



Conference of the States Parties to the United Nations Convention against Corruption

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Implementation Review Group

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Draft report

Addendum

III. Review of implementation of the United Nations Convention against Corruption

D. Outcome of the second cycle reviews

1. In order to facilitate the Group's discussion of the outcome of the second cycle reviews of Chapters II (Preventive Measures) and V (Asset Recovery) of the Convention, a member of the secretariat presented an "Oral Update on Initial Trends". He pointed out that at present, out of the 29 countries under review in the first year of the second cycle, roughly half of the country visits due for that year — plus one joint meeting in Vienna — had been conducted. With the exception of the Eastern European Group, they concerned at least one country of each regional group, with the large majority of countries belonging to the African Group. Given the small size of the sample, it was too early to come to clear conclusions or regional trends. However, some initial trends could be identified. These trends concerned both horizontal, cross-cutting issues, as well as specific articles in chapters II and V.

2. For instance, the trend from the first cycle that essentially all countries had opted for some form of direct dialogue, particularly country visits, continued in the second cycle. Likewise, the trend to include representatives of civil society and the private sector in the country visits had continued, and this had been the case in all country visits in the second cycle to date. In particular, the Secretariat encouraged all countries which had yet to fill in their self-assessment checklist, as well as reviewers, to avail themselves of the Guidance Note produced by the Secretariat entitled "Guidance to filling in the revised draft self-assessment checklist on the implementation of chapters II (Preventive measures) and V (Asset recovery) of the United Nations Convention against Corruption" (published under symbol [CAC/COSP/IRG/2016/CRP.1](#)), which had proved extremely valuable in practice.

3. In order to further facilitate deliberations on the matter, a panel brought together panellists from Liechtenstein, the first State party under review in the second cycle to have adopted an executive summary, and Australia and Namibia, as the reviewing States parties.

4. The panellist from Liechtenstein recalled the principles of the Implementation Review Mechanism, as set out in its terms of reference, according to which the



review should be transparent, efficient, non-intrusive, inclusive and impartial. He highlighted the fact that the review is based on a legally binding international instrument, which was one of the great strengths of the Mechanism, as it was instrumental for obtaining parliamentary approval of follow-up measures. The fact that Liechtenstein had already been reviewed under other international anti-corruption mechanisms was described as helpful, also with regard to data gathering and the translation of legislation. The panellist also appreciated the technical nature of the discussions, which were not politicised and took into account the historical and socio-economic particularities of his country. In order to be able to grasp the realities on the ground, it seemed indispensable to him to organise a country visit that also included civil society or the private sector. He identified as one of the challenges of the second cycle to ensure the participation of experts from all relevant fields, particularly for chapter II, which addresses a much broader range of issues than other chapters of the Convention. The Guidance Note for the filling in of the self-assessment checklist had proved very helpful in meeting these challenges.

5. The panellist from Australia shared her perspective as a reviewing expert on relevant experience, challenges with the review and lessons learned during this process. She highlighted the significant role played by the Liechtenstein focal point as a “general coordinator” in ensuring the success of the review, such as the sound coordination among different stakeholders, as well as the high-quality of the self-assessment checklist, including written answers to the desk review before the country visit. The panellist also commended the secretariat on its efforts in facilitating the review process, and emphasized the importance of cooperation with the other reviewing State party, Namibia, for achieving the success of the review. With respect to challenges, she noted that the broad scope of chapter II of the Convention required wide knowledge and, internal coordination among various anti-corruption bodies in Australia. Determining the appropriate standard of review, taking into account the particularities of the country under review was also noted as a challenge. As lessons learned, she highlighted the importance of the country visit and being mindful that a “one size fits all” approach may not be appropriate.

6. The panellist from Namibia pointed out that despite initial challenges to understand the legal and constitutional system of Liechtenstein, the country visit and the explanations given by the Liechtenstein authorities had greatly enhanced the evaluation. He underscored, *inter alia*, that despite the small size of the country, Liechtenstein had a well-established regulatory regime to fight money-laundering and the financing of terrorism and that it actively participated in various international anti-corruption initiatives. Moreover, concerning the implementation of chapter V, he noted that the country had returned assets in excess of USD 200 million in one case alone.

7. In the ensuing discussion, speakers sought clarification on practical details of the organization of second cycle country visits, including the length of the on-site visit, civil society participation, the division of labour among reviewers, the number of reviewing experts and their training. Another speaker sought clarification on substantive questions, including the powers of the financial intelligence unit of the State party under review. Several speakers informed the group about their specific review experience in the second review cycle, and identified challenges in the implementation of the provisions of both chapters under review, which included the collection of statistics.

8. Several speakers emphasized that the second cycle should incorporate the lessons learned from the first cycle in order to increase its effectiveness and efficiency. It was highlighted that the second cycle should follow the guiding principles of the Mechanism set out in its terms of reference. Some speakers also emphasized the intergovernmental nature of the Mechanism as one of its fundamental principles, while others stressed the importance of civil society involvement. A number of speakers also underlined the need to keep the review mechanism transparent, inclusive and cost efficient, avoiding unnecessary administrative burdens and duplication of work. To this end, they suggested the

introduction of voluntary page limits for the answers to the self-assessment checklist, the streamlining of reports to focus on critical issues, measures to reduce the cost of interpretation, and stricter adherence to time limits provided in the terms of reference of the Mechanism.

9. Speakers welcomed the start of second cycle reviews and its focus on preventive measures and asset recovery. They underlined that preventive action, education, the freezing, confiscation and recovery of assets as well as international cooperation were key elements of any strategy to roll back corruption. The review of implementation of the Convention played an important role in this respect as it helped States to assess where they stood and what gaps needed to be addressed.

10. Some speakers reported that they had set up national working groups for collecting all the information needed to fully participate in the Implementation Review Mechanism. Speakers further informed the Group about institutional reforms and legislative action undertaken to implement chapters II and V, including the adoption of national anti-corruption strategies and anti-corruption education curricula; new laws on public procurement; the establishment or strengthening of financial disclosure systems; the setting up of registers for beneficial ownership information; the strengthening of the regulatory framework against money-laundering and the financing of terrorism; the strengthening of the legal framework for freezing, seizure and confiscation, including through the introduction of new powers to ease or reverse the burden of proof; and the establishment of asset recovery agencies.
