership (BO) information; and increased diligence in screening the PEPs.

On NRA, while several international organizations have developed methodologies and a number of countries have already undertaken such assessments, there has been little follow-up on the outputs of the NRA exercise, particularly in terms of risk-mitigating measures taken by governments as a response to identified risks. The discussions of the first AML panel will aim to analyse the success stories on the implementation of the NRA and the challenges in this regard.

Increased transparency is a must under the revised standards which introduce obligations for companies, legal entities and trustees to hold adequate, accurate and up-to-date information on their beneficial owners. They are also required to make this available to some law enforcement agencies. However, it is not yet clear whether some countries will interpret the requirement as a need to provide information publicly or merely on a transactional basis.

There is also an international political focus on public/private partnership to address the laundering of the proceeds of corruption. The requirements on PEPs have been widened for financial institutions to include screening of the domestic PEPs in addition to those from abroad but their identification remains a challenge. There is still discussion about central/government lists of PEPs, but it is not clear whether those will be forthcoming. Would a PEP list similar to the EU/UN sanctions lists clarify the matter? What about known close associates of PEPs? The debates aim to provide some answers to these questions and assist the national experts in the implementation of BO and PEPs international requirements.

### **Theme V: Asset recovery**

International standards in the area of asset recovery (AR) have developed significantly in recent years and include a range of universal and regional instruments, such as the UNCAC, the Council of Europe Warsaw Convention (CETS 198/2005), the FATF Recommendations, as well as the EU Directive on asset recovery. While many countries have progressed in promoting parallel financial investigations by law enforcement and have established specialized asset recovery offices there are several key areas which remain problematic in the AR field. These include in particular the use of civil confiscation, the sharing of confiscated assets among jurisdictions concerned, and the problem

of effective asset management. The Conference will aim to identify the main international trends and good practices, and develop policy recommendations to enhance the application of international standards in these areas.

### **Parallel AML session: Implementation of the 4<sup>th</sup> EU Anti-Money Laundering Directive**

The Czech authorities will have the opportunity to present the challenges posed by the adoption of the 4<sup>th</sup> EU AML Directive in an international round table fora for debate. The discussions will revolve around the novelties brought to the existing AML framework are the obligation to conduct the national risk assessment; the transparency of legal persons and BO information; and identification of PEPs.

#### **Useful links:**

- [Criminal Law Convention on Corruption CETS No.: 173](#)
- [Civil Law Convention on Corruption CETS No.: 174](#)
- [Additional Protocol to the Criminal Law Convention on Corruption \(ETS 191\)](#)
- [Resolution \(97\) 24 on the twenty guiding principles for the fight against corruption](#)
- [Recommendation No. R \(2000\) 10 of the Committee of Ministers to Member states on codes of conduct for public officials](#)
- [Recommendation Rec\(2003\)4 of the Committee of Ministers to member states on common rules against corruption in the funding of political parties and electoral campaigns](#)
- [Recommendation CM/Rec\(2014\)7 of the Committee of Ministers to member States on the protection of whistle-blowers](#)
- [OECD Recommendation on whistle-blower protection](#)
- [United Nations Convention against Corruption](#)
- [Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime CETS No.: 141](#)
- [Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism CETS No.: 198](#)
- [Rec\(80\)10E on measures against the transfer and the safekeeping of funds of criminal origin](#)
- [Council of Europe - Economic Crime and Cooperation Unit](#)
- [Council of Europe - GRECO](#)
- [Council of Europe - MONEYVAL](#)
- [Financial Action Task Force](#)