

Unclassified

DAFFE/IME(98)9/FINAL



Organisation de Coopération et de Développement Economiques
Organisation for Economic Co-operation and Development

OLIS : 05-Aug-1998
Dist. : 06-Aug-1998

Or. Eng.

DIRECTORATE FOR FINANCIAL, FISCAL AND ENTERPRISE AFFAIRS
COMMITTEE ON INTERNATIONAL INVESTMENT AND MULTINATIONAL ENTERPRISES

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**STEPS TAKEN AND PLANNED FUTURE ACTIONS BY EACH PARTICIPATING
COUNTRY TO RATIFY AND IMPLEMENT THE CONVENTION ON COMBATING
BRIBERY OF FOREIGN PUBLIC OFFICIALS IN INTERNATIONAL BUSINESS
TRANSACTIONS**

The information contained in the present note and Annex was previously issued as DAFFE/IME(98)9 with a request to CIME for approval by a written procedure of its declassification. No objections to declassification were received by the Secretariat by 31 July 1998.

Minor amendments have been made to Annex 1 of DAFFE/IME(98)9 in the paragraphs concerning Germany, Australia, Belgium, the United States and Mexico, upon receipt from those countries of information which confirmed the events their delegates had foreseen during their interventions at the meeting of the Working Group on Bribery on 29 June to 1 July 1998.

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1. At its meeting on 29 June to 1 July 1998, the Working Group on Bribery in International Business Transactions undertook a “tour de table” to up-date the information on the steps taken and planned future actions by participating countries to ratify and implement the Convention on Combating Bribery of Foreign Officials in International Business Transactions. This information is summarised in Annex 1. Minor amendments were introduced to reflect information subsequently received from Germany, Australia, Belgium, the United States and Mexico which confirmed the events their delegates had foreseen in the “tour de table”.

Annex 1

**Steps Taken and Planned Future Actions by each Participating Country
to Ratify and Implement the Convention on Combating Bribery
of Foreign Public Officials in International Business Transactions**

(information as of 1 July 1998, or as indicated)

- Germany** (Information as of 29 July 1998.) The draft legislation to ratify and implement the Convention was submitted to the legislative bodies on 27 March 1998. It was initially considered in the Federal Council (Bundesrat) which stated on 8 May that there were no objections of substance from their point of view. The legislation was passed by the Federal Parliament (Bundestag) on 24 June with slight amendments. The Federal Council (Bundesrat) gave its consent on 10 July 1998. The parliamentary procedure (Bundestag and Bundesrat) is now finalised. The publication of the act is being prepared. So Germany will be able to ratify the Convention in the autumn of 1998.
- Argentina** The government is verifying the Spanish terminology of the Convention and elaborating the draft law to implement the Convention which will be incorporated in the penal code. It is likely that the Congress will act on bills to ratify and implement the Convention during the fourth quarter of the year.
- Australia** (Information as of 2 July 1998.) An “exposure draft” of legislation to criminalise the bribery of foreign officials was tabled in the Australian Federal Parliament on 3 March 1998. That legislation, together with the Convention, has been referred to the Joint Standing Committee on Treaties for examination. The Committee has now conducted a series of public hearings on the Convention and the legislation, and is currently preparing a report for the Government’s consideration. The Committee’s report was tabled in the Federal Parliament on 2 July 1998; it is available on Internet at this address: <http://www.aph.gov.au/house/committe/jsct/reports/report16.pdf> Following receipt of the Committee’s report, the Australian Government hopes to finalise the legislation and intends to seek its passage through Parliament during the latter half of this year, probably in August. Australia expects to meet the 31 December deadline. The Government is also working on legislation to disallow tax deductions for bribes made to foreign public officials.
- Austria** A draft bill was approved by the Council of Ministers and submitted to Parliament on 18 June 1998. It is currently in the Justice Committee. Adoption is expected during the Autumn.
- Belgium** (Information as of 15 July 1998.) Ratification and implementation of the Convention involve two different steps. Concerning ratification, the Government has almost finished the preparatory work; after a formal decision of the Council of Ministers the draft bill will be sent to the State Council for advice before being submitted to the Parliament. With respect to revision of penal law to comply with the obligations under the Convention, a legislative proposal is under discussion in Parliament. It has recently been adopted by the Senate and transmitted to the Chamber of

Representatives for consideration in the Autumn. The legislation will probably be approved before the Convention is ratified.

- Brazil** (Information as of 1 April 1998) A draft text of the Convention has been sent to the Brazilian Congress by the executive branch and is now being examined in the Chamber of Deputies. The Brazilian government is following very closely these developments and expects the text to be approved in the next few months, so that it can be sent to Senate for examination and hopefully be approved by the end of this year. However, considering that this is a presidential election year in Brazil, the whole process could be delayed.
- Bulgaria** The Popular Assembly ratified the Convention on 3 June 1998. The Ministry of Justice is taking steps to revise the penal code and this should be completed by the end of the year.
- Canada** A memorandum seeking authorisation to begin drafting legislation has been approved by the Cabinet. Legislation will be drafted during the summer and tabled in Parliament in the Fall, where it will be reviewed by Committees of the House and Senate. At that stage, there will be another consultation process relating to the details of the legislation, and other interested parties may become involved in the process. Following a third reading, the bill will receive Royal Assent and become law. Hopefully, this can be completed in this sitting of Parliament.
- Chile** The Ministry of Foreign Affairs is expected shortly to send a draft text to ratify and implement the Convention to the Secretary of the President, which would forward the legislation to the Congress as soon as possible. Ratification is by a simple majority of the Chamber of Deputies; the procedure does not permit amendment.
- Korea** The Ministry of Justice is in the process of finalising the draft text of the special Act to implement the Convention, taking into account suggestions of all the ministries concerned. Afterwards, the draft text of the Act as well as the ratification bill will be submitted to the National Assembly in August.
- Denmark** All legislation must receive three readings in Parliament within a single session. Due to elections in Spring 1998, it was not possible to move implementing legislation through Parliament before the summer recess. A proposal to amend the criminal code in order to implement the Convention will be submitted to Parliament as soon as it comes back into session. The entire procedure is expected to be completed by the end of 1998.
- Spain** The government has decided to implement the Convention through a relatively modest modification of the criminal code -- the addition of one article, rather than undertaking a more general revision which would also have taken into account the requirements of various EU and Council of Europe instruments. Once the legislation is approved by the Council of Ministers it will be submitted to the Parliament. Ratification will be sought at the same time as passage of implementing legislation and both are expected in 1998.

- United States** (Information as of 31 July 1998.) The Convention was transmitted to the US Senate for its advice and consent to ratification on 1 May 1998. On 4 May, proposed implementing legislation amending the Foreign Corrupt Practices Act of 1977 was transmitted to the Senate and the House of Representatives. The Senate Foreign Relations Committee approved ratification on 23 June. The implementing legislation was approved by the Senate Banking Committee on 25 June. On 31 July the full Senate approved both the Convention and the implementing legislation. In the House, the legislation is under consideration by three Committees. The United States expects that legislative action will be completed before the end of 1998. The legislation is available on the Internet at www.ita.doc.gov/legal.
- Finland** A draft proposal for legislation to implement the Convention has been developed. It will be submitted to the parliament in July and be considered by that body after the summer. The government anticipates that ratification of the Convention and approval of legislation to implement it will be completed before the end of 1998.
- France** Two bills have been prepared. The Ministry of Foreign Affairs has prepared a text on ratification of the Convention; a bill to amend the penal code has been drafted by the Ministry of Justice. This amendment will also take into account the anti-corruption instruments developed in the framework of the EU. The two texts have been circulated for comments to the concerned Ministries. The final texts, which should be ready shortly, will be examined by the Council (Conseil d'Etat) before being submitted to the Council of Ministers (Conseil des Ministres) and then to Parliament.
- Greece** Draft ratifying and implementing legislation has been prepared by the Ministry of Justice and submitted to interministerial procedures. The legislation will likely be submitted to Parliament on 1 July 1998. It should be adopted before the end of the year.
- Hungary** In May, the Government adopted proposals to ratify and to implement the Convention (the Amendment of the Criminal Code). They will be submitted to the Parliament in September when it opens its session. Ratification and adoption of implementing legislation should be completed by the end of 1998.
- Ireland** The Government has included in its current legislative programme a commitment to take any necessary measures to extend corruption legislation to take account of the OECD Convention on Bribery. A detailed examination of relevant domestic legislation and requirements under the Convention is being undertaken at present by the Department of Justice, Equality and Law Reform and it is hoped to finalise this shortly. On the basis of the examination to date, our law, in large measure, meets the requirements of the Convention. However, there are one or two areas where additional legislation might be necessary and these issues are being addressed at the moment. Proposals arising from this review will be presented to Government in the context of bringing any necessary legislative measures before Parliament in the light of the timeframe recommended by Ministers at the meeting of the OECD Council at Ministerial level on 26-27 May, 1997.

- Iceland** (Information as of 1 April 1998) The Icelandic government has adopted a resolution on the ratification of the Convention. The Ministry of Justice is preparing legislative proposals for changes in the penal code. The government will then submit this legislation to Parliament in fall 1998 for ratification before the end of the year.
- Italy** Italy will jointly ratify 6 instruments: the Convention negotiated at OECD and 5 instruments of the EU. Draft legislation to ratify and implement the Convention, including amendments to penal code, has been prepared by the Ministry of Justice. Special attention has been given to the more general issue of non-criminal sanctions on legal entities and related procedures. It is expected the legislation will be passed before the end of 1998. It will enter into force when the Convention enters into force.
- Japan** On 10 April 1998, the Government of Japan formally submitted the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, along with its implementing legislation (amendments to the Unfair Competition Prevention Law) to the National Diet. The National Diet approved the conclusion of the Convention during May 1998. Implementing legislation is expected to be approved before the end of 1998.
- Luxembourg** The Ministry of Justice is preparing a proposal to ratify and implement the Convention. The proposal should be submitted to the Parliament after the summer recess. Luxembourg expects the Convention to be ratified and implemented before the end of 1998.
- Mexico** (Information as of 30 July 1998.) Ratification and implementation of the Convention are expected to be reached swiftly since Mexico is already party to the OAS Anti-Corruption Convention. Consensus has been reached at interagency level on the necessary modifications to domestic law which are required to implement the Convention. Concrete proposals regarding modifications to laws and administrative rules will be reviewed by the Legal Counsellor of the Presidency which will forward them to Congress, to be considered during the 1998 Second Congressional Session period that begins 1 September 1998. The Convention will be submitted to the Senate at the same time.
- Norway** After consultation with the relevant private and public authorities, at the end of May 1998, the Government has submitted to Parliament a bill to ratify and implement the Convention. Ratification and adoption of implementing legislation is expected during Fall 1998. It will enter into force shortly thereafter.
- New Zealand** Work is progressing well in the preparation of draft legislation. It is expected to be introduced to Parliament in the near future and enacted by the end of the year. Officials are working on a proposal to amend legislation to disallow deductions for bribery for enactment in 1998.
- Netherlands** A text of a proposal to ratify and implement the Convention has been prepared. It entails a major revision of the criminal code, notably because four other international agreements on fraud and bribery that require amendment of the criminal code need to be ratified at the same time. The text will now be submitted for consultation. Once comments have been taken into consideration, it will be sent to the State Council for

its advice; it usually has three months to review legislation. The government hopes this procedure would be concluded in time to present the legislation to the two chambers of parliament in the fall.

- Poland** The Ministry of Justice has prepared a draft law which is being reviewed by its legislative department, in particular to consider the effects it may have on other branches of law. The proposal will implement the Convention developed in the OECD as well as the money laundering convention of the Council of Europe. After review by the Council of Ministers, the draft bill should be submitted to the Parliament during the autumn. Passage is expected before the end of 1998.
- Portugal** The ratification procedure has nearly been completed, with the conclusion of the official translation of the text of the Convention and the end of the interministerial consultations, through which legal opinions were obtained. The Government is currently working on the draft legislation to amend the criminal code in order to implement the Convention. It is expected that this legislation will be presented to Parliament in the second half of 1998.
- Slovak Republic** A document which identifies the acts to be amended in order to ratify and implement the Convention, was submitted to the Government in January and approved in February. The ministries in charge of the identified acts (the Criminal Act, the Bank Act and the Money Laundering Act) have been invited to submit draft amendments to the Government. The Government approved the Convention at its session on 12 May 1998 and decided to submit it to the Parliament. Most of the legislation to implement the Convention has been prepared. It will be submitted for discussion by the Government within the next weeks. The Parliament will receive a complete package. The Government envisages that the procedure will be completed in the second half of 1998.
- Czech Republic** The Government is preparing amendments to the criminal code concerning the crime of bribery of a foreign public official, criminal sanctions and an explicit definition of a bribe. The draft amendments to the criminal code concerning the crime of bribery of a foreign public official was approved by the Government on 30 March 1998 and submitted to the Czech Parliament for approval on 31 March 1998. The ratification and implementation process was interrupted by extraordinary Parliamentary elections; the process will be continued in Autumn 1998.
- United Kingdom** Internal consultations confirm that the scope of existing law allows the United Kingdom to proceed immediately with its ratification process without the introduction of new legislation. That ratification process requires that the Convention text be published and laid before Parliament, together with an Explanatory Memorandum. Subject to the necessary processes and approvals, the United Kingdom would be ready to ratify the Convention by the end of 1998.

Alongside the development of the OECD Convention and a number of other international instruments, there has been an on-going review of the United Kingdom anti-corruption legislation. This has involved a number of consultation exercises. The Law Commission has recently issued its report, following its review of the corruption laws. This, and the results of the various consultation exercises, are being

considered by the Government. Issues under consideration include:

- (i) the law on corruption;
- (ii) the bribing of Members of Parliament; and
- (iii) the possibility of a new offence of misuse of public office.

The Government is expected to make a statement, before the summer recess, on its proposals for reform in this area.

Sweden

Following public consultations, a bill to ratify and implement the Convention (and which will also cover the EU instruments and the issue of tax deductibility) will be prepared and sent to Parliament in the autumn with the intention to ratify the Convention by the end of 1998.

Switzerland

The Ministry of Justice has prepared a proposal for a global revision of corruption laws, that also takes into account other international instruments, namely those of the Council of Europe. This proposal was approved by the Government on 1 July 1998 and will be published in view of consultations with the cantons, political parties and the interested organisations. If the proposal is accepted it will be submitted to Parliament by the end of the year or the beginning of next year. The Convention can be ratified at the same time that Parliament adopts changes in the criminal laws.

Turkey

Two acts are required: one to ratify the Convention; another to make changes in the legal system. The draft act concerning ratification is ready. After consultations, the draft proposal to implement the Convention is being amended.