Fight against corruption and follow-up of the CRIM committee resolution

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The Committee on Civil Liberties, Justice and Home Affairs adopted the own-initiative report by Laura FERRARA (EFDD, IT) on the fight against corruption and follow-up of the CRIM resolution.

Following on from the recommendations set out in their resolution of 23 October 2013 on organised crime, corruption and money laundering, Members reiterated their call for the adoption of a **European Action Plan** to eradicate organised crime, corruption and money laundering, which should have adequate financial resources and qualified staff in order to be effective.

Stressing that the fight against fraud, corruption and money laundering must be **a political priority for the EU institutions**, the report made the following recommendations:

Ensure the correct transposition of existing rules, monitor their application and assess whether they are effective: Members called on the Commission to complete its assessment of the measures taken to transpose these instruments, to inform Parliament in full of the findings and, if necessary, to initiate infringement proceedings, especially with regard to Council Framework Decision 2008/841/JHA on the fight against organised crime and Directive 2008/99/EC of the European Parliament and of the Council on the protection of the environment through criminal law.

The report recommended that the EU become a member of the **Group of States against Corruption** (GRECO), and that a **study be made by the Commission of the national bodies of law that are most advanced**, in order to develop European legislation which is effective and pioneering.

Priorities and operational structure: Members called for priorities to be set which are consistent with EU crime prevention policies and with economic, social, employment and education policies, and for Parliament to be fully involved in that process. They also called for the establishment of a specialist **Europol** unit to combat organised criminal groups that operate in several sectors at the same time.

A stronger legislative framework: the Commission was asked to propose legislation to **fill any gaps** that may exist in the fight against organised crime and corruption and to **improve cross-border judicial cooperation.** Members called on it, in particular:

- to revise existing legislation in order to introduce effective, proportionate and dissuasive penalties and to clarify the common definitions of crimes, including that of membership of a criminal organisation or association;
- to submit a revised legislative proposal to combat environmental crimes.

The Commission should also draft **minimum rules concerning the definition of offences and penalties** in the following areas: (i) general definitions of ‘public official’, the crime of fraud and the crime of corruption; (ii) a particular type of criminal organisation whose participants take advantage of the intimidating power of the association and of the resulting conditions of submission and silence to commit offences; (iii) a dedicated European programme to protect witnesses and persons who cooperate with the judicial process by reporting criminal organisations; (iv) protection of whistle-blowers; (v) strengthening the rights of suspects or accused persons in criminal proceedings, with respect inter alia to pre–trial detention; (vi) legislation to fight the export of radioactive materials and hazardous waste and the illegal trade in fauna and flora.

More effective police and judicial cooperation at EU level: the Commission was invited to launch specific actions to enhance European cooperation in the fight against organised crime, corruption and money laundering. Member States were asked to **systematically input, make use of and exchange all data** deemed necessary and relevant concerning persons convicted of an offence linked to organised crime held in **existing European databases** and to invite the EU agencies Europol and Eurojust to facilitate this exchange of information. Members stressed the urgent need to create a **more efficient system for communication and information exchange** among judicial authorities within the EU.

Seizing the assets of criminal organisations: the Commission was asked to submit a legislative proposal to ensure mutual recognition of seizure and confiscation orders linked to national asset-protection measures. Members called on the Commission and Member States to strengthen EU measures on the **tracing, freezing and confiscation of proceeds of crime**, as well as the management of frozen and confiscated property and its **re-use for social purposes** and as compensation for families of victims and businesses adversely affected by loan-sharking and racketeering.

Preventing organised crime and corruption from infiltrating the legal economy: Members called for the implementation of a **comprehensive 'e-procurement' system** throughout the EU in order to reduce the risk of corruption in public procurement. They suggested drawing up blacklists and asked Member States to introduce anti-organised-crime certification for companies.

In order to prevent money laundering through complex company structures, Member States should establish measures to **improve the traceability of transactions** back to natural persons in order to trace criminal and terrorist funding ('follow the money principle). The Commission and Member States should require contractors to reveal their full corporate structure and beneficial owners before awarding any contracts to them.

Members also called for:

- Member States to adopt specific legislation to prevent and curb the activities of professionals, banks, civil servants and politicians at all levels, who, although not members of criminal organisations, support them at various levels;
- strengthening legislative provisions designed to guarantee greater transparency and traceability of financial flows, in particular the management of EU funds.

With regard to **specific areas requiring action**, Members recommended, inter alia:

- taking all necessary steps to prevent and combat **counterfeiting** of goods, medicines and agri-food products;
- tackling the links between the **drugs** market and other criminal activities and the impact that they have on the legal economy and legal trade;
- combatting the use by criminal organisations of the legal and illegal **gambling circuits** and match–fixing to launder money;
- giving special attention to **tax havens** and countries that pursue non-transparent or harmful tax prices, since EUR 1 trillion is lost to tax evasion and avoidance every year in the EU;
- developing a common action plan to prevent and combat illegal environment-related activities connected to organised, mafia-style criminal activities, such as illegal waste trafficking and disposal, including that of **toxic waste**, and destruction of the natural heritage;
- reinforcing Union legislation and cooperation between the Member States and with the Union agencies in the area of **cybercrime;**
- ensuring that the financing and support of **terrorism** by means of organised crime is made punishable and rapidly implement the Commission action plan against illicit trafficking in, and use of, firearms and explosives;

- ensuring that progress is made on international cooperation to combat trafficking in order to eradicate **people-smuggling** and minimise the influence of trafficking networks;
- developing an effective anti-corruption **strategy in foreign policy** to fight effectively against corruption and financial crime.

European Public Prosecutor's Office (EPPO): Members called once again for the establishment as soon as possible, with the participation of as many Member States as possible, of an EPPO that is efficient and independent from national governments and the EU institutions, and protected from political influence and pressure.