Union policy against corruption

1997/2116(COS) - 21/05/1997 - Non-legislative basic document

OBJECTIVE: The aim of this communication is to present the main elements of a global Union policy against corruption. SUBSTANCE: The Commission considers that it is in the Union's interest to develop a coherent anti-corruption strategy, to apply both within and outside its frontiers while fully respecting the international laws on jurisdiction. This strategy should comprise international trade and competition, the Community's external spending and own resources, cooperation and the pre-accession strategy. The communication does not advocate the total harmonization of the Member States' legislation and policies on corruption. However, a joint approach at Union level is desirable in certain areas: 1) Corruption and the criminal law: Ideally, within the Union, legislation here would cover bribery of EU officials, bribery of officials of other Member States, bribery of officials from outside the Union and corruption in the private sector. With this in mind, the Commission suggests that the Member States should: - undertake to ratify and implement the first protocol to the convention on the protection of the Communities' financial interests, by mid-1998; - undertake to adopt and ratify the draft convention on the fight against corruption involving officials of the Union or of its Member States, by the end of 1998; - reach an agreement on the criminalization of the corruption of foreign officials, to be open to as many countries as possible. To this end, the Commission supports the adoption of a common position under the third pillar (justice and home affairs). The Commission also wishes to see private-sector corruption criminalized under the third pillar, and supports the adoption of a common position in the context of the negotiations under way in the Council of Europe. 2) Tax deductibility: As a first measure, the Commission will raise with the appropriate bodies of the Member States the question of the tax deductibility of bribes, with a view to reaching a consensus on the removal of any such provisions in the context of a joint action. 3) The single market and the other internal policies: - public contracts: following the consultation launched by the Green Paper (see COS0509), the Commission will examine possible means of improving the provisions on public contracts with a view to fighting corruption; - financial transactions: following the consultative stage marked by the Green Paper on 'the role, the position and the liability of the statutory auditor within the European Union', the Commission will submit a communication with specific proposals on means of improving the effectiveness of the directives on accounting matters and their application in the fight against corruption; - financial institutions: the Member States should define the laundering of the proceeds of corruption as a crime. The Commission has already made an official proposal in this sense in its draft 'second protocol' concerning corruption affecting the Community's financial interests; - other measures and policies: the Commission will examine the possibility of introducing a system of 'blacklists' and anti-corruption commitments relating to areas benefiting from Community funding. It will propose the adoption of a common position on anti-corruption civil suits. The Member States should examine and, if necessary, amend their existing legislation to ensure that persons denouncing cases of corruption are protected from reprisals. 4) External aid and corruption: The Commission will define an anti-corruption strategy in relation to third countries which receive Community aid or have concluded cooperation or assistance agreements with the Community. It will re-examine its rules on public contracts and contracts relating to aid to third countries, while endeavouring to harmonize the rules for the various country groupings. This revision will also apply to the question of penalties on undertakings found guilty of corruption. Special anti-corruption programmes are also desirable, especially in the applicant countries from central and eastern Europe. The principle of 'sound management' could also be included in all international assistance, cooperation and development agreements, and anti-corruption clauses could be incorporated in contracts where aid is involved. The Commission will insist that an ambitious and coordinated action policy line against fraud be followed in all relevant international forums, including the G7 meeting scheduled for June 1997 in Denver.