The Way Forward

CONTINUING THE FIGHT AGAINST CORRUPTION BEYOND THE 2021 UNGASS

3rd Intersessional Meeting of the Conference on UNGASS 2021 preparations February 22-23, 2021

Tangible Progress Achieved

- Prevention measures becoming the norm¹:
 - All States parties reviewed adopted measures to regulate public procurement
 - All States parties reviewed taken some measures to facilitate public access to information
 - Majority of States parties reviewed have established dedicated anti-corruption bodies
- Strengthening legal frameworks:
 - Majority of States parties reviewed criminalized active & passive bribery of domestic officials
- Asset recovery efforts improving¹:
 - All States parties reviewed ratified multilateral or bilateral agreements or had made relevant arrangements to enhance international cooperation undertaken pursuant to chapter V
 - Majority of States parties reviewed have financial disclosure systems for certain levels of public officials

<u>U.S. strives to strengthen anticorruption efforts:</u> Action on Beneficial Ownership

- Newly adopted Corporate Transparency Act strengthens U.S. beneficial ownership regulations.
- Law requires covered business entities to disclose information on true beneficial owners to U.S. FIU (FinCEN).
- Information required: name, address, date of birth, and driver's license or other identification numbers.
- Pursuant to "appropriate protocols," the law permits FinCEN to disclose beneficial ownership information to federal, state, local, or tribal law enforcement for use in financial crime investigations.

One Hundred Sixteenth Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Friday, the third day of January, two thousand and twenty

An Act

To authorize appropriations for fiscal year 2021 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

the SEC

TITLE LXIV—ESTABLISHING BENE-FICIAL OWNERSHIP INFORMATION REPORTING REQUIREMENTS

Sec. 6401. Short title.

Sec. 6402. Sense of Congress.

Sec. 6403. Beneficial ownership information reporting requirements.

SEC, 6401, SHORT TITLE

This title may be cited as the "Corporate Transparency Act".

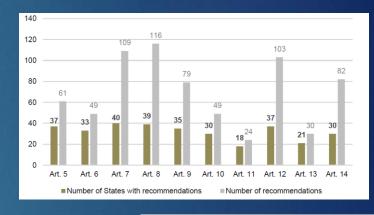
SEC. 6402. SENSE OF CONGRESS.

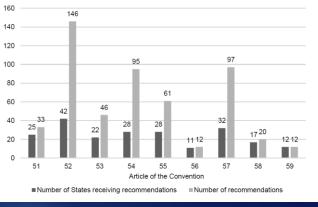
It is the sense of Congress that-

- (1) more than 2,000,000 corporations and limited liability companies are being formed under the laws of the States each year:
- (2) most or all States do not require information about the beneficial owners of the corporations, limited liability companies, or other similar entities formed under the laws of the State;
- (3) malign actors seek to conceal their ownership of corporations, limited liability companies, or other similar entities in the United States to facilitate illicit activity, including money laundering, the financing of terrorism, proliferation financing, serious tax fraud, human and drug trafficking, counterfeiting, piracy, securities fraud, financial fraud, and acts of foreign corruption, harming the national security interests of the United States and allies of the United States:

UNCAC: What is the way forward?

- UNCAC continues to be cornerstone to international anticorruption efforts.
- Gaps not in framework, but in implementation
 - 7000+ recommendations from 1st IRM review cycle
 - 700+ recommendations on prevention/500+ recommendation on asset recovery from 2nd IRM review cycle to date
- Way forward for the UNCAC: States parties need to ensure we are upholding our treaty obligations; we need to push and support each other to do the same





<u>Strengthening UNCAC Implementation:</u> <u>The role of the Implementation Review Mechanism</u>

- If States parties are serious about addressing gaps in the UNCAC, efforts should start with strengthening role of the IRM.
- Countries should make full use of the voluntary provisions of the Terms of Reference, including by involving civil society in their review and should publish their full reports publicly
- Begin thinking about what comes after the first phase of the IRM comes to an end.

Continuing Momentum Beyond UNGASS

- UNCAC COSP and UNODC can help track the progress States
 parties are making in achieving UNGASS commitments and
 proposed outcomes no need for a new formal review mechanism
- Use the momentum of the UNGASS to spur concrete action: cooperation on cases; communication between authorities
- Make sure non-government stakeholders have the resources, independence, and freedom to hold us all accountable
- Need to provide ourselves sufficient time to make meaningful progress on any commitments we make at UNGASS. No need to set a date for next UNGASS at this time.