

CORRUPTION EXPERT GROUP MEETING N° 16

Brussels, 30 January 2017

Participants (alphabetical order)

Experts

European Commission DG HOME
Unit D3 Organised Crime and
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Summary: At the 16th corruption expert group meeting the Commission gave an update on recent modifications to the anti-corruption activities and informed about upcoming experience-sharing workshops. The Commission also requested input from the experts on possible ways to enhance the impact of anti-corruption work under the European Semester. The experts expressed regret that a second edition of the anti-corruption report is no longer envisaged. Means to reinforce cooperation with international organisations active in anti-corruption (GRECO, UNCAC, OECD) were also discussed.

At the beginning of the meeting, [REDACTED] informed about the reorganisation of the Directorate-General for Migration and Home Affairs (DG HOME) Security Directorate entered into force in mid-October 2016 to align the structure with the priorities of the European Agenda on Security. A new separate unit dealing with Cybercrime was created; the Organised Crime and Drugs Policy were joined in a single unit which remains in charge of anti-corruption activities.

The fight against corruption has become a key element the European Semester of economic governance, which is the main economic policy dialogue between the Member States and EU institutions. The Commission remains fully convinced of the need to combat and prevent corruption and is committed to continuing its work in this field. Beyond the European Semester, which will become the key vehicle for supporting Member States in pursuing anti-corruption work, the Commission will continue its anti-corruption experience-sharing programme, legislative action at EU level in targeted areas where the EU can make a difference and work to fight fraud and corruption risks in the implementation of EU funds.

This approach is in line with the general approach of the Commission to streamline processes and focus on key issues in relevant fora. A second EU Anti-Corruption Report is therefore no longer envisaged. A letter from First Vice-President Frans Timmermans to the European Parliament's Civil Liberties Committee has been sent to inform the Parliament formally about the new approach decided by the Commission. A response to Parliament's Ferrara report is also in the pipeline.

The Commission further informed the experts about the forthcoming public consultation and impact assessment on introducing further EU level measures for whistle-blower protection,

coordinated by the Directorate-General for Justice. There is also progress in the negotiations to establish a European Public Prosecutors Office as a common approach was reached by the Slovak Council Presidency on the Directive on protection of EU financial interests. In addition, in December 2016, the Commission proposed a package of measures to improve definitions of money laundering offenses, better control large cash flows at external borders, and facilitate the freezing and confiscation of criminal assets through mutual recognition of recovery decisions. The Commission is also monitoring Member State compliance with relevant EU law and may publish a third implementation report of the Framework Directive 2003/568/JHA on combating corruption in the private sector.

The experts voiced surprise and regret that the Commission did not consult them before deciding to replace the EU Anti-Corruption Report with other vehicles and asked whether Member States were informed. They expressed concerns that the main added-value of the EU Anti-Corruption Report, which was to put the anti-corruption on the political agenda at the national level, would be lost. Some experts view coverage under the European Semester as a “downgrade” because coverage of corruption in the European Semester is limited in both scope and volume and only cover a limited set of countries. Concern was expressed that without the holistic analysis offered by the EU Anti-Corruption Report, important issues which do not have such a clear economic angle, such as for example significant corruption risks posed by deficiencies in political party financing rules in MS or corruption at the local level, will not be examined anymore.

The experts also warned that the Commission’s reputation may suffer from a perception that anti-corruption has become a lesser priority at the EU level, which would also send a discouraging signal to anti-corruption practitioners in the Member States. The experts asked the Commission to elaborate on how this would impact on the expert group involvement in the new setting. The question of coverage of integrity in the EU institutions was also raised, as there were expectations from MS, EP and stakeholders that the second report would cover this aspect.

The Commission replied that monitoring under the European Semester, which is the main economic policy dialogue with Member States, can have a significant impact as country-specific recommendations are addressed to Member States in a targeted way and endorsed by heads of state and government. The Commission also clarified that the analysis included in the Country Reports, while condensed, focuses on the key challenges related to various aspects of anti-corruption, as detailed in the [Anti-Corruption Thematic Fiche](#) published in 2016. In addition to the European Semester, various key issues will continue to be addressed in the experience sharing workshops which will continue to engage all Member States. The Commission informed about a forthcoming update of the 2013 external study on healthcare corruption, due to be published in March 2017, will also cover other aspects such as lobbying by pharmaceutical companies, procurement at hospitals, and double practice by doctors in public and private clinics.

The Commission assured the experts that their input and advice would remain valuable to support the Commission in building the structure, setting and working methodology analysis under the European Semester, in particular advising on indicators; means of assessing MS performance; identifying best practices; identifying EU trends, etc. The expert contribution would also be welcome to support the Commission in drafting thematic working papers for the experience sharing workshops. On the question whether Member states were informed,

the Commission clarified that the Maltese presidency was already informed by copy of the FVP letter and DG HOME is now following up with the stakeholders.

Asked by the Commission to provide input on improving the streamlining and impact of anti-corruption under the Semester vehicle, the experts suggested that the Commission takes enhanced efforts to mainstream anti-corruption in other policy reports that may feed in the European Semester country reports in various relevant areas (public procurement, healthcare, etc.). They pointed to the importance of maintaining horizontal analysis of all Member States, not least for benchmarking purposes. Adequate dissemination of the country reports to anti-corruption national audiences will be essential for rendering recommendations more effective.

In the second part of the expert meeting, the Commission informed of the tentative timeline and topics for the experience sharing programme in 2017 and invited the experts to express their interest in any of the following workshops:

- March 2017, in Brussels, on corruption indicators
- May/June 2017, in Barcelona, on conflict of interest
- September 2017, in Dublin, on economic impact
- November 2017, [tbd], on links to security

The Commission also presented plans to further improve the quality of data, and provide the kind of quantitative evidence base common in other areas of the European Semester. The experts were supportive of efforts to ensure that data continues to improve and can be used correctly in informing policy.

In the last session of the discussion, the Commission focused on the international dimension of the fight against corruption, alongside international organisations such as the UNODC, Council of Europe and OECD who are engaged in anti-corruption work. The Commission asked experts their views on possible further ad-hoc cooperation with GRECO, given that participation of the EU is still blocked for legal reasons. The experts reiterated their support for EU membership in the Council of Europe Group of States against Corruption (GRECO) and peer review of the EU institutions. In the shorter term, the experts suggested pursuing ad-hoc observer status for the EU at GRECO, which would enable the EU to participate in GRECO discussions, possibly join GRECO evaluations or exchange information with GRECO on national measures and participate in the design of evaluation questionnaires for the thematic rounds. The OECD runs integrity reviews upon request by the interested party; it is possible to explore further cooperation on these matters.

Next steps

To respond to calls for more detailed information about the Semester process and coverage of anti-corruption in that mechanism, it was agreed that the Commission will share with the experts a table summarising corruption coverage in the 2014-2016 exercises as well as the 2017 European Semester reports as soon as these are adopted.

A new expert group meeting is envisaged to take place before the summer.

Attachment: Agenda of the meeting