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Groupe de travail interdépartemental pour la lutte contre la corruption
Gruppo di lavoro interdipartimentale per la lotta contro la corruzione
Interdepartmental Working Group on Combating Corruption

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Activity report of the Interdepartmental Working Group on Combating Corruption (2021–23)

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1. Summary

This report describes the activities of the Interdepartmental Working Group on Combating Corruption (IDWG on Combating Corruption) during the 2021–23 period. It also presents further national and international developments in the fight against corruption. Reporting is based on the mandate issued by the Federal Council to the IDWG on Combating Corruption on 25 April 2018. This provides for a report to the Federal Council every three years on developments in anti-corruption in Switzerland in the international context, and on the work of the IDWG on Combating Corruption itself.

Activities during the 2021–23 reporting period focused on monitoring the implementation of the Federal Council's Anti-Corruption Strategy 2021–24¹ by the IDWG on Combating Corruption. Adopted in 2020, the Strategy sets 11 goals and defines 42 measures to prevent and combat corruption at the federal government level. The IDWG on Combating Corruption is responsible for monitoring. It also supports the implementation of the defined measures by organising knowledge-sharing on the progress that has been achieved, and encouraging collaboration between the responsible federal offices.

A further important element of the IDWG's work is to develop the federal-cantonal information network on corruption. This was founded in 2018 and is also supported by the Conference of Cantonal Governments. The network offers a platform for regular exchange with the cantons about experience and good practices. It meets once or twice a year, with discussions devoted to a selected topic. For example, in 2023 the theme was reporting offices and recognising corruption.

A number of legislative processes were under way during the reporting period that have a direct or indirect bearing on the fight against corruption. Revisions to the Anti-Money Laundering Act strengthened the powers of the Money Laundering Reporting Office Switzerland and extended Switzerland's defensive measures in a number of respects. This allows earlier recommendations from the OECD Working Group on Bribery and the Financial Action Task Force to be put into effect. Furthermore, in May 2024 the Federal Council adopted a bill to create a register of beneficial owners and bring high-risk consultancy activities under the Anti-Money Laundering Act.

Another relevant legislative project has so far not come to fruition. The revision of the Swiss Code of Obligations to protect whistleblowers in the private sector failed to pass through Parliament. Although the Council of States passed a new proposal, in the form of a motion, in October 2023 by an overwhelming majority, it was rejected by the National Council with just as clear a majority in February 2024.

At the international level, Switzerland again underwent country reviews within the frameworks of the UN, the OECD and the Council of Europe. Overall it was able to maintain its good reputation and high ranking on international indicators. However, the evaluations by other countries and both national and international corruption cases show that Switzerland, too, has room for improvement in certain areas. The focus of the Federal Council's Anti-Corruption Strategy for the coming 2025–28 reporting period will therefore be on consolidating and focusing the country's anti-corruption regime.

¹ The full Strategy can be found here: https://www.eda.admin.ch/content/dam/eda/en/documents/publications/SchweizerischeAussenpolitik/201125_Strategie_gegen_Korruption_EN.pdf.

2. Developments

2.1 General perception of corruption in Switzerland

Switzerland is proud of the high standards of its government and public administrations. Compared with the rest of the world, the public sector is seen as having little corruption. This is illustrated by the annual Corruption Perceptions Index (CPI) published by Transparency International. Switzerland's overall rating did decline slightly in 2021 and 2022, however. It was repeatedly criticised by Transparency International for its lack of transparency with regard to lobbying, political funding and how conflicts of interest are handled.

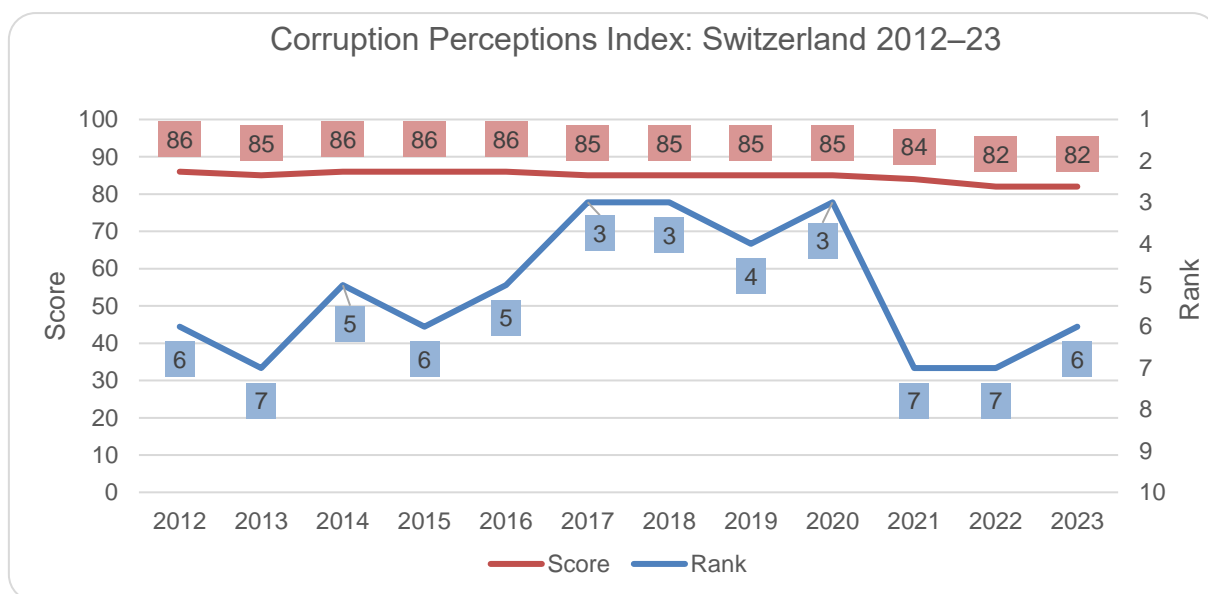


Diagram 1: Corruption Perceptions Index 2012–23

Source: Transparency International

Since the beginning of the rankings in 1995 Switzerland has consistently been among the highest-placed countries, and since 2012 it has always been among the top seven. The modest fall in the overall number of points caused Switzerland to drop a number of places compared with the leaders Denmark, New Zealand and Finland. It then recovered by one place in 2023 with the same number of points.

While the CPI reflects an outside perception, the Institutional Trust Index compiled by ETH Zurich is based on a representative survey of the Swiss population. The index shows a consistently high level of trust in Swiss institutions and authorities, specifically the Federal Council, the Swiss Parliament, the courts, the police and the armed forces. They maintained this high level even despite the challenges of the pandemic years, and the trend remains steady.²

² *Sicherheit 2023* – trends in the formation of opinion on foreign, security and defence policy in Switzerland (German). Military Academy (MILAC) at ETH Zurich and Center for Security Studies (CSS), ETH Zurich, Birmensdorf and Zurich.

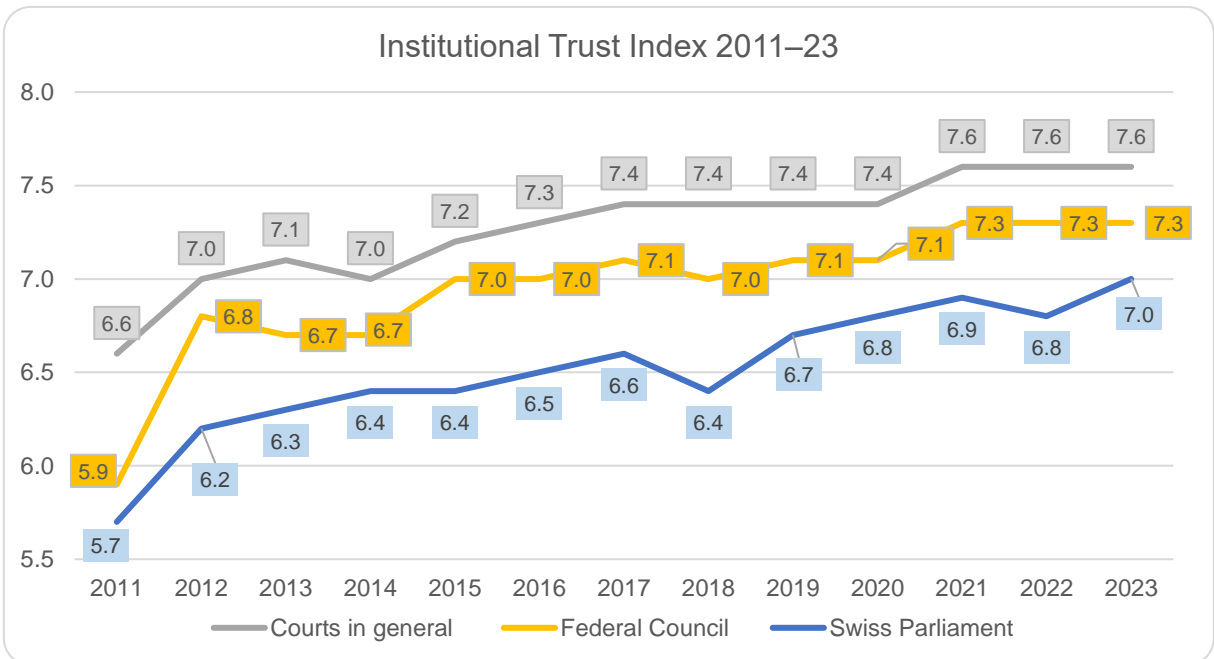


Diagram 2: Institutional Trust Index 2011–23

Source: ETH Zurich

2.2 Statistics on criminal convictions

Criminal conviction statistics reveal a slight increase in corruption offences during the reporting period. Between 2021 and 2023 the Federal Statistical Office (FSO) recorded a total of 53 convictions for bribery offences under the Swiss Criminal Code (SCC).³ These include the offences under Title Nineteen SCC (Bribery) and articles 168 (Subornation in enforcement proceedings) and 281 (Corrupt electoral practices).

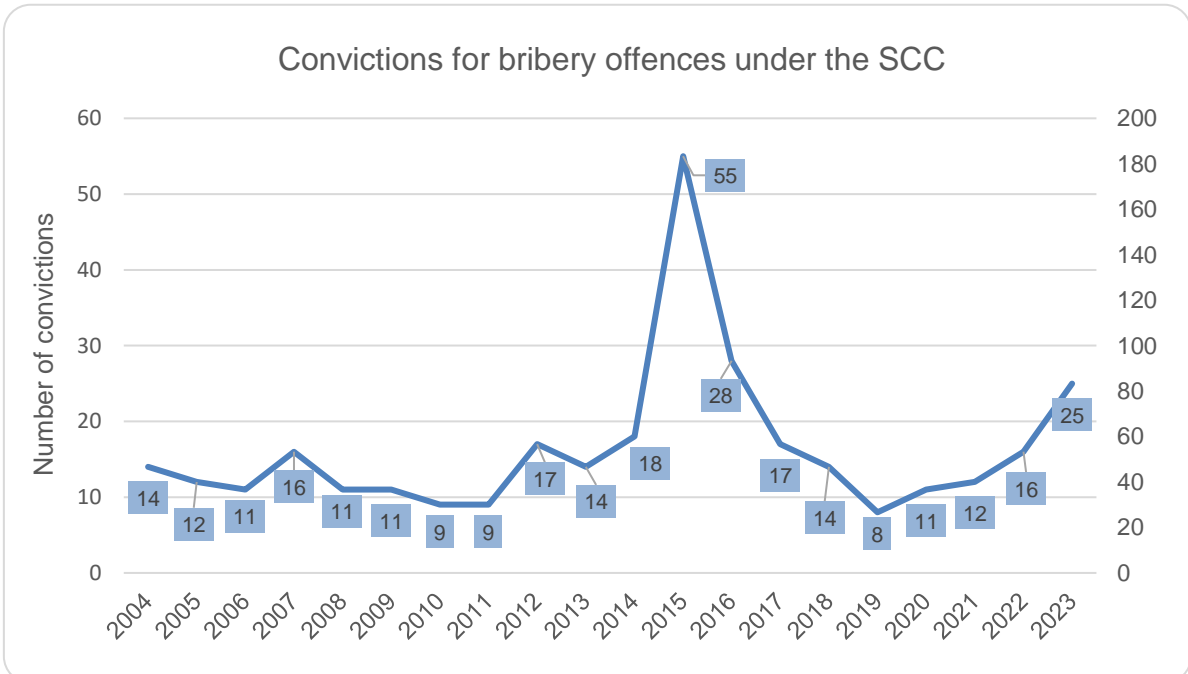


Diagram 3: Statistics on criminal convictions in Switzerland, 2001–23: number of convictions

Source: FSO

³ Swiss Criminal Code of 21 December 1937 (SR 311.0 (SCC)).

A longer-term analysis shows that, despite the tightening of Swiss anti-corruption legislation,⁴ the number of convictions has not increased significantly. In fact, 2015 was the only year in which convictions were unusually high, although this is explained by a single cluster of summary penalty orders.⁵ The relatively high number of ongoing or completed enquiries, prosecutions and convictions means that Switzerland remains among the leading group in each edition of Transparency International's Exporting Corruption report, with the USA its only companion in the most recent survey.⁶

Criminologists believe that many corruption offences go unreported. Indeed, it must be assumed that this applies to the vast majority of such cases. This puts the low number of recorded offences into perspective. It should also be noted that many cases of money laundering are linked to corruption. According to an internal government study, corruption accounts for almost a quarter of money laundering predicate offences, with 99% of actual corruption offences occurring abroad.⁷

2.3 Reporting within the Federal Administration

Since Article 22a of the Federal Personnel Act (FPA)⁸ came into force on 1 January 2011, federal employees have been obliged to report crimes and offences that must be prosecuted *ex officio*. Federal employees have a duty to notify the criminal prosecution authorities, their line manager or the Swiss Federal Audit Office (SFAO) of all crimes and offences discovered by or reported to them in the course of their official activities (FPA Art. 22a para. 1). Furthermore, employees are entitled to notify the SFAO of other irregularities discovered by or reported to them in the course of their official activities (FPA Art. 22a para. 4). In practice, line managers and others may also be informed.

Since 1 June 2017 the SFAO has operated its own secure whistleblowing platform at www.whistleblowing.admin.ch. It guarantees maximum data and access security, a secure connection and content encryption. If they wish, the person making the report is also ensured anonymity.

Federal employees, private individuals, partners and suppliers can use the platform securely and anonymously to report suspected irregularities, acts of corruption or other illegal activities within the administrative units of the federal government or at the recipient of a subsidy. The number of reports received by the SFAO has risen sharply since the platform was launched.

⁴ Swiss anti-corruption legislation was revised in 2000, 2006 and 2016.

⁵ cf. Activity report of the IDWG on Combating Corruption 2014–17, fn. 5.

⁶ Exporting Corruption 2022. Assessing enforcement of the OECD Anti-Bribery Convention. Transparency International, October 2022.

⁷ National Risk Assessment: corruption as a predicate offence to money laundering. Report by the interdepartmental coordinating group on combating money laundering and the financing of terrorism (CGMF), April 2019.

⁸ Federal Personnel Act of 24 March 2000 (SR 172.220.1 (FPA)).

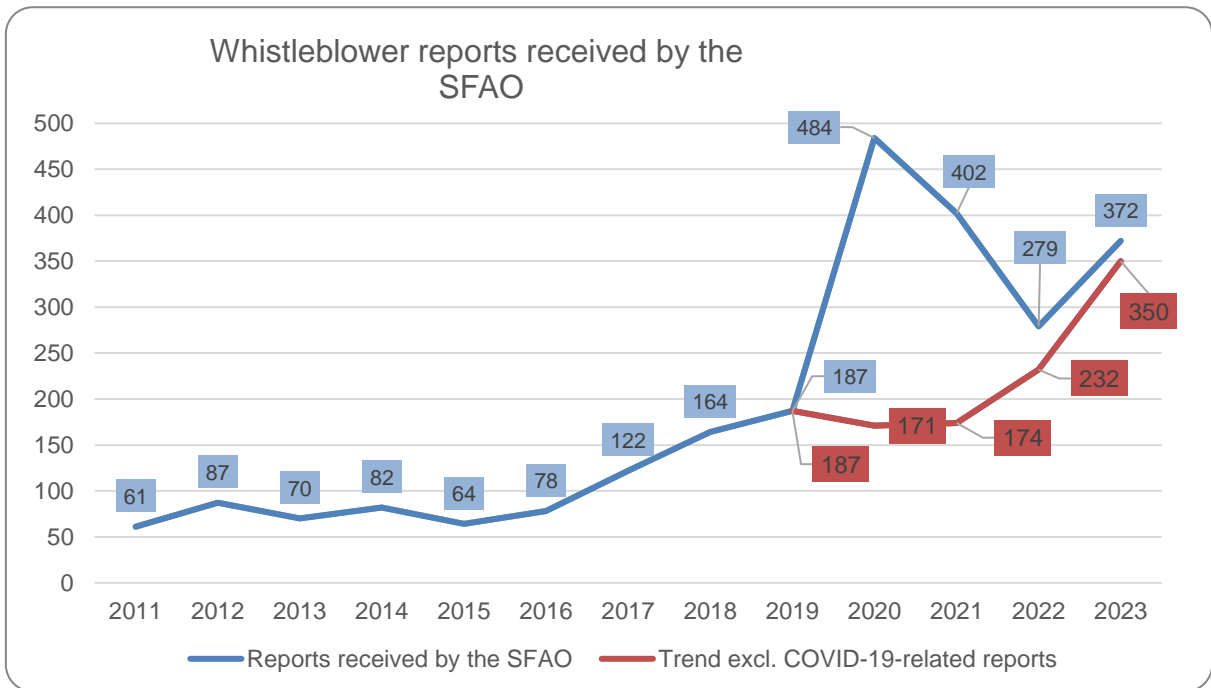


Diagram 4: Whistleblower reports received by the SFAO

Source: SFAO

The sharp increase in 2020 is due to reports related to short-time working compensation and COVID-19 loans.⁹ In 2022 and 2023 there was also a trend towards more non-COVID-19-related reports, possibly as a result of the whistleblowing platform becoming better known, and greater awareness-raising. Excluding the COVID-19 cases, the percentage of reports from federal employees remained stable at 44% in 2020 and 2021, 41% in 2022 and 37% in 2023.

Within the Federal Administration there are also internal reporting offices at the Federal Department of Foreign Affairs (Compliance Office) and the Federal Roads Office (ombudsperson).

2.4 Major corruption cases in Switzerland 2021–23

Corruption may be perceived as low, and Swiss authorities may enjoy a high degree of trust, but cases of corruption do occur in Switzerland. Although they do not present a systematic problem, they are still to be found at a range of authorities and levels of government. Some of the major corruption cases in Switzerland during the reporting period are described briefly below.

Manipulated driving tests at the Zurich cantonal driver and vehicle licensing office in Bassersdorf

A case of corruption was uncovered at the driver and vehicle licensing office in Bassersdorf in connection with bribes for manipulated driving tests, suspicious intermediaries, and concealed payments. A number of employees were accused of seeking bribes in 2020 and 2021 by demanding payment via middlemen in return for easier driving tests. This resulted in several employees being dismissed and the relevant investigations opened.

⁹ In 2020 the Money Laundering Reporting Office Switzerland at the Federal Office of Police also received more than 1,000 suspicious activity reports from financial intermediaries in connection with COVID-19 loans.

Identity documents for money or sexual services – residents' register office in Biel

Two patrol officers in Biel were accused of having offered foreign nationals identification documents in return for sexual services or money. The incidents happened some years ago, but the victims did not come forward until the end of 2023. The accused are no longer with the service. One left their post a long time ago, while the other was suspended. The City of Biel is taking legal action against both.

Kickbacks in the commodities sector – the Trafigura case

At the end of 2023 Geneva commodity trader Trafigura was accused of being involved in the payment of millions in kickbacks in Angola. It is the first time that the Federal Criminal Court will have to decide on a company's criminal liability for bribing foreign officials.

Kickbacks in the commodities sector – the Beny Steinmetz case

In April 2023 a Geneva court of appeal found Israeli-French businessman Beny Steinmetz guilty of bribing foreign officials by influencing the process for awarding mining rights in the Simandou region of Guinea, West Africa. The billionaire was sentenced to three years in prison, of which he must serve 18 months. The decision is not yet final and absolute, pending appeal before the Federal Supreme Court.

3. Progress with implementing the Federal Council's Anti-Corruption Strategy 2021–24

3.1 The Federal Council's Anti-Corruption Strategy 2021–24

Under the terms of its mandate, the IDWG on Combating Corruption drew up strategic and operational anti-corruption objectives at the federal level. In doing so it collaborates with numerous federal offices, the Office of the Attorney General of Switzerland and selected representatives of the cantons, the business and academic communities and civil society. The Federal Council adopted its Anti-Corruption Strategy 2021–24 on 25 November 2020.

The Strategy defines 11 goals across a broad spectrum, from prevention to detection and deterrence to the international dimension:

1. All public officials and federal employees ensure that their public duties are not compromised by private interests.
2. The administrative units are aware of the risks of corruption specific to their field of activity and pay particular attention to those activities and task areas with increased risk exposure.
3. The Confederation creates and preserves trust through greater transparency.
4. The autonomous entities act as role models in terms of integrity and transparency.
5. The Confederation, cantons and communes collaborate in their anti-corruption efforts and learn from each other.
6. Whistleblowers within the Confederation need not fear any reprisals.
7. The judicial and supervisory authorities have effective legal instruments at their disposal to consistently prosecute corruption offences.
8. Corruption offences are consistently prosecuted and appropriately punished.
9. Companies with honest business practices are not at a competitive disadvantage on international markets.
10. Switzerland is perceived as a reliable partner in the fight against corruption.
11. Switzerland combines international cooperation and human rights protection with the fight against corruption.

At the operational level the Strategy defines 42 individual measures. Together, these goals and measures are to be understood as strategic guideposts. The administrative units covering the areas in question must make them more specific and actionable. Existing responsibilities remain unchanged, however.

Part of the mandate of the IDWG on Combating Corruption is to encourage the implementation of the listed measures by the relevant administrative units and to make recommendations to support the achievement of the set goals. The IDWG on Combating Corruption closely observed and supervised work to realise the measures with a range of monitoring tools, such as questionnaires, reporting as part of IDWG workshops, and meetings of the core group. This activity report provides information on progress with the implementation of the individual measures from the point of view of the IDWG on Combating Corruption (referred to in the table below as IDWG CC). Various measures that are classed as 'implemented' are ongoing in nature, are applied in practice, and remain important elements of the Federal Council's anti-corruption regime.

In addition, the FDFA State Secretariat will have strategy implementation evaluated by an independent office so that the Federal Council is able to take stock at the end of 2024.

3.2 Progress with implementing goals and measures

Overview of progress with implementing the Federal Council's Anti-Corruption Strategy 2021–24	Responsibility for Implementation	Action	Assessment of implementation by the IDWG	Remarks
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3.1 Prevention

Goal 1: Raising awareness All public officials and federal employees ensure that their public duties are not compromised by private interests.				
1. The heads of the federal departments and senior management will lead by example and regularly remind their staff of the obligations of federal employees under the Federal Personnel Ordinance (FPersO) and the Federal Administration Code of Conduct.	All GS + HR services at the departments	Response to memo from the Chair of the IDWG CC of 19.02.2021	Implemented	The fight against corruption and the Code of Conduct are referenced at regular intervals in meetings of senior management. All new joiners must also complete the Federal Office of Personnel (FOPER) anti-corruption e-learning course.
2. Line managers will ensure that their staff are at all times familiar with the legal basis for the performance of their duties and are aware of the overriding public interest.	All GS + HR services at the departments	Response to memo from the Chair of the IDWG CC of 19.02.2021	Implemented	Addressed specifically with new hires. All new joiners must also complete the FOPER anti-corruption e-learning course.
3. All secondary occupations subject to notification will be recorded in employees' personnel files and updated regularly.	FOPER + HR services at the departments	Meeting of the extended core group on 26.08.2021	Implemented	Article 19 of the Ordinance on the Protection of Personal Data relating to Federal Personnel (FPDO) provides the statutory basis for processing data concerning secondary occupations in an employee's personnel file. Secondary occupations are also entered in the IPDM (staff data management) system (FPDO Art. 31 para. 1 let. a).

4. Potential conflicts of interest will be discussed at least once a year as part of the MbO cycle (employee appraisal) and, if necessary, appropriate action will be agreed on.	FOPER + HR services at the departments	Meeting of the extended core group on 26.08.2021	Implemented	The discussion of potential conflicts of interest has been a mandatory part of the MbO employee appraisal since 01.01.2024.
5. Management staff will be made aware of the need to prevent corruption as part of their training and continuing education programmes.	FOPER	Meeting of the extended core group on 26.08.2021	Implemented	The web-based training module on preventing corruption is mandatory for management staff. The Swiss Federal Audit Office addresses corruption prevention and whistleblowing in separate specific modules as part of Federal Administration Training Centre management courses.
Goal 2: Risk-based approach The administrative units are aware of the risks of corruption specific to their field of activity and pay particular attention to those activities and task areas with increased risk exposure.				
6. The Interdepartmental Working Group (IDWG) on Combating Corruption will develop guidelines (in addition to the ICS) for identifying the roles within the Federal Administration most exposed to the risk of corruption.	IDWG CC + FFA (Risk management) + FOPER	IDWG workshop on 17.02.2022	Consultations in 2024	
7. The Federal Council will examine the possibility of adapting existing regulations so that employees in roles with a higher risk of corruption can be subjected to extended personnel security screening at random intervals.	DDPS, Personnel Security Screening Unit	Meeting of the extended core group on 27.10.2021	Implemented	When the new Information Security Act (SR 128, ISA) came into force with its appendices on 01.01.2024, its articles 20a and 20b were incorporated into the Federal Personnel Act (FPA). As provided for in article 20b FPA, the verification of a person's integrity in particular offers a means of largely fulfilling measure 7. It states that employers may have the integrity of job candidates and their employees verified if their role would involve the following:

				<p>a. Regularly representing Switzerland internationally, and therefore might significantly compromise the reputation of the federal government</p> <p>b. Making decisions on key financial or tax matters or fulfilling a supervisory function, and therefore might significantly compromise the financial interests of the federal government.</p> <p>Article 20a FPA also allows employers to require job applicants and their employees to supply an extract from the Swiss criminal records and from the debt enforcement register where necessary to uphold the employer's interests.</p>
8. A study will be conducted to examine the possibility of introducing an obligation for employees in roles with a higher risk of corruption to disclose substantial personal assets, investments and liabilities.	PSD	Uni Fribourg commissioned on 15.02.2023	Implemented	'Possible structuring of a reporting obligation for significant assets, investments and liabilities for holders of functions with increased corruption risks', Prof. Andreas Stöckli, Attorney. / Valentin Vonlanthen, Attorney; Fribourg 18.07.2022 (German). The study provides a basis for discussing the introduction of reporting obligations for Federal Administration functions at particular risk of corruption and deciding exactly what form these should take.
9. Each administrative unit will designate a point of contact for line managers seeking advice on corruption prevention, e.g. the risk coach or compliance office.	All GS + HR services at the departments	Response to memo from the Chair of the IDWG CC of 19.02.2021	Implemented in part	Risk management at the federal government is organised decentrally, with the departments and the Federal Chancellery (FC) responsible for implementation in their own areas. One risk management role, as either a risk manager or risk coach, is planned at each department (as well as the FC) and in each administrative unit. They will be responsible for coordinating risk management activities and managing the process. The core group does not believe that all risk coaches or compliance offices are currently able to advise line managers on preventing corruption. It therefore recommends specific awareness-raising and training.

<p>10. The waiting period under Art. 94b FPerSO for public servants taking up private employment will be applied more frequently in order to avoid conflicts of interest.</p>	<p>All GS + HR services at the departments</p>	<p>Response to memo from the Chair of the IDWG CC of 19.02.2021</p>	<p>Implemented in part</p>	<p>Waiting periods stipulated in revolving door clauses in the employment contracts of senior management in the Federal Administration are only the exception.</p> <p>One of the reasons for this is that individual circumstances must be taken into account when applying any revolving door clauses. Specifically, they may not represent a significant infringement of the economic freedom of the person concerned. A further factor is that revolving door clauses must be reasonable in terms of the length and material effect of the waiting period.</p> <p>The Conference of Secretaries General (CSG) discussed the application of revolving door clauses within the Federal Administration on a number of occasions in 2023. FOPER has produced a report for the CSG on potential ways of handling revolving door clauses. Specifically, FOPER proposed possible criteria for their standard application across the Federal Administration.</p>
<p>Goal 3: Transparency The Confederation creates and preserves trust through greater transparency.</p>				
<p>11. The administrative units will inform their private sector partners of the rules applicable to their employees when dealing with private parties (e.g. regarding the acceptance of invitations and gifts) and will require that their contractors also comply with the same rules.</p>	<p>Members of the FPC + KBOB + FOCBS + Tax Administration + FFA (Subsidiaries)</p>	<p>Questionnaire 1 of 01.03.2022</p>	<p>Implemented</p>	<p>Implemented by general and office-specific measures. The Federal Procurement Conference (FPC) and Coordination Conference for Public Sector Construction and Property Services (KBOB), as well as the Federal Office for Buildings and Logistics, provide the administrative units with information and templates to use in procurement-related dealings with providers. In addition, the individual offices provide external parties directly with information on handling invitations and gifts as the following examples illustrate: the Federal Office for Customs and Border Security counters the problem of invitations and gifts with occasional direct communications to those providing such perks. This has had the desired effect, with a huge drop in the number of gifts and invitations offered.</p> <p>The Federal Tax Administration has already taken precautions with its partners in this regard, for example with integrity clauses in procurement contracts, and is examining further appropriate measures.</p>

12. The Federal Administration will voluntarily publish information that is frequently released in response to freedom of information requests.	All GS + HR services at the departments	Response to memo from the Chair of the IDWG CC of 19.02.2021	Implemented	Information is provided transparently in accordance with the freedom of information principle.
13. The Confederation will look into expanding the database of federal subsidies so as to improve transparency in identifying the recipients.	FFA (Subsidies)	Meeting of the extended core group on 09.11.2023	Examined, but not implemented	The database of federal subsidies does not reveal the individual final recipients, but simply breaks them down into categories. In many cases, the initial subsidy recipient and the final subsidy recipient are not exactly the same. The database also does not show subsidies at other levels of government, such as from the cantons. There is therefore no general overview of all subsidies, and certain analyses are impossible. No efforts are currently being made to make the database of federal subsidies more transparent and more detailed.
14. The Confederation will examine measures to improve transparency of the beneficial owners of real property and legal entities.	IDWG CC + FOLR + SIF	IDWG workshop on 09.06.2021	Implemented	<p>In force since 1 January 2023, the revised Swiss Civil Code now includes article 949c on national immovable property searches. It will complete the introduction of nationwide real asset queries by accredited authorities in 2024.</p> <p>It also makes it possible to search for individuals as well as property. Full operation of this search service has been delayed by several months. This is because technical difficulties prevented many cantons from completing their work to connect to the federal government's basic infrastructure by the end of 2023, as had been planned. As at the beginning of 2024 property searches were still limited to just four cantons. Further cantons are being connected on an ongoing basis.</p>

				<p>The federal government is also planning to introduce a federal transparency register for beneficial owners of legal entities. This is intended to cover all legal entities under Swiss private law, as well as certain legal entities under foreign law. The latter specifically affects owners or buyers of real property in Switzerland in accordance with the Federal Act on the Acquisition of Immoveable Property in Switzerland by Foreign Non-Residents. In addition, certain activities connected with establishing and structuring legal entities are to become subject to the Anti-Money Laundering Act, and provisions to combat money laundering will be further toughened. The Federal Council adopted the dispatch and draft for the Federal Act on the Transparency of Legal Entities and the Identification of Beneficial Owners on 22 May 2024.</p>
<p>Goal 4: Autonomous entities of the Confederation The autonomous entities act as role models in terms of integrity and transparency.</p>				
<p>15. In the next revision, the Federal Council will amend the strategic objectives of the autonomous entities of the Confederation in regard to compliance, taking account of national and international standards.</p>	<p>FFA + DE-TEC GS</p>	<p>Meeting of the extended core group on 26.04.2022</p>	<p>Implemented in part</p>	<p>Drawing on the expert report on corporate governance within the federal government, in June 2019 the Federal Council decided that federal government-associated businesses should become more accountable to the federal government where compliance was concerned. It also decided that the strategic objectives of these businesses, as well as Skyguide, should be expanded at the next update in line with national and international standards, such as ISO 19600 or the more contemporary 3730.</p> <p>The strategic objectives of all government-owned companies and the majority of institutions were updated accordingly during the reporting period. This review is conducted on the basis of the reference document or factsheet, which provide for the audit and other checks and balances. As a result, objectives are reviewed in relation to the compliance management system (CMS) once during the strategy period in an external audit, as well as in reporting to the Federal Council on the progress of work. The key points of the CMS are also addressed in proprietor discussions.</p>

<p>16. The relevant federal departments will check that codes of conduct for dealing with conflicts of interest are issued and awareness-raising measures are implemented.</p>	<p>FFA + DE-TEC GS</p>	<p>Meeting of the extended core group on 26.04.2022</p>	<p>Implemented</p>	<p>There are various provisions governing the autonomous entities of the federal government which outline how to prevent and handle conflicts of interest (Arts. 717 and 717a Swiss Code of Obligations).</p> <p>In the corporate governance report of 13 September 2006 and the additional report of 25 March 2009, the Federal Council set out a total of 37 guidelines to be observed in the structuring, management and oversight of autonomous entities of the federal government. Guideline no. 6 states that members of the board of directors or institute board and the executive board protect the interests of the autonomous entity. Enduring conflicts of interest are a bar to membership of the board of directors or institute board and the executive board.</p> <p>The following will be included in this guideline in future: "The board of directors or institute council will issue [...] a code of conduct for dealing with conflicts of interest, and will ensure that suitable awareness-raising measures are taken."</p>
<p>Goal 5: Federalism The Confederation, cantons and communes collaborate in their anti-corruption efforts and learn from each other.</p>				
<p>17. The IDWG on Combating Corruption will use its federal-cantonal information network on corruption to ensure that the Confederation and the cantons take note of each other's best practices and reforms derived from corruption cases and examine their applicability.</p>	<p>IDWG CC</p>	<p>Meetings of the FCNC</p>	<p>Implemented</p>	<p>Implemented by holding meetings of the federal-cantonal information network on corruption (FCNC).</p>
<p>18. The federal-cantonal information network will collaborate with the academic community and with relevant business and civil society organisations in the collection and dissemination of best practices.</p>	<p>IDWG CC</p>	<p>Meetings of the FCNC</p>	<p>Implemented</p>	<p>Implemented by holding meetings of the FCNC.</p>

19. The relevant federal agencies will support information and training events on anti-corruption measures at cantonal and communal level.	IDWG CC/core group	FCNC meeting on 24.11.2021	Implemented	FCNC meeting on awareness-raising measures relating to integrity, Bern, 24.11.2021. The relevant specialist offices are available for cantonal and communal-level information and training events on preventing and combating corruption.
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B. Detection and deterrence

Goal 6: Detection Whistleblowers within the Confederation need not fear any reprisals.				
20. The open and constructive handling of grievances and conflicts (speak-up culture) will be systematically encouraged through existing management courses.	FOPER	Meeting of the extended core group on 26.08.2021	Implemented	Measure 20 is implemented via mandatory leadership seminars I and II and web-based training on preventing corruption. The latter is mandatory for management and open to all federal employees.
21. The Confederation will inform all new employees of their duty to report under the Federal Personnel Act and about the reporting offices and procedures available to whistleblowers, and the protection against retaliation for anyone submitting such a report.	FOPER + HR services at the de- partments	Meeting of the extended core group on 26.08.2021	Implemented	HR services notify new hires of their duty to report and of the SFAO's whistleblowing platform. Associated flyers are also distributed. In addition, management staff and certain employees are required to complete the online tool on preventing corruption.
22. The Confederation will require its contractors (companies, NGOs, etc.) by contract to designate a whistleblower reporting office and to protect whistleblowers. In turn, it will guarantee that contractors are not disadvantaged if they report any indications of corruption within the Confederation to the SFAO.	FPC + KBOB	Response to memo from the Chair of the IDWG CC of 19.02.2021 and to the question- naire of 1.3.2021	Implemented in part	Efforts continue to implement Measure 22. The relevant instruments, such as standard contractual clauses and reporting procedures, will be amended as the law evolves.
23. The Federal Administration and the autonomous entities of the Confederation are open to employing persons who have legitimately acted as whistleblowers.	FOPER + all GS and HR services of the depart- ments	Meeting of the extended core group on 26.08.2021	Implemented	The Human Resources Conference has to date not had to discuss any failure to employ whistleblowers. FOPER is also not aware of any cases in which such whistleblowers have been placed at a disadvantage in the application process.

Goal 7: Investigation

The judicial and supervisory authorities have effective legal instruments at their disposal to consistently prosecute corruption offences.

24. The IDWG on Combating Corruption will observe other countries' experience with the requirement for foreign politically exposed persons (PEPs) to prove the legitimate origin of their assets where there is a reasonable suspicion of corruption, and will assess the advantages and disadvantages of this practice with regard to the rule of law.

IDWG CC

Meeting of the extended core group on 16.08.2023

Implemented

Information from expert at the relevant United Kingdom Home Office department on how the Unexplained Wealth Order (UWO) works and experience with it. The UWO is an instrument under civil law, meaning that prosecuting authorities bear a lesser burden of proof in an investigation under civil law. A UWO ruling under civil law thus has no consequences under criminal law.

There are fundamental differences between the legal systems of the United Kingdom and Switzerland. Under the common law system it is very difficult to freeze and seize assets, because this always requires a court ruling. Civil law instruments such as the UWO therefore make it easier to confiscate such assets. Despite its great complexity and infrequent use to date, the UWO is regarded essentially as helpful and fit for purpose.

Switzerland will continue to monitor developments with the UWO and other similar instruments in other countries.

<p>25. The IDWG on Combating Corruption will examine incentives for more self-reporting of bribery offences by legal entities and natural persons.</p>	<p>FOJ SECO</p>	<p>+ Meeting of the extended core group on 29.06.2022</p>	<p>Implemented in part</p>	<p>The implementation of measures 25 and 27 was reviewed at the meeting of the extended core group on 29 June 2022.</p> <p>Implementing these measures is an ongoing process. At present, there is only limited momentum in introducing new instruments in the bodies responsible. This is because Parliament rejected past efforts in this regard.</p> <p>The influence on Switzerland of relevant developments in other countries and increasing pressure from international conventions, specifically the OECD's Working Group on Bribery, remains to be seen. The IDWG on Combating Corruption will hold another workshop on implementing measures 25 and 27. It also reserves the right to determine specific measures in this area in the next anti-corruption strategy.</p>
<p>Goal 8: Penalties Corruption offences are consistently prosecuted and appropriately punished.</p>				
<p>26. In implementing the revised Public Procurement Act, contracting authorities will exercise the option to temporarily exclude suppliers convicted of corruption from public tenders.</p>	<p>FPC</p>	<p>Meeting of the extended core group on 16.02.2023</p>	<p>Implemented</p>	<p>The revised Federal Act on Public Procurement (SR 172.056.1) has been in force since 1 January 2021. Penalties are imposed on both natural persons and legal entities. This can potentially affect all bidders, as well as subcontractors. Possible penalties include being excluded from an ongoing award procedure, the revocation of a contract already awarded, a warning and, in serious cases, a ban on bidding for any contracts in the future. At the cantonal level, offending companies may also be fined.</p> <p>There are avenues of appeal against these penalties under administrative criminal law. There are also two lists of banned bidders and subcontractors: one maintained by the Federal Procurement Conference (FPC) at federal level and one maintained by the InöB intercantonal public procurement body for the cantons. These lists are not publicly available.</p>

<p>27. The Confederation will examine whether the penalties imposed on legal entities for corruption offences are sufficient to effectively address organisational shortcomings in the offending companies.</p>	<p>IDWG CC + FOJ</p>	<p>Meeting of the extended core group on 29.06.2022</p>	<p>Implemented in part</p>	<p>The implementation of measures 25 and 27 was reviewed at the meeting of the extended core group on 29 June 2022.</p> <p>Implementing these measures is an ongoing process. At present, there is only limited momentum in introducing new instruments in the bodies responsible. This is because Parliament rejected past efforts in this regard.</p> <p>The influence on Switzerland of relevant developments in other countries and increasing pressure from international conventions, specifically the OECD's Working Group on Bribery, remains to be seen. The IDWG on Combating Corruption will hold another workshop on implementing measures 25 and 27. It also reserves the right to determine specific measures in this area in the next anti-corruption strategy.</p>
<p>28. Switzerland will avoid granting temporary or permanent residence status to politically exposed persons and their relatives if there are concrete indications that their assets originate from corruption.</p>	<p>SEM</p>	<p>Joint IDWG CC/FCNC event on 09.06.2021</p>	<p>Implemented</p>	<p>The State Secretariat for Migration (SEM) carefully reviews all applications for temporary or permanent residence status from third country nationals. If these applications raise any suspicions, the Federal Office of Police, the Federal Department of Foreign Affairs Directorate of International Law, the State Secretariat for Economic Affairs (SECO), the Federal Intelligence Service and others are also consulted.</p>

C. International dimension

<p>Goal 9: Private sector Companies with honest business practices are not at a competitive disadvantage on international markets.</p>				
<p>29. The Confederation will inform companies operating abroad about anti-corruption norms and standards and support them in applying these.</p>	SECO	Meeting of the extended core group on 23.11.2022	Implemented	<p>Booklets such as 'Preventing corruption – Information for Swiss businesses operating abroad', developed by SECO in collaboration with Transparency International Switzerland, other publications such as media items and the SECO 'Fight against corruption' and Switzerland Global Enterprise (S-GE) 'Swiss businesses and the fight against corruption' webpages help to raise awareness among companies. In addition, Transparency International has produced a series of documents and guides for businesses.</p> <p>However, media releases from criminal prosecution authorities might be used more strategically for awareness-raising purposes, and efforts might be stepped up to mobilise SMEs to participate in relevant events.</p>
<p>30. The Confederation's export promotion programmes will offer Swiss companies integrity checks of prospective sales agents or distribution partners.</p>	S-GE	Meeting of the extended core group on 23.11.2022	Implemented	<p>S-GE offers integrity checks in association with the Swiss Business Hubs and specialist local private-sector partners.</p>
<p>31. If necessary, the Confederation will provide consular protection to Swiss companies facing demands for bribes abroad.</p>	PSD	Meeting of the extended core group on 23.11.2022	Implemented	<p>Swiss companies abroad are able to request and receive consular protection after all of their own earlier initiatives and actions have proven unsuccessful. It is recommended that the Swiss network of representations abroad provide SMEs with more in-depth support, with measures that they themselves can take to prevent corruption, and that they proactively and transparently communicate the eligibility criteria, procedures and costs associated with granting consular protection. Furthermore, in the interests of combating corruption it would be useful to record and analyse specific statistical data on consular protection.</p>
<p>32. Switzerland will work to ensure that the ban on foreign bribery is also consistently enforced</p>	SECO	Meeting of the extended core	Implemented	<p>Switzerland demonstrates its commitment as a member of the OECD Working Group on Bribery.</p>

by the countries in which the main competitors of Swiss companies are based.		group on 23.11.2022		
33. The Federal Council will support international efforts to increase transparency in the extractive sector, including commodities trading.	SECO + FOJ	IDWG workshop on 21.11.2023	Implemented	<p>Switzerland demonstrates its commitment as a member of the Extractive Industries Transparency Initiative (EITI) and in the efforts of the Federal Office for Customs and Border Security (FOCBS) towards a new classification in the harmonised system for gold in Switzerland and worldwide.</p> <p>In particular, the publication of quantitative data on commodities trading has improved the analysis framework for the sector since 2021.</p> <p>The National Council has approved parts of a motion from the parliamentary Social Democratic Party (SP): '22.3133 – Full transparency in commodities trading to avoid the mistakes that proved so costly in the banking sector'. It means that the Federal Council will be tasked with presenting a dispatch on a commodities trading act. The matter has now passed to the Council of States Legal Affairs Committee for consultation.</p>
34. The Federal Council will urge the international sports federations to join the International Partnership Against Corruption in Sport (IPACS).	FOSPO	IDWG workshop on 05.07.2022	Implemented	<p>According to the Federal Office of Sport (FOSPO) 18 international sporting organisations and 12 national Olympic Committees are currently members of IPACS.</p>

Goal 10: Police and judicial cooperation Switzerland is perceived as a reliable partner in the fight against corruption.				
35. The Swiss police authorities will participate to a greater extent in police information exchanges on international corruption cases, e.g. within the International Anti-Corruption Coordination Centre (IACCC) on a regular basis.	fedpol	IDWG workshop on 09.06.2022	Implemented	Switzerland demonstrates its commitment as an associate of the IACCC. It is represented by the Federal Office of Police (fedpol) and has observer status. Although Switzerland is not formally a member, fedpol and the IACCC do work together. However, fedpol rejects the possibility of Switzerland becoming a full member, as encouraged by the IDWG CC.
36. In cases of corruption, the competent federal authorities will make an active effort to forward information without prior request. Moreover, they will be open to the establishment of joint investigative bodies with non-European countries.	OAG	IDWG workshop on 09.06.2022	Implemented	In cases of corruption, the competent investigative bodies are in principle open to forming joint investigation teams (JIT). Where permitted by law, this also extends to non-European countries.
37. If necessary, Switzerland will offer expert technical assistance to states requesting mutual legal assistance.	FOJ, SDC + DIL (AR section)	IDWG workshop on 09.06.2022	Implemented	There are multiple Swiss initiatives currently ongoing with regard to international cooperation and technical support. These include the Lausanne Seminars, the Addis Ababa Process and strategic partnerships with the International Centre for Asset Recovery (ICAR) and the Stolen Asset Recovery Initiative (StAR).
38. Switzerland will comply with internationally recognised principles (GFAR Principles) in the return and disposition of confiscated assets from corruption cases.	DIL (AR section) + SDC	IDWG workshop on 09.06.2022	Implemented	Switzerland regularly applies the Global Forum on Asset Recovery (GFAR) Principles to restitution cases.

<p>Goal 11: International cooperation Switzerland combines international cooperation and human rights protection with the fight against corruption.</p>				
<p>39. The Federal Council will consistently support the implementation of existing international anti-corruption norms in its foreign policy activities. In bilateral and multilateral forums, it will give political weight to the recommendations resulting from country reviews.</p>	SDC	Meeting of the extended core group on 26.08.2021	Implemented	<p>The Swiss Agency for Development and Cooperation (SDC) adopted new anti-corruption guidance in the spring of 2021. Anti-corruption is also one of the central elements of measures to strengthen good governance, as set out in the SDC's Guidance on Governance, issued in 2020.</p> <p>Switzerland demonstrates its commitment under the aegis of the relevant anti-corruption conventions, such as the United Nations Convention against Corruption, the OECD's Working Group on Bribery and the Council of Europe's Group of States against Corruption (GRECO).</p>
	PSD + SECO + FOJ	IDWG workshop on 21.03.2023		
<p>40. Switzerland will promote the development of accountable and transparent institutions in its partner countries and a strategic approach to combating corruption. To this end, it will support national anti-corruption authorities and independent supervisory bodies as well as independent media and will promote a strong civil society. It will promote digital governance, state-of-the-art customs procedures, budget and expenditure management for public procurement and investment, and strengthen internal and external financial controls.</p>	SDC + SECO	IDWG workshop on 21.03.2023	Implemented	<p>One of the objectives of Switzerland's International Cooperation Strategy 2021–24 is to promote democratic values, including citizen participation, transparency and accountability, and the fight against corruption and impunity (sub-objective 10). Anti-corruption is also one of the central elements of measures to strengthen good governance, as set out in the SDC's Guidance on Governance, issued in 2020, and in its Anti-Corruption Guidance, of 2021.</p> <p>In the SDC and SECO's partner countries these measures are implemented with targeted multi-stakeholder programmes, integration into sectors and/or contributions to international or multilateral partners. The SDC is in dialogue with like-minded donors and has a portfolio of strategic partners, such as the U4 Anti-Corruption Resource Centre and ICAR/the Basel Institute on Governance.</p> <p>The SDC and SECO are currently running programmes prioritising the fight against corruption in over 10 countries. Examples include programmes with anti-corruption authorities in Ukraine, Tanzania and Mozambique. The associated financial investment comes to approx. CHF 5.6 million annually. Added to this are over 100 programmes with strong anti-corruption components, such as those promoting independent media and civil society.</p>

<p>41. The administrative units involved in implementing Switzerland's international cooperation strategy will systematically assess the risk of corruption in all projects and programmes, contractually commit their partner organisations to taking preventive measures and respond to any sign of corruption with appropriate measures and penalties. Where possible, they will build upon the existing instruments of their partner organisations.</p>	<p>FDFA Compliance Office + SECO + SDC</p>	<p>IDWG workshop on 21.03.2023</p>	<p>Implemented</p>	<p>The SDC and SECO have internal risk management systems to ensure that resources are used efficiently and effectively. Please refer, for example, to the 'Three Lines of Defence' model in chapter 3 of the Anti-Corruption Guidance. Key elements are the partner risk assessment, the code of conduct, internal controlling systems and external accountability audits. The FDFA launched a new whistleblowing platform in 2021. It allows for greater anonymity and more efficient handling of reports of irregularities and offences, including bullying and sexual harassment.</p> <p>Internal compliance is brought in in cases of suspected or confirmed irregularities to ensure the financial and legal follow-up.</p>
<p>42. Switzerland will promote exchanges of expertise and experience between human rights and anti-corruption experts, encouraging them to get to know and use each other's existing international instruments.</p>	<p>DIL</p>		<p>Consultations in 2024</p>	

3.3 Meetings of the IDWG on Combating Corruption core group

The core group plans and manages the processes of the IDWG on Combating Corruption and also performs other operational tasks. It is led by the FDFA (PSD) and comprises representatives of the Federal Office of Justice (FOJ), the Federal Office of Police (fedpol), the Federal Office for Defence Procurement (armasuisse), the Federal Office of Personnel (FOPER), the Federal Office for Buildings and Logistics (FOBL), the General Secretariat of the Federal Department of Home Affairs (FDHA-GS), the State Secretariat for Economic Affairs (SECO), the Federal Roads Office (FEDRO) and the Office of the Attorney General of Switzerland (OAG). The core group meets around three times a year. These meetings are generally not limited to the members of the core group alone, but are also attended by experts from the government, academic community or civil society on the topics on the agenda.

The core group met on the following occasions during the 2021–23 reporting period:

- Virtual meeting of the core group on 21 January 2021
- Virtual meeting of the core group on 17 March 2021
- Virtual meeting of the core group on 18 May 2021
- Meeting of the extended core group on 26 August 2021 on measures 39, 3-5, 8, 20-23
- Meeting of the extended core group on 27 October 2021 on goal 2 of the Strategy
- Virtual meeting of the core group on 19 January 2022
- Meeting of the extended core group on 26 April 2022 on goal 4 of the Strategy
- Meeting of the extended core group on 29 June 2022 on measures 25 and 27 of the Strategy
- Meeting of the extended core group on 23 November 2022 on goal 9 of the Strategy
- Meeting of the extended core group on 16 February 2023 on goal 8 of the Strategy
- Meeting of the extended core group on 16 August 2023 on measure 24 as 'Exchange Switzerland – UK in the area of anti-corruption'
- Meeting of the extended core group on 9 November 2023 on the implementation of measure 13 of the Strategy

3.4 Themed workshops run by the IDWG on Combating Corruption

According to its mandate, the IDWG on Combating Corruption is a planning and coordination body as referred to in article 55 of the Government and Administration Organisation Act (GAOA). All interested administrative units can be represented in it. Some 30 federal offices and the Office of the Attorney General of Switzerland took this opportunity during the reporting period. The Swiss Federal Audit Office participates in events as an observer.

The IDWG on Combating Corruption organised six themed workshops during the period under review. Each of these focused in a range of talks on a topic of relevance to implementing the Anti-Corruption Strategy. These workshops are open to the members of the IDWG and, depending on the topic, also to a broader audience both within and outside the Federal Administration. The following workshops were organised between 2021 and the end of 2024:

- 'Transparency with regard to beneficial owners and the treatment of foreign politically exposed persons', implementation and monitoring of measures 14 and 18, virtual workshop on 9 June 2021 in association with the federal-cantonal information network on corruption (FCNC)
- 'Roles most exposed to the risk of corruption', implementation and monitoring of measure 6, workshop on 17 February 2022

- 'International police and judicial cooperation', implementation and monitoring of goal 10 and measures 35 to 38, workshop on 9 June 2022
- 'International cooperation', implementation and monitoring of goal 11 and measures 39 to 41, workshop of 21 March 2023
- 'Combating corruption in sport', implementation and monitoring of measure 34, workshop on 5 July 2023
- 'Transparency in the commodities sector', implementation and monitoring of measure 33, workshop on 21 November 2023

These themed workshops, whether physical or virtual, attracted a consistently high number of attendees. This underscores the relevance of the selected topics and the continuing need for the various relevant federal agencies and the private sector, civil society and the academic community to discuss and share information on combating corruption.

4. Further activities within the remit of the IDWG on Combating Corruption

4.1 Federal-cantonal information network on corruption

The federal-cantonal information network on corruption (FCNC) has served as a platform for regular dialogue between the IDWG on Combating Corruption and the cantons ever since it was founded in November 2018. Meetings are held roughly once or twice a year to share experience and raise awareness of the various aspects of anti-corruption work.

In addition to the Chair and the core group of the IDWG on Combating Corruption, these meetings are attended by the Secretary General of the Conference of Cantonal Governments (CCG) and representatives nominated by the 26 cantons. The Association of Swiss Communes (ASC), the Swiss Union of Cities (SSV), the Conference of Swiss Public Prosecutors (CSPP) and the Association of Audit Offices of German-Speaking Switzerland and Liechtenstein (FDK) are also invited. The delegate for the canton of Ticino represents the Conference of Audit Offices of French and Italian-Speaking Cantons (CCCFCL).

Above all, the FCNC plays a key part in implementing goal 5 of the Anti-Corruption Strategy: federalism. This goal states that the federal government, cantons and communes collaborate in their anti-corruption efforts and learn from each other. The FCNC selects its discussion topics according to the prevailing challenges in combating corruption that affect both the federal government and the cantons.

The FCNC held the following meetings during the reporting period:

- Joint IDWG on Combating Corruption and FCNC event on transparency with regard to beneficial owners and the treatment of foreign politically exposed persons on 9 June 2021
- FCNC meeting on awareness-raising measures relating to integrity on 24 November 2021
- FCNC meeting on oversight of the communes on 11 May 2022
- FCNC meeting on corruption-related criminal prosecutions on 23 November 2022
- FCNC meeting on reporting offices and detecting corruption on 21 November 2023

4.2 Raising awareness among federal employees

Web-based anti-corruption e-learning module

Since 1 January 2022 all new Federal Administration employees have had to complete the mandatory e-learning module on preventing corruption and the code of conduct. This was decided by the Conference of Secretaries General (CSG) on 26 February 2021. From 1 January 2017 to the end of 2021 the module was compulsory only for those in management functions and for employees in salary bands 24 to 38.

Line managers and the departments' HR departments are able to check on the Federal Administration Training Centre's learning platform that the module actually has been completed. Work is also ongoing to update the current web-based e-learning module on preventing corruption and to revise the present code of conduct for employees of the Federal Administration.

Subsequent conflicts of interest (revolving door clauses)

At its meeting on 26 September 2022, the Conference of Secretaries General tasked the Federal Department of Finance to draw up a status report on possible criteria and objectives, and the way in which revolving door clauses are applied in the Federal Administration. In doing so it was to involve the federal government's Human Resources Conference (HRC; Art. 20 Federal Personnel Ordinance). These instructions led to some intense discussions at the departments and the Federal Chancellery (BK) about how the revolving door clauses can be agreed as uniformly as possible in the Federal Administration. The associated personnel policy advantages and disadvantages must be factored in, specifically the integrity of the Federal Administration on the one hand and the exacerbated loss of specialist personnel and the restricted mobility of those personnel on the other. The legal framework must also be considered. The discussions concluded that applying revolving door clauses uniformly across the Federal Administration is not practicable because they represent an infringement of the economic freedom of the person concerned. Such restrictions must be reasonable and should therefore always take into account the circumstances of the specific individual case.

In fulfilling the Conference of Secretaries General's instructions, the Federal Office of Personnel (FOPER) collaborated with the departments and the Federal Chancellery to produce a report setting out possible criteria for applying revolving door clauses, so that these can be implemented as reasonably as possible in consideration of the interests involved. This report was used to raise awareness in the departments and Federal Chancellery of *subsequent* conflicts of interest. In addition, the Conference of Secretaries General decided to include a section on revolving door clauses in internal Federal Administration documentation on the selection of top management and their deputies.

Reporting of secondary occupations and whistleblowing platform

In 2023 the Federal Council took two decisions to improve awareness-raising to prevent corruption.

It decided on 22 September 2023 that, from 2024 onwards, the issues of secondary occupations and conflicts of interest would be included in the forms used for the agreement between line managers and employees of objectives for the year. It is a useful addition to the toolbox for raising awareness among employees, and has been implemented at all departments and the Federal Chancellery. In addition, the Human Resources Conference will look into how to further raise awareness among employees with regard to conflicts of interest in the departments. Then, on 22 December 2023 the Federal Council charged the Federal Department of Finance with revising the Federal Administration's code of conduct and submitting it by 30 June 2024.

The changes in the revised version should include specific reference to the SFAO's whistleblowing reporting office, and action to raise awareness of subsequent conflicts of interest where employees change jobs, especially when they move to the private sector.

Upon appointment/new hires

All administrative units brief their new employees when they join on the applicable rules of behaviour within the Federal Administration (code of conduct), on their obligation to report suspicions of crimes and offences committed in the course of official activities, and the option of submitting reports via the SFAO's whistleblowing platform. The administrative units also run regular annual campaigns to raise awareness of the need to report any secondary occupations.

4.3 Raising awareness in the private sector

Under its mandate to implement the OECD Anti-Bribery Convention, SECO takes part in events organised by or with the business sector to raise awareness among representatives of banks and SMEs of the risks of international corruption. The number of such events has dropped sharply since the COVID-19 pandemic, or they have been held virtually. These activities were also complemented by articles and features, and by the content published by Switzerland Global Enterprise.¹⁰ The FDFA State Secretariat and SECO have established regular exchanges with Swiss companies' compliance offices through the Compliance Roundtable and with Transparency International Switzerland, Basel Institute on Governance, and the University of Applied Sciences of the Grisons. SECO has also taken part in online conferences and training sessions for representatives of both the private and public sectors in other countries (Bulgaria and Croatia).

The SECO website was updated and expanded in 2020. It includes information for businesses about preventing corruption. In line with one of the recommendations of the core group, the FDFA State Secretariat together with the Swiss representations abroad updated the global list¹¹ of anti-corruption reporting offices. This is available to the public and in particular to all Swiss businesses and private individuals that wish to report suspicions of corruption abroad to the competent local authorities.

5. Switzerland's work at the international level

The IDWG on Combating Corruption regularly shares information on developments at the international level. This occurs through its conferences, within the core group and in an expanded coordination meeting on anti-corruption held at the beginning of each year as an outlook on the work ahead. The aim is for participants to brief each other on the latest developments and to coordinate Switzerland's positions in the various processes and forums. Of particular interest were the intergovernmental peer reviews conducted under the umbrella of the UN, OECD and Council of Europe, which check how basic standards are being implemented.

¹⁰ Full article at <https://www.s-ge.com/en/article/expertise/2023-e-ct2-fight-against-corruption?ct=>.

¹¹ The list is available at https://www.eda.admin.ch/content/dam/eda/en/documents/aussenpolitik/finanzplatz-wirtschaft/List-National-Anti-Corruption-Authorities_EN.pdf.

5.1 UNCAC (United Nations Convention against Corruption)

Switzerland ratified the United Nations Convention against Corruption (UNCAC) on 24 September 2009. Signed by 190 contracting states, it is the only universal anti-corruption instrument. The UNCAC has a broad thematic scope, containing provisions on preventive measures (chapter II), criminalisation and law enforcement (chapter III), international cooperation (chapter IV) and asset recovery (chapter V). The Conference of States Parties (CoSP) to UNCAC is held every two years. In fact, two conferences were held during the reporting period. CoSP 9 was held from 13 to 17 December 2021 in Sharm El Sheikh (Egypt), and CoSP 10 took place from 11 to 15 December 2023 in Atlanta (USA).

Switzerland was a significant actor at CoSP 9. Along with host country Egypt, Angola and Portugal it sponsored (and co-negotiated) a resolution on strengthening regional capacity to implement UNCAC. It also joined with Honduras to organise a side event on strengthening the UNCAC implementation review mechanism, thus emphasising the implementation of *existing* commitments.

Switzerland was able further to increase its profile thanks to the engagement of a Swiss parliamentarian (Laurent Wehrli, FDP.The Liberals) at a special event on the role of national parliaments in fighting corruption.

CoSP 10 adopted 12 resolutions and two decisions. Switzerland once again lived up to its facilitator role and worked in the background to ultimately achieve consensus on all resolutions and decisions. It sponsored a series of these which it played a particular role in negotiating, or which are of particular relevance to the country. These included promoting integrity, accountability and transparency, measuring corruption, combating organised crime, public procurement, gender and corruption, and the UNCAC implementation review mechanism. By distributing the flyer entitled 'Anti-Corruption for Sustainable Development: The Swiss Contribution' Switzerland was also able to draw delegates' attention to its international support for more than 20 anti-corruption projects in 13 partner countries, as well as its USD 131 million support for the Uzbekistan Vision 2030 Fund.

Not least with a view to emerging trading partners in Asia, Africa and Latin America, it is in Switzerland's interests that UNCAC standards are applied as universally as possible. Switzerland therefore supports the UNCAC implementation review mechanism, and has worked particularly hard to ensure that the recommendations resulting from these country reviews are evaluated and used as a basis for real reforms and improvements.

As part of the second UNCAC review cycle since June 2020, Bangladesh and Sweden will examine whether Switzerland is implementing chapters II (preventive measures) and V (asset recovery) correctly and thoroughly. Following the country visit to Bern in October 2022, a draft executive summary containing a series of defined good practices and recommendations has been available since the end of 2023. Examples of the recommendations set out in the draft are:

- Consider making the IDWG more independent
- Consider identifying those functions within the Federal Administration regarded as particularly vulnerable to corruption, and introducing appropriate procedures for selecting and training individuals for these positions
- Expand anti-money laundering regulations to all DNFBP¹² activities that are susceptible to money laundering, and review FINMA's lack of authority to impose monetary penalties such as fines, and
- Expand MROS staff resources to reflect the size of the Swiss financial sector.

Switzerland responded to the draft executive summary at the end of February 2024. Under the UNCAC country review system all of the parties involved must agree to the report, which also includes the reviewed country itself.

In its role as an evaluator in the second review cycle, Switzerland will work with South Africa on the evaluation of Malta and with Gambia on the evaluation of Benin. The final report for Malta remains pending, and the country visit in the evaluation of Benin has been delayed for some time. The exact reasons for this are unclear, but might be a lack of cooperation or drawn-out political processes in the contracting states under review. The UNCAC Secretariat is trying to encourage these two tardy states to speed up their processes, but without success to date.

5.2 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions

On 31 May 2000 Switzerland ratified the OECD Convention of 17 December 1997 on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Anti-Bribery Convention).¹³ A system of country monitoring is in place to examine whether the OECD Anti-Bribery Convention is being effectively implemented and applied in the signatory states.

In March 2018 Switzerland was reviewed by the OECD Working Group on Bribery in a Phase 4 process. The evaluation report praised the progress made in combating cross-border corruption. It commended Switzerland's proactive approach to seizure and confiscation, as well as noting Switzerland's active involvement in mutual legal assistance and its adoption of practices to further improve this assistance. It also commended the key role played by the MROS in detecting corruption cases.

The working group also set out a series of recommendations for Switzerland. Examples include adopting an appropriate legal framework to protect private-sector whistleblowers; ensuring that sanctions against natural persons and legal entities for cross-border corruption offences are effective, proportionate and dissuasive; ensuring that cases of cross-border corruption are made public more extensively and more systematically in line with the law; and revising the Mutual Assistance Act, specifically to formalise proactive mutual assistance.

The follow-up report was presented in October 2020. In it, Switzerland set out the action it was taking to implement the 2018 recommendations. Switzerland was subsequently asked twice, in 2022 and 2023, to report on recommendations regarded as key by the working group. These were protecting private-sector whistleblowers and raising the CHF 5 million cap on possible fines for legal entities. Since there will be no draft legislation in these two areas by December

¹² Designated Non-Financial Businesses and Professions. These include internal and external auditors and tax advisers, casinos and other gambling providers, corporate services entities, traders in precious metals and precious stones, lawyers, notaries and other independent counsel, estate agents and trusts.

¹³ As things stand, the OECD Convention of 17 December 1997 on Combating Bribery of Foreign Public Officials in International Business Transactions has been signed by the 38 OECD member states and eight further countries. These are Argentina, Brazil, Bulgaria, Croatia, Peru, Romania, Russia and South Africa. It entered into force in Switzerland on 30 July 2000.

2024, when the next report from Switzerland is expected, the working group will send a high-level delegation to Bern for talks with members of government and parliament.

Beyond the above, Switzerland collaborated on a number of the working group's activities during the reporting period. For example, it participated in the management group, played an active part in the search for a new chair, and provided lead evaluators for the Phase 4 evaluations of France and Luxembourg.

5.3 GRECO (Council of Europe Group of States against Corruption)

The Group of States against Corruption, known as GRECO (*Groupe d'États contre la corruption*) is an institution founded by the Council of Europe in 1999. Its 48 member states include all member states of the Council of Europe, as well as Kazakhstan and the United States. Switzerland joined GRECO automatically in 2006 when it ratified the European Council's Criminal Law Convention on Corruption (SR 0.311.55).

GRECO's objective is to improve the ability of its members to prevent and combat corruption. Its mandate also increasingly includes aspects of good governance. To this end it applies the norms and standards of the Council of Europe, and conducts peer reviews. These are organised into themed rounds, leading to reports containing recommendations for the countries in question. Implementation is then checked in a compliance procedure.

As part of the fourth evaluation round, Switzerland was assessed in December 2016 with regard to its measures for reinforcing the integrity of and preventing corruption in Parliament, federal courts and the Office of the Attorney General.

When the regular compliance procedure was conducted GRECO was particularly pleased that the three recommendations concerning public prosecutors had been implemented as early as March 2019.

With regard to members of parliament, GRECO welcomed the adoption by the National Council and the Council of States of formal guidance for members of parliament on receiving benefits, on their duties of transparency and disclosure, and on handling information. Complete with commentary and examples, the guidance summarises the rights and obligations of members of both chambers of the Swiss parliament in a single document. Parliamentary commissions must now also publish additional information on their key documents, and members of parliament must include details of their professional activities in their declarations of interest.

However, GRECO urged the Federal Assembly to be more proactive in raising awareness of, advising on and monitoring compliance with the obligations that apply to their members. It also asked that members of parliament give quantitative details of their financial interests and commitments when disclosing their vested interests.

Where judges are concerned, GRECO was pleased that the Federal Supreme Court (FSC), the Federal Criminal Court (FCC) and the Federal Patent Court (FPatC) have each adopted a code of conduct. Meanwhile, the Federal Administrative Court (FAC) has set up a working group to draft a code of conduct that will add specific examples and/or explanatory notes to the existing ethics charter.

GRECO nonetheless recommends ensuring greater objectivity when recruiting members of the federal courts, and ending the practice of federal judges transferring a part of their salary to their parties, even if these sums must be disclosed in full under the new transparency rules for political parties.

In December 2023 Switzerland provided a further report on ongoing measures relating to recommendations that have not yet been implemented.

In addition, Switzerland is still undergoing the regular compliance procedure for GRECO's third-round evaluation of transparency in political funding.

By contrast, GRECO was pleased with the adoption of the revised Federal Act on Political Rights (PRA) in June 2021. The revised law is indeed a huge step towards greater transparency for political funding at the federal level, even though it does not mention certain aspects such as the transparency of party and candidate spending or independent audits.

In September 2023 Switzerland provided fresh information on the Act's entry into force and its implementing ordinance.

Finally, Switzerland has begun GRECO's fifth evaluation round. It will review the rules and mechanisms for promoting integrity in high-ranking decision-makers in the executive and the criminal prosecution authorities. Switzerland completed the relevant questionnaire, and a team of GRECO experts made an evaluation visit from 25 to 29 September 2023. GRECO will adopt and publish its written report on Switzerland in the course of 2024.

5.4 Switzerland's other activities at the international level

G20 Anti-Corruption Working Group

Switzerland has been a guest country in the G20 Anti-Corruption Working Group (ACWG) for nine years now. The G20 sees itself as leading by example where anti-corruption is concerned. The ACWG is continually developing new (legally non-binding) standards that the members of the Group are accountable for implementing. Switzerland's involvement allows it to help draft international guidance and to share its experience in its particular areas of interest.

Each year, the ACWG adopts 'high-level principles'¹⁴ that are influenced by the priorities of the incumbent G20 presidency. For example, high-level principles for combating corruption relating to organised crime were adopted during the Italian presidency in 2021. Under the Indonesian presidency in 2022 the principles covered ways of strengthening the role of audits in fighting corruption. In 2023 under the Indian presidency, they were aimed at boosting international cooperation and sharing information on prosecutions.

¹⁴ An overview of all high-level principles adopted by the G20 Anti-Corruption Working Group can be found at <https://www.unodc.org/unodc/en/corruption/g20-anti-corruption-resources/by-thematic-area.html>.

Addis Ababa Process

The third international expert meeting on asset recovery (the Addis Ababa Process) was held in November 2022. It was organised by the United Nations Office on Drugs and Crime (UNODC) and hosted by Switzerland and Kenya.

The assembly attracted representatives of 35 countries and had three objectives: (a) to continue the dialogue between the various experts from applicant and invited states, development experts, diplomats and international organisations; (b) to examine how the recovery and restitution of assets can help to realise the 2030 Agenda, support the development funding process, and contribute to the Addis Ababa Action Agenda; and (c) to share and learn from the latest developments, including the most recent successful asset recovery cases. Alongside a range of such cases, the assembly discussed how the victims of corruption can be involved more effectively in the recovery process.

Restitution instruments

During the reporting period Switzerland signed one restitution instrument. It has been incorporated into its anti-corruption work. On 16 August 2022 Switzerland and Uzbekistan signed an agreement on the restitution of assets that were permanently confiscated in connection with the criminal proceedings against Gulnara Karimova. The assets will be used for the benefit of the people of Uzbekistan with the help of a UN trust fund. Restitution is an important part of implementing the 2030 Agenda for Sustainable Development. During the reporting period Switzerland also ensured that previously agreed restitution instruments with Peru, Kazakhstan and Nigeria were implemented, and completed the restitution of assets to Turkmenistan.

International Partnership Against Corruption in Sport (IPACS)

Switzerland is home to many international sport federations. For sports policy and financial reasons it is therefore in its interests that these organisations remain here. As host country, Switzerland thus ensures that they have a positive climate in which to operate. At the same time, it expects these organisations to satisfy high standards of sporting ethics, which also involves anti-corruption measures.

Switzerland has played an active part in the International Partnership Against Corruption in Sport (IPACS) since December 2017. IPACS brings together representatives of over 60 countries, of international organisations such as the Council of Europe, OECD and UNODC, the International Olympic Committee, the umbrella organisations for international Olympic, Paralympic and non-Olympic sporting federations, national Olympic committees and international sporting federations. They participate in IPACS's activities as partners or observers. IPACS develops and promotes recommendations and tools on topics such as the selection of venues for major sporting events, procurement procedures for major sporting events, the governance of sports associations and cooperation between law enforcement and criminal justice authorities and sporting organisations.¹⁵ In doing so they promote reform efforts within sporting associations without jeopardising their traditional autonomy. IPACS dates back to the London Anti-Corruption Summit in May 2016. By November 2020 the initiative had a clearer structure, but still no fixed legal form.

¹⁵ An overview of the tools and guidance produced by IPACS to date can be found at <https://www.ipacs.sport/tools-guidance>.

5.5 Recognition of Switzerland's work at the international level

Income and expenses

At the international level, upholding Switzerland's anti-corruption interests falls primarily to the Federal Department of Foreign Affairs (State Secretariat, Swiss Agency for Development and Cooperation and the Directorate of International Law), the Federal Department of Justice and Police (Federal Office of Justice), the Federal Department of Economic Affairs, Education and Research (State Secretariat for Economic Affairs) and the Office of the Attorney General of Switzerland. The staff resources that this work occupies within the federal government are estimated at a total of around four full-time equivalents. Added to this is the valuable support provided by other departments and federal offices, specifically their anti-corruption reporting to international bodies.

Instruments and conventions under international criminal law work on a medium to long-term horizon. It is especially evident in the fight against corruption that this form of criminal activity must be tackled across a broad front, from analysing the root cause through to prevention and on to detection, prosecution and return of illicit assets. While they may not be hugely successful in the short term and also in the absence of alternatives, international efforts must continue, always avoiding overlaps and mindful of the resources they take up. It would not make sense economically, politically or legally for Switzerland to stand on the sidelines. For one thing, strengthening the rule of law, promoting democracy and protecting human rights are Swiss foreign policy targets that go hand in hand with the fight against corruption. What's more, Switzerland calls for a level playing field for its businesses at the international level, in the form of fair and equal terms for its investors and exporters. This is particularly true with regard to the business climate and fair competition. For example, despite certain difficulties the OECD Working Group on Bribery, which is particularly important to the business sector, is able to show convincing, quantifiable results in the 46 contracting states to the OECD Anti-Bribery Convention. Since 2000 almost 800 natural persons and 400 legal entities have been convicted, and proceedings have been initiated against just under 500 people or entities. This means that, where the international fight against corruption is concerned, Switzerland has produced results in line with its investment.

Furthermore, at international and multilateral level, Switzerland advocates consolidating anti-corruption work by improving existing instruments and applying them consistently, and transparently communicating the results that have, or have not, been achieved.

Soft law

Ratified by Switzerland, the United Nations Convention Against Corruption (UNCAC), the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Anti-Bribery Convention) and the Council of Europe Criminal Law Convention on Corruption have created hard law.

If the content of standards and instruments for combating corruption internationally continues to develop without a convention being formally amended or extended, it may be seen as giving rise to or developing soft law.

In particular, the instruments associated with the conventions referred to above, i.e. the recommendations of UNCAC, the OECD and GRECO, create soft law in that they express expectations that review bodies later refer to in their reviews of the contracting states to the convention. The IDWG on Combating Corruption is monitoring developments in soft law closely, and will involve the Federal Council and the relevant parliamentary committees at an early stage.

6. Concluded and ongoing legislative work

6.1 Whistleblowing

Parliament rejected a second Federal Council bill on 5 March 2020.¹⁶ The draft law aimed to clarify the conditions under which private-sector employees are able to report irregularities that they become aware of in the course of their work. With EU states having implemented EU Directive 2019/1937 on protecting whistleblowers, Switzerland now stands alone without appropriate protections for whistleblowers in the private sector. During the debate on parliamentary item 13.094, some members of parliament announced that they would submit further parliamentary procedural requests to relaunch the debate on this issue.

This was the case, for example, with a motion from Councillor of State Ruedi Noser that called on the Federal Council to create a suitable legal framework to protect whistleblowers in the private sector.¹⁷ An overwhelming majority of the Council of States voted in favour of the motion. Adoption would be conducive to Switzerland's efforts in the OECD, whose Working Group on Bribery has long been calling for Switzerland to take such a step. Otherwise, it might impose compulsory measures, starting by sending a high-level delegation to Bern in 2025. However, unlike the Council of States the National Council then rejected the motion at the end of February 2024. It is therefore off the table.

6.2 Money laundering and mutual assistance

In March 2021 Parliament adopted an amendment to the Anti-Money Laundering Act (AMLA, SR 955.0).¹⁸ Along with the implementing ordinances to the revised AMLA, it entered into force on 1 January 2023. The revision aimed to improve Switzerland's regime to combat money laundering and the financing of terrorism, factoring in the key recommendations of the Financial Action Task Force's (FATF) 2016 mutual evaluation report on Switzerland.¹⁹ Specifically, the changes include greater duties of care towards customers, which has a positive anti-corruption effect in general.

In its evaluation report on Switzerland, the FATF identified deficiencies in particular with regard to customer due diligence. One of the consequences of this is that Switzerland will be subject to an enhanced follow-up process in the fourth FATF evaluation round. The deficiencies in this area have been resolved in that the revised AMLA explicitly obliges financial intermediaries to verify the identity of the beneficial owner and to update customer data.

In addition, a variety of adjustments have been made to the information system used to process suspicious activity reports at the Money Laundering Reporting Office Switzerland (MROS) to facilitate a more efficient process. Thanks to an amendment to article 11a AMLA, the MROS may now obtain information from Swiss financial intermediaries on the basis of intelligence originating from a foreign reporting office. Furthermore, the revised AMLA has improved transparency at associations at a higher risk of becoming involved in financing terrorism, and enhanced supervision and controlling in the precious metals sector. Switzerland was able to exit the enhanced follow-up process in October 2023 following the publication of the fourth FATF

¹⁶ 13.094 | Code of Obligations Protections when reporting irregularities in the workplace | Official Bulletin | The Swiss Parliament (parlament.ch).

¹⁷ 23.3844 | OECD Anti-Bribery Convention. Stepping up national-level implementation | Parliamentary item | The Swiss Parliament (parlament.ch).

¹⁸ BBI 2021 668 – Federal Act on Combating Money Laundering and Terrorist Financing.

¹⁹ FATF, Anti-money laundering and counter-terrorist financing measures. Switzerland Mutual evaluation report, December 2016. <https://www.fatf-gafi.org/content/dam/fatf-gafi/images/mer/mer-switzerland-2016.pdf.coredownload.inline.pdf>

follow-up report. This recognised the progress that Switzerland had made, especially with regard to more exacting customer due diligence obligations.²⁰

However, further action is needed to ensure the integrity of the Swiss financial centre, especially with regard to transparency at legal entities, and advisory activities (in particular those with a focus on legal advice), and in connection with the way in which companies and trusts are structured.

There is international consensus that such consulting services may be at a greater risk of becoming involved in money laundering or financing terrorism. The 2018 national risk assessment (NRA) comes to the same conclusion.²¹

On 30 August 2023 the Federal Council referred a bill for consultation that provides for the creation of a register of beneficial owners. This should ensure that the competent authorities have access to precise, up-to-date information on beneficial owners. The bill also provides for duties of care for those who offer legal or accounting advice on a professional basis, and whose activities are classified as high risk.²² These measures toughen up the legal framework surrounding the prevention of money laundering and financial crime. The Federal Council adopted the dispatch on the Federal Act on the Transparency of Legal Entities and the Identification of Beneficial Owners on 22 May 2024.

6.3 Indirect counter-proposal to the Responsible Business Initiative

The Federal Popular Initiative 'For responsible businesses – protecting human rights and the environment' was rejected on 29 November 2020 having failed to achieve a majority among the cantons. The indirect counter-proposal was then implemented as a result. It had already been adopted by the Federal Assembly on 19 June 2020 as part of the revision of company law. Drawing on European Union Directive 2014/95/EU, it introduced an obligation for publicly held companies and major financial institutions to report on non-financial matters, including combating corruption (see Art. 964b para. 1 Code of Obligations (CO)).²³ In addition, the terms of the indirect counter-proposal provide for new passages in the CO that stipulate duties of care and transparency with regard to minerals and metals from conflict-affected areas and child labour (Art. 964j ff. CO), including the related implementing provisions. These are contained in the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour. Specifically they also factor in supply chain risks with conflict minerals, such as corruption and money laundering.

According to the transitional provisions for the 19 June 2020 amendment, the new regulations are applicable for the first time for the financial year that begins one year after the amendment takes effect, which was on 1 January 2022.²⁴ They are therefore applicable for the first time to the 2023 financial year. The new rules also cover reporting on main risks, the measures taken to combat them and their effectiveness, or the reasons the undertaking does not follow such a policy, taking the comply or explain approach. On 2 December 2022 the Federal Council acknowledged developments in the EU and held discussions to determine

²⁰ The FATF recognises Switzerland's progress in strengthening its anti-money laundering and counter-terrorist financing measures. Further information is available at <https://www.admin.ch/gov/en/start/documentation/media-releases.msg-id-98285.html>.

²¹ National risk assessment: Corruption as a predicate offence to money laundering. Report by the interdepartmental coordinating group on combating money laundering and the financing of terrorism (CGMF), April 2019.

²² Further information is available at <https://www.admin.ch/gov/en/start/documentation/media-releases.msg-id-97561.html>.

²³ Further information (in German, French and Italian) is available at <https://www.ejpd.admin.ch/bj/de/home/aktuell/mm.msg-id-86226.html>.

²⁴ Further information is available at https://www.fedlex.admin.ch/eli/cc/27/317_321_377/en.

the next steps.²⁵ In its decision of 22 September 2023 the Federal Council then determined benchmarks for a consultation bill on future rules on corporate sustainability reporting.²⁶ On 22 December 2023 it then acknowledged an external study on the impact of EU directives on duties of care.²⁷

The transparency rules that apply to the commodities sector (Art. 964d ff. CO) and that entered into force at the beginning of 2021 should also be mentioned here. Swiss companies in the extractive sector must disclose payments of 100,000 Swiss francs or more per financial year to state bodies, and publish them electronically in a report. This rule, too, is anti-corruption in nature.

6.4 Transparency in political funding

In June 2021 Parliament passed the revised Federal Act on Political Rights (PRA). It entered into force on 23 October 2022 and introduced rules on duties of disclosure for political parties and in election and popular vote campaigns (Arts. 76b to 76k PRA, SR 161.1).

Specifically, the political parties represented in the Federal Assembly must make annual disclosures of their income, monetary and non-monetary donations exceeding the value of 15,000 Swiss francs per donor and year, as well as the name of the donor. The contributions of the individual mandate-holders must also be disclosed, regardless of their sum.

Individuals, legal entities and partnerships that run a campaign related to an election to the National Council or a federal vote must disclose the funding thereof if it exceeds 50,000 Swiss francs. The final income accounts must be disclosed following the popular vote or election. In the case of elections to the Council of States this duty of disclosure applies only to the individuals who have been elected. Political actors whose campaigns have resulted in the election of a member of either chamber of Parliament must also disclose their final accounts.

These must state all income, including donations of 15,000 Swiss francs or more per donor and campaign made in the last 12 months before the popular vote or election to fund the campaigns.

Furthermore, political actors are prohibited from accepting anonymous donations and donations from abroad. This does not apply to donations made by Swiss citizens resident abroad and donations made from abroad in connection with the election of a member of the Council of States.

The Swiss Federal Audit Office is responsible for receiving, checking and publishing the information submitted in accordance with the new transparency regulations. Political parties and actors running campaigns that do not comply with their disclosure obligations may be punished with a fine of up to 40,000 Swiss francs.

Transparency in political funding also formed part of the third round of GRECO evaluations. For more information, please refer to section 5.3 of this Activity Report.

²⁵ Further information (in German, French and Italian) is available at <https://www.ejpd.admin.ch/bj/de/home/aktuell/mm.msg-id-92009.html>.

²⁶ Further information (in German, French and Italian) is available at <https://www.ejpd.admin.ch/bj/de/home/aktuell/mm.msg-id-92009.html>.

²⁷ Further information (in German, French and Italian) is available at <https://www.ejpd.admin.ch/bj/de/home/aktuell/mm.msg-id-99507.html>.

6.5 Consultation in the Federal Assembly on further parliamentary procedural requests

6.5.1 Parliamentary procedural requests adopted

Restitution of illicit assets

In June 2019 the Council of States passed a postulate from its Foreign Affairs Committee: '19.3414 – New provisions for monitoring the restitution of assets of illicit origin'. It calls upon the Federal Council to look into whether new provisions might be inserted into the Federal Act on the Freezing and the Restitution of Illicit Assets Held by Foreign Politically Exposed Persons (FIAA) or other federal legislation to enable the judicial authorities or the authorities involved in mutual assistance to commission the Federal Department of Foreign Affairs to oversee restitutions that they order in criminal and mutual assistance proceedings. The Federal Council adopted the report fulfilling the postulate at its meeting on 26 June 2024. It wishes to propose changes to the law to give a statutory foundation for the practices for the restitution of illicit assets held by foreign politically exposed persons that have developed over the past 20 years.

Procurement

In June 2021 the National Council passed two postulates from National Councillor Priska Seiler Graf: '21.3246 – Minimising risks in the procurement of highly specialised products' and '21.3245 – Minimising the risks of corruption in the procurement of armaments'. The Federal Council presented the corresponding reports in June 2023.

In September 2022 the National Council passed a postulate from National Councillor Marco Romano: '22.3658 – Issued by the Italian government, the anti-mafia certificate should also be mandatory for public procurement in Switzerland'. It referred the postulate to the Federal Council, tasking it with examining the need to amend the legal framework so that the Swiss government and government-owned entities are able to demand the Italian anti-mafia certificate from companies and sub-companies participating in public tender procedures that have their head office (parent company) in Italy. To avoid unnecessary red tape, the Federal Council suggested that this might apply only to public tender procedures worth significant amounts. It continued that the possibility of cantons introducing this obligation should also be examined.

Commodities trading

In September 2023 the National Council passed parts of a motion from the parliamentary Social Democratic Party (SP): '22.3133 – Full transparency in commodities trading to avoid the mistakes that proved so costly in the banking sector'. It means that the Federal Council will be tasked with presenting a dispatch on a commodities trading act. The National Council rejected other elements of the motion. It has now passed to the Council of States Legal Affairs Committee (LAC-S) for consultation.

Transparency of financial flows

In September 2022 the Federal Council passed a postulate from the National Council Foreign Affairs Committee: '22.3394 – Transparency of financial flows' and referred it to the Federal Council. In doing so it tasked the Federal Council with presenting a report showing how Switzerland, as the domicile of multinational enterprises and a global hub for cross-border wealth management, can improve the transparency of the associated financial flow. The report was also to show how relevant international developments would impact Switzerland, and how the Federal Council intended to respond.

It should explain its position on the following questions, in particular: (1) the disclosure of the beneficial owners of offshore companies, (2) the publication of country reporting for multinationals, and (3) the publication of advance tax rulings between cantonal tax administrations and companies establishing their registered offices in Switzerland. In the context of the dispatch on the Federal Act on the Transparency of Legal Entities and the Identification of Beneficial Owners, the Federal Council recommends that this parliamentary procedural request be abandoned.

6.5.2 Parliamentary procedural requests rejected

Lobbying

In September 2021 the National Council rejected a motion from National Councillor Lukas Reimann: '21.3949 – Ban on paid lobbying. National Councillors and Councillors of State are incorruptible representatives of the people. They have no business operating lobbying firms'. It would have prohibited the representation of third-party interests against payment.

Transparency about the 'revolving door'

In March 2024 the National Council rejected a motion from National Councillor Christian Dandrès: '23.3276 – From SECO to the Board of Nestlé. The career paths of high-ranking federal government employees'. The motion would have charged the Federal Council with setting up a transparency monitoring framework for cases in which high-ranking government employees or close colleagues of senior members of government or the judiciary are appointed by private-sector businesses. Data was to be kept up to date and publicly accessible.

Money laundering

In May 2023 the National Council rejected a motion from National Councillor Min Li Marti: '21.4405 – Private-sector bribery as a predicate offence to money laundering'. It would have instructed the Federal Council to amend the Swiss Criminal Code to class private-sector bribery as a predicate offence to money laundering under articles 322^{octies} and 322^{novies} of the Criminal Code.

In May 2023 the National Council rejected a motion from National Councillor Fabian Molina: '21.4549 – Preventing money laundering. Ban on buying real property in cash'. It would have commissioned the Federal Council to amend the corresponding foundations in law to prohibit cash property purchases and the placement of cash in the property market.

In March 2024 the National Council rejected a motion from National Councillor Claudia Friedl: '22.4232 – Combating money laundering in the property market effectively. Transparency about purchase prices in property transactions'. It would have tasked the Federal Council with submitting a bill to Parliament on the introduction of a standard, nationwide obligation to publish changes of ownership of real property, including the transaction price and/or any other payments or benefits in kind.

Mutual assistance in the restitution of assets

In December 2022 the National Council rejected the pursuit of a parliamentary initiative from National Councillor Fabian Molina: '21.523 – Improving the regime against assets held by politically exposed persons'. It proposed amending article 3, paragraph 1 of the Federal Act on the Freezing and the Restitution of Illicit Assets Held by Foreign Politically Exposed Persons (FIAA) so that mutual assistance in criminal matters with the country of origin is no longer a mandatory condition, and to delete article 3 paragraph 2 let. d and article 4 paragraph 2 let. c.

Strengthening civil society

In September 2023 the National Council rejected a postulate from National Councillor Claudia Friedl: '21.4551 – Strengthening civil society in the fight against money laundering and corruption'. It would have invited the Federal Council to look into how civil society might be strengthened, especially non-governmental organisations combating money laundering and corruption in countries susceptible to corruption and in Switzerland. This was also to establish what role the United Nations might play here.

Commodities trading

In June 2022 the National Council rejected a motion from the parliamentary Green party: '22.3031 – Making commodities trading more accountable with an independent commodities market supervisory body. Cutting corruption and money laundering.' It would have instructed the Federal Council to draft a statutory foundation for the comprehensive regulation of the commodities trading sector by an independent commodities market supervisory authority.

In December 2023 the National Council rejected the pursuit of a parliamentary initiative from the parliamentary Green Party: '23.421 – Strengthening the commodities sector with an independent supervisory body'. The initiative called for a legal framework to be created that would define duties of care and disclosure for the commodities sector and a commodities market supervisory authority to be deployed to ensure compliance.

International sport federations

In September 2023 the National Council rejected a postulate from National Councillor Aline Trede: '22.4497 – No tax breaks for FIFA'. It would have instructed the Federal Council to show how the statutory foundations should be amended so that federations like FIFA are taxed in the same way as other profit-oriented entities of the same size, because they do not meet the criteria for their charitable status.

7. Summary and outlook

By monitoring the implementation of the diverse goals and measures of the Federal Council's Anti-Corruption Strategy 2021–24 the IDWG on Combating Corruption fulfilled the fundamentals of its remit during the reporting period. The pending review of a small number of measures will be completed by mid-2024. Also in 2024, an independent office will evaluate progress with implementation alongside the Swiss Federal Audit Office (SFAO). Drawing on this Activity Report and the findings of the external evaluation, the Federal Council will decide at the end of 2024 on how the Strategy will be consolidated and focused. The next Activity Report of the IDWG on Combating Corruption will therefore focus primarily on the development and implementation status of the follow-up strategy.

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