Table of contents

- Editorial  2
- Message from the ISC Chair  3
- Snapshot of Members’ best practices:  4-17
  Ecuador, Paraguay, France, Italy
- Integrity Projects  18
- Integrity Activities  19
Dear Readers,

In the recent past, Customs administrations worldwide have come to appreciate more than ever before, the enormity of the fight against corruption. They have increasingly become aware of the threat that widespread corruption could pose to their ability to contribute positively towards national development and global trade. Corruption is a complex phenomenon with negative consequences for economic growth, health and safety, and the prospects of global trade and security. Especially for developing economies, Customs administrations whose resources and budgets are scarce to self-support development, any significant gains made from decades of institutional reforms and modernization could easily be eroded and weakened to the level of non-performance, if corruption is left unchecked and allowed to thrive.

The WCO and its Members have come a long way from the position of hardly referring to corruption issues in official discourses, to an era of dialogue, awareness raising and forging partnerships to fight corruption. The WCO advocates a comprehensive approach to fighting corruption. Therefore it has developed integrity tools and instruments to support Customs administrations to enhance organizational integrity on a sustainable basis. Integrity is a cross-cutting issue that affects every facet of the Customs administration including its external environment. Thus, the WCO integrity tools such as the Revised Arusha Declaration, the Integrity Development Guide, the Model Code of Ethics and Conduct and others have also sought to support Members on a holistic basis.

Even though many Customs administrations have achieved positive results in the fight against corruption, new corruption threats are always emerging. The old threats are also changing to present even more complex challenges which seem to have no end in sight for Customs. During the 14th Session of the WCO Integrity Sub-Committee, the discussions demonstrated that the Customs community is fully aware of these current threats and also understands that the challenge of upholding integrity must be tackled in partnership with stakeholders.

Moving ahead, the WCO has the pleasure to introduce the 11th Edition of the Integrity Newsletter. You will read about the initiatives, challenges and experiences of Member Customs administrations; Ecuador, Paraguay, Italy and France, as part of the current efforts to fight corruption and to enhance organizational integrity. The Newsletter will continue to provide an open opportunity for all Members to share their experiences in order to inform and to keep the WCO integrity development efforts at pace with global threats.

Members are encouraged to continue sharing their best practices via this Integrity Newsletter so that other Customs administrations may learn from them and feel encouraged to implement similar measures.

You are reminded that the articles published in the Integrity Newsletter are provided by WCO Members and therefore reflect their own views.

We wish you an interesting read through this Newsletter!

The WCO Capacity Building Directorate
MESSAGE FROM THE ISC CHAIR

Dear Colleagues,

In a flash we have moved from the 14th Session of the Integrity Sub-Committee and are ever faster approaching the highlight of the WCO year – the Council Session. It is with great pleasure to be able to address you all at this point in time and thank you for the very honest, open and professional discussions we had during the last ISC Session in February. Fuelled by an array of interesting and thought provoking presentations, the Session was a great success because of the way you were willing to contribute to the dialogue with observations, anecdotes and examples of best practice.

We were reminded at the last Session that the WCO is experiencing a historic time in terms of the integrity dialogue. This is, in part, due to our work and that the tools we have developed are attracting the attention of senior leaders, such as the G20 and the World Trade Organization (WTO). Furthermore, we must always remember that integrity neither starts nor stops with the Integrity Sub Committee - rather that integrity is a cross-cutting issue which is integral to our work and must pervade every aspect of what we do. This is particularly topical now given the WCO’s key role in the implementation of the WTO’s Agreement on Trade Facilitation with its attendant focus on integrity and transparency of policies and procedures.

This newest issue of the WCO Integrity Newsletter is full of topical and interesting material, in particular articles from Paraguay, Ecuador, France and Italy. Through this forum we will be able to continue the dialogue we started in February, among other things the principle of rotation and human resource management, and build a bridge for the discussions we look forward to having at the 15th ISC Session in 2016.

Last but by no means least – I would like to extend an enormous THANK YOU to all of you for giving me the opportunity to serve as Chairperson of this very important and topical Committee. You have my word that I will do everything in my power to enhance and further the work that we do together.

Sigfridur Gunnaaugsdottir (Iceland Customs)
WCO Integrity Sub-Committee Chairperson
ECUADOR

HUMAN RESOURCE DEVELOPMENT: A KEY ELEMENT FOR ENHANCING INTEGRITY

Since 2007, the National Customs Service of Ecuador (SENAE) has been promoting a restructuring process driven by an important political decision, which redesigned the organizational structure of the institution and implemented a new Regulation: the Organic Code for Production, Trade and Investment (officially issued in 2011). The aim was to develop the necessary conditions to optimize administrative and operational processes, enhance human resource skills and consequently ensure efficient tax collection along with facilitation of foreign trade. In other words, to put paid to the inefficient and corruption-steeped Customs of the past, in which there was no service culture.

Once these structural improvement processes had been implemented, the institution began working on the development of the Ecuapass system which has made it possible to automate Customs operations.

It is important to stress that all transformation processes involve modifications ranging from operational processes to a change in the institutional culture. Accordingly, apart from having a modern technological infrastructure with all its processes automated, since mid-2010 SENAE has been implementing a project to strengthen the institutional culture based on a human resource development, ethics and values campaign.

We are convinced that the best strategy for fighting corruption is built on a leadership and work style focused on the person, enabling individuals to surpass themselves in life through the accomplishment of great ideals that leave a footprint.

Five strategic pillars to strengthen the institutional culture

We have been working on the following five strategic pillars within SENAE:

1. Promotion of an institutional vision and mission.
2. Alignment of the senior management leadership style.
5. Fostering of a service culture.

In 2010, SENAE established its mission, vision and institutional values. However, it really started promoting them from 2011 onwards. It began this project with a diagnosis of the reality of the culture within SENAE, defining styles of leadership, work, communication and interpersonal relationships.

Immediately afterwards, it worked on aligning each Director's leadership style, defining it as participatory and inspirational, focused on living out the example of ethical values.
Among the techniques used for this were the implementation of a programme for the development of managerial skills, the establishment of feedback meetings with the Directorate General on a regular basis, and the pinpointing of ethical values as cornerstones for institutional efficiency within strategic planning. Furthermore, tools are being used to measure and monitor the continued improvement and strengthening of leadership in work teams; for example, evaluation of performance, working environment, focus group and one-on-one interviews.

Human development: a common language

After defining the leadership style with senior management, there was a need to establish a common language throughout SENAE, from operative to middle management levels, ensuring that the institutional philosophy was taken fully on board in each Directorate. To that end, a training programme was conducted for Ecuadorian Customs personnel, granting them an opportunity for professional development so as to give true meaning to their work. Key concepts such as service, leadership, effective communication and teamwork need to be ingrained in the minds of all public servants.

Despite working with its staff, Ecuadorian Customs still suffered from a poor public image. It therefore sought to ensure that new candidates joining SENAE possessed qualities or characteristics enabling them to align themselves with the culture that was developing. As such, recruitment and selection processes follow a values-based model which aims to attract technically skilled professionals, with a high level of leadership and moral consciousness.

Constructing an organizational culture based on values

Every organization needs three things: a why, a what and a how. ‘What’ refers to the strategy, ‘why’ refers to the objectives and purposes of the organization and ‘how’ to our non-negotiable values and the rules of behaviour of our institution.

Many changes are taking place in the world. We are witnessing large-scale organizational fraud that has led to changes in organizations’ rules. For example, our experience of Customs’ constant exposure to corruption has led to the establishment of more and more controls. That is why talking about values is equivalent to talking about the institution we want to have. We are in a world that is moving much faster and is much more regulated, so being clear about what is non-negotiable within an institution and ensuring that we all know what is acceptable behaviour on a daily basis is crucial for any organization. In addition, we are living in an age of transparency where it is increasingly easy to carry out an Internet search on any aspect of an organization or its staff. This is a time of public accountability and values therefore give us a frame of reference that helps reduce the transactional costs and the distrust generated by corruption.

Against this background, in 2012 Ecuador Customs published its institutional Code of Ethics which is disseminated through induction training, face-to-face and virtual courses, communication campaigns and anti-corruption activities. The objective is to make our officials understand the importance of living in accordance with the articles and commitments of the Code. Being aware that the processes of change and the implementation of values in the institutional culture require monitoring and continuous improvement, an Institutional Ethics Committee was set up consisting of officials from different areas of SENAE. This includes the legal domain, customer services, human resources, disciplinary control and technicians. Their role is to deal with the different cases that arise and design strategies that position us as an ethical reference for our users.
We are currently also promoting the SENAE management model to students from the country’s most prestigious universities, through visits to facilities and seaports, in order to publicize our institutional culture to attract potential future officials or users of Customs.

Our strategies, as applied to the Code of Ethics, have generated the following statistics:

Table I - Termination procedures due to breaches of the code of ethics and integrity

<table>
<thead>
<tr>
<th>Year</th>
<th>Total amount of employees</th>
<th>Total amount of termination procedures</th>
<th>Growth in the number of employees</th>
<th>Growth of termination procedures</th>
<th>Ratio of staff released</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>1356</td>
<td>14%</td>
<td>1506</td>
<td>16%</td>
<td>146%</td>
</tr>
<tr>
<td>2009</td>
<td>14%</td>
<td>1507</td>
<td>1566</td>
<td>24%</td>
<td>12%</td>
</tr>
<tr>
<td>2010</td>
<td>16%</td>
<td>1576</td>
<td>1643</td>
<td>6%</td>
<td>15%</td>
</tr>
<tr>
<td>2011</td>
<td>14%</td>
<td>1614</td>
<td>1538</td>
<td>5%</td>
<td>158%</td>
</tr>
<tr>
<td>2012</td>
<td>14%</td>
<td>1672</td>
<td>1580</td>
<td>4%</td>
<td>160%</td>
</tr>
<tr>
<td>2013</td>
<td>14%</td>
<td>1793</td>
<td>1618</td>
<td>6%</td>
<td>161%</td>
</tr>
<tr>
<td>2014</td>
<td>14%</td>
<td>1861</td>
<td>1661</td>
<td>7%</td>
<td>150%</td>
</tr>
</tbody>
</table>

Diagram I: Ratio of staff released due to breaches of Code of ethics and integrity

The statistics reveal a decrease in termination procedures resulting from breaches of the Code of Ethics (corruption), falling from 1.59% to 0.61%. In 2014, an 85% external user satisfaction rate was reached, the percentage of external user queries answered was 92%, and a 78% employee satisfaction rate was achieved in the Work Environment Analysis.

Main results and challenges

SENAE has obtained the following results through all the changes implemented by means of different strategies:

Revenue has increased. In 2013, revenue stood at $3,608 million representing a 64% increase over the total raised in 2006 prior to the process of change implemented in SENAE. Some $21,000 million was collected from 2007 until 2013, while $3,661 million was collected in 2014.
Regarding operational management, clearance times have fallen from 12 days in 2007 to 5 days in 2014.

Whereas in 2007, 65% of Customs declarations were assigned to the intrusive physical inspection channel, the percentage assigned to that channel in 2014 was 12% of the total Customs declarations presented. Similarly, an automated inspection channel has been set up with a 53% share of Customs declarations.

SENAE has been chosen by the WCO to carry out technical studies due to its technical development and regulatory, technological and human resource advances.

At international level, our institution has, on occasion, been invited by entities such as the Inter-American Development Bank, Argentine Customs, the World Trade Organization (WTO) and SUNAT (Peru Customs) to present successful cases of implementing improvements.

Public and private organizations in our country have asked for Customs officials to train their staff in government ethics issues.

Several universities in the country have called for SENAE to present the institution’s management model.

SENAE staff members are regarded as qualified professionals capable of holding positions in certain public and private sector foreign trade institutions.

Despite these achievements, our institution is still facing challenges. Hence the need for workshops on observable behaviour to create awareness about the need to live out the values of the Code of Ethics and put them into practice.

There has also been a strengthening of the virtual training programme (2014: 1,962 employees – average of 33.88 training hours per employee).

In addition, recruitment times have been reduced by making improvements to the database of eligible candidates for staff posts.

Organizational culture has been strengthened through an enhanced Ethics Committee with greater involvement of all staff and the creation of spaces to promote development strategies, projects and ideas related to institutional ethics.
PARAGUAY

ETHICAL CONDUCT AND ANTI-CORRUPTION STRATEGIES PROMOTED BY THE NATIONAL CUSTOMS ADMINISTRATION

The Paraguay Customs Administration is composed of 30 Customs offices and 1,361 public officials located throughout the national territory. The Customs administration is responsible for applying Customs legislation, controlling goods traffic across borders and through airports, levying import and export duties and combating smuggling.

In 2005, a report produced jointly by the Consejo Impulsor del Sistema Nacional de Integridad [Anti-Corruption Commission] and the World Bank classified the Customs Administration as the most corrupt public institution in the country. Since then, the DNA has been strengthened and has adopted a range of strategies focusing on promoting ethical conduct, improving its institutional image and combating corruption. This strategy involves the components set out below.

Quality management system

The gradual implementation of the Quality Management System in the organization’s key procedures under ISO 9001 ensures transparent and predictable management.

This approach has promoted a positive cultural change that optimizes management geared towards continued improvements in services and user satisfaction. Procedures have been redesigned, simplified, standardized and improved, bureaucracy has shrunk and processing times have been cut (23 steps have been reduced to 13, and the timeframe has been shortened from 8 hours to 30 minutes). User and infrastructure services have been improved, records are generated which allow procedures to be controlled, assessed and adjusted, and technological modernization (formalities online), monitoring and analysis of management by periodic internal and external audits has been established, among other activities.

Zero cash

Public officials working for Customs do not receive cash payments for services and/or taxes for Customs operations. There are no authorized cash funds in the institution, and all payments are made through a link between the Customs IT system – “SOFIA” (Sistema de Ordenamiento Fiscal de Impuestos Aduaneros [Customs duties system]) – and local bank computer systems, allowing automatic debiting from the accounts of users who work with the institution.

ORGANIZATIONAL MODERNIZATION

An Integrity Department has been established which is responsible for promoting ethical conduct among all the institution’s officials and for implementing a structure for developing ethical management procedures. This Department is responsible for developing and supporting these procedures, in co-operation with the Ethics Committee and the High Level Team.
An Internal Affairs Unit has also been set up and is tasked with investigating corruption by Customs officials during the course of their duties. To date, 183 cases have been investigated, disciplinary action has been taken against 92 officials, and penalties have been imposed on 33 officials.

**Code of ethics and rules of conduct**

The DNA adopted a Code of Ethics in 2010 which aims to promote ethical principles and values to guide officials in carrying out their duties. The Code details the guiding principles and values proposed by the institution and is reviewed annually with considerable input from officials. Internal rules of conduct which establish the standards of conduct expected of personnel and the penalties envisaged for non-compliance have also been put in place.

**Awareness-raising campaign**

An awareness-raising and dissemination campaign focusing on ethics and integrity was initiated in 2011, accompanied by presentations. The most successful results were recorded in 2012, when it was extended to 90% of officials. Pocket versions of the Code of Ethics were also distributed to over 1,200 officials, and an “Ethics link” was created on the institution’s website, which also presents a brief review of progress made, plus photographs, information and other documents linked to the promotion of the institution’s ethical principles and values. This is replicated on the intranet, where monthly articles are posted on ethics and integrity matters. Finally, mass e-mails have been sent out with information on the promotion campaign.

**Formulation of ethical commitments**

After the Code of Ethics was widely disseminated, ethical commitments for specific Customs areas were formulated in participatory workshops. This allowed officials to combine the values set out in the code of ethics with the specific duties of their area, and to explain and examine the strengths and weaknesses of their application. Officials consequently drew up collective commitments involving all their colleagues in the area, focusing on the desired behaviours that enable such values to be incorporated into day-to-day performance. A total of 21 areas of support and 30 Customs offices formulated ethical commitments.

**Capacity building**

Capacity building was introduced in relation to ethical transparency and integrity with a view to establishing a corpus of knowledge. This was based on anti-corruption rules and measures adopted at both national and international level, including information from bodies responsible for applying these provisions. The following are some of the courses developed: WCO Integrity e-learning course (30 officials); Paraguayan Customs Ethics e-learning course (based on the WCO Integrity course but focusing on institutional documents and tools, designed jointly by the Integrity Department and the body responsible for the SOFIA Information System – 1,032 officials); course on Ethics and Transparency in the Civil Service (40 officials); and an Ethics and Integrity module forming part of the curriculum of the Customs management degree programme for higher technical staff (350 officials).

An induction scheme is also in place for the benefit of new officials, who are taught the skills required. Longer-serving officials are re-skilled under Human Resources Department supervision.
SNAPSHOT OF MEMBERS’ BEST PRACTICES

Structure for promoting the ethical management process

An Ethics Committee has been set up. Importantly, top management plays a part in implementing and supporting the ethical management process. The Committee meets on a monthly basis and comprises the Deputy National Director, the Human Resources Director, the Director of Administration and Finance, the Director of Auditing and the Head of the Customs Management Audit Department. A total of 27 meetings have been held since its inception, giving rise to over 200 agreements and promoting an annual average of 15 ethics-related initiatives. These include competitions, surveys of users and officials, the posting of articles on the intranet, inductions, reskilling, capacity building, web link creation, a review of the Code of Ethics, formulation of ethical commitments by units, approval of the operating procedure for implementing the ethical management process and integrity indicators. Defined duties and rules of procedure govern the Committee’s activities, some of the most important of which are the annual analysis and proposal of ethics and integrity objectives and targets and the approval of the plan for improvements and its timetable, in accordance with the weaknesses and aspects to be strengthened.

An Ethics High Level Team has also been set up. This team consists of officials from different Customs units who are equipped to train trainers and to carry out activities in connection with implementing the ethical management process in the institution, under the co-ordination and support of the Ethics Committee.

Ethical management implementation procedure

The ethical management implementation procedure was drawn up as a guide to this process. The procedure describes the steps to be taken in implementing the Code of Ethics and in developing ethical conduct diagnosis surveys of Customs officials, the plan for improvements and the schedule of activities.

Surveys

Annual surveys on ethics and integrity have been designed and carried out since 2012 to ascertain how Customs officials perceive certain issues. A total of 291 officials are surveyed each year. The results highlight the strengths and weaknesses in the development of the management process and allow corrective improvement measures to be taken.

Customs service users are also surveyed annually to seek their views on ethics and integrity. The last survey was highly favourable compared to the preceding one, according to which only 68% of users felt that Customs officials performed ethically in carrying out their duties, while 81% of users now believe that officials act ethically.
**Integrity indicators**

Integrity indicators have been designed at institutional level in seeking an objective mechanism to assess the impact of the ethical management process. This tool collects data from the institution’s various units and enables aspects constituting the ethical conduct of officials to be measured on an annual basis. Some of the data considered are: cases investigated, officials against whom disciplinary action has been taken, unjustified absences and lateness, overall performance assessment results, user ratings of services, etc. Customs has published the results of these indicators since 2013 and has comparative indicators for the period from 2010 to 2014. The results obtained are encouraging, since positive development has been recorded in 12 out of the 15 assessment items. These indicators also reflect weaknesses for which corrective measures must be applied.
Table 2 – Integrity indicators 2010-2014

<table>
<thead>
<tr>
<th>SOURCE/STATISTIC</th>
<th>ETHICAL VALUES</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>N. INT. AFFAIRS</td>
<td>CASES INVESTIGATED</td>
<td>Integrity</td>
<td>67</td>
<td>23</td>
<td>30</td>
<td>17</td>
</tr>
<tr>
<td>HUMAN</td>
<td>OFFICIALS AGAINST WHOM DISCIPLINARY ACTION HAS BEEN TAKEN</td>
<td></td>
<td>23</td>
<td>12</td>
<td>10</td>
<td>21</td>
</tr>
<tr>
<td>RESOURCES</td>
<td>OFFICIALS PENALIZED</td>
<td></td>
<td>20</td>
<td>7</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>DEPARTMENT</td>
<td>OFFICIALS DISMISSED</td>
<td></td>
<td>1</td>
<td>5</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>HUMAN</td>
<td>UNJUSTIFIED LATENESS</td>
<td>Responsibility Commitment</td>
<td>1.81</td>
<td>2</td>
<td>1.97</td>
<td>4</td>
</tr>
<tr>
<td>RESOURCES</td>
<td>UNJUSTIFIED ABSENCE</td>
<td></td>
<td>1.18</td>
<td>4</td>
<td>908</td>
<td>4</td>
</tr>
<tr>
<td>DEPARTMENT</td>
<td>OFFICIALS FINE FOR UNJUSTIFIED ABSENCE AND LATENESS</td>
<td></td>
<td>615</td>
<td>736</td>
<td>772</td>
<td>26</td>
</tr>
<tr>
<td>HUMAN</td>
<td>SENSE OF BELONGING AND COMMITMENT TO THE INSTITUTION</td>
<td></td>
<td>Commitment</td>
<td>78%</td>
<td>200</td>
<td>96.5</td>
</tr>
<tr>
<td>RESOURCES</td>
<td>TEAMWORK AND TEAM SPIRIT</td>
<td></td>
<td>Solidarity</td>
<td>57%</td>
<td>200</td>
<td>86.2</td>
</tr>
</tbody>
</table>
| DEPARTMENT | PERFORMANCE OF CUSTOMS OFFICIALS: GOOD, VERY GOOD, EXCELLENT | Responsibility Commitment | 99% | – | 98.5 | % | 98.8 | % | 99%
| PUBLIC | COMPLAINTS AND/OR CLAIMS | Service | 11 | 56 | 15 | 9 | 18 |
| RELATIONS | SUGGESTIONS | | 1 | 3 | 3 | 2 | 0 |
| AND COMMUNICATIONS | ALLEGATIONS | | 4 | 27 | 14 | 9 | 10 |
| OFFICE | NON-CONFORMITY REPORTS ISSUED | Excellence Service Responsibility Commitment | 4.99 | 1 | 2.17 | 3 | 1.90 | 3 | 49 | 2 | 69 | 5 |
| QUALITY MANAGEMENT SYSTEM COORDINATION | CLASSIFICATION OF DNA SERVICE ACCORDING TO USER SURVEY: GOOD, VERY GOOD, EXCELLENT | Service | 69% | 75% | 71% | 76% | 77% |

KEY: ✔ Favourable development of the indicator 2014 (*) Unfavourable development of the indicator 2014

Complaints department

This participatory structure allows citizens to make complaints, claims and suggestions regarding Customs. These are addressed efficiently and quickly while guaranteeing the confidentiality of the person submitting them. The authorized facilities available are the Customs' webpage, telephone lines, complaint and suggestion boxes in all offices and the institution’s e-mail. This process as a whole is regulated by an operating procedure.

Recognition of good practice

It is very gratifying to note that in 2013 the Secretaría Nacional Anticorrupción – SENAC [National Anti-Corruption Office] recognized the Paraguayan Customs Administration at national level for its good practices in implementing the institutional ethical management process, the operating procedure for investigating corruption and the Complaints Department.
Recognition programme

The Human Resources Department is responsible for an annual programme which recognizes individual officials who have performed exceptionally well. Certificates and acknowledgements are awarded to personnel whose colleagues recognize their abilities, skills and ethical conduct in carrying out their duties in a particular domain.

Merit and skilled-based competitive selection procedure

Another very important measure taken by Customs is the hiring or appointment of officials following a merit and skills-based competitive selection procedure. A Selection Committee whose members include the Heads of the Internal Affairs Unit and the Integrity Department has been formed to oversee the whole procedure. Transparency is ensured by delegating a private company with proven expertise in the area to carry out curriculum assessments and interviews and to administer Customs knowledge, IT and psychological tests.

Conclusion

The key to the development of these activities is the total commitment of the authorities and the participation of all officials.

The major challenges remaining to be faced include: a survey of citizens, accountability, the approval and implementation of a career development scale for officials, the establishment of a mechanism ensuring that staff rotations are effective and relevant, the breaking of the status quo, scepticism and resistance in certain sectors and the continued building and application of innovative tools allowing the consolidation of responsible, efficient, full and transparent management by all Paraguayan Customs officials.

SNAPSHOT OF MEMBERS’ BEST PRACTICES

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FRANCE

FORWARD-LOOKING LEGAL DEVELOPMENTS CONCERNING THE PROFESSIONAL CONDUCT OF GOVERNMENT OFFICIALS

In France, government measures introduced by the Law of 6 December 2013 on combating tax evasion and major economic and financial crime, have had a significant impact on the professional conduct of public officials. These changes form part of a broader government project to encourage good practice in public life. Two lines of work have been prioritized: (1) consolidation of the role of civil society in disclosing offences committed by officials; (2) strengthening of the measures available for investigating and prosecuting such offences.

1. Civil society, a key stakeholder in encouraging good practice in public life

Two symbolic measures characterize the legal recognition of civil society’s essential role in disclosing attempts by public officials to undermine probity. These involve anti-corruption associations and whistle blowers, whose status has consequently been enhanced.

Anti-corruption associations

The law enables anti-corruption associations to pursue civil claims for damages arising out of criminal offences specific to officials (extortion, accepting bribes, influence peddling, unlawful conflict of interest and favouritism, embezzlement and misappropriation of public property).

Whistle blowers

Legal protection for whistle blowers has been introduced into the rules governing the French civil service. Henceforth, no proceedings concerning recruitment, appointment, training, assessment, discipline, promotion, assignment or posting may be brought against an official (whether a civil servant or engaged under contract) who discloses or testifies in good faith to any crime or offence which he or she has become aware of in the course of his or her duties.

In the case of proceedings concerning the application of the law, the burden of proof is reversed to the benefit of the official, provided the latter presents information from which it can be inferred that he or she has disclosed or testified to the offence or crime in good faith. It is then up to the defendant to prove that their conduct is justified by objective information unrelated to the whistleblower’s declaration.

This reform is ambitious in two respects:

- on the one hand, protection is not granted solely for disclosures made to the administrative or legal authorities – public officials are also protected in the event of disclosures to third parties, particularly the press;
- on the other hand, the conduct reported is not restricted solely to "conflicts of interest" but also extends to "any act constituting a crime or offence".
The introduction of this legislation raises many questions that can be clarified only through the practice of the administrative and ordinary courts when they are called upon to hear legal disputes concerning its application. Questions that arise are the reconciliation of this mechanism with the principles of professional secrecy or the duty to comply with instructions from superiors. Moreover, any official who has disclosed acts in “bad faith” will be subject to prosecution for the criminal offence of making false accusations.

2. Strengthening the measures available for investigating and prosecuting specific offences committed by civil servants

Increased fines

The new legislation has substantially increased the fines levied for offences specific to public officials to ensure that such penalties represent a greater deterrent:

- the fine for extortion and unlawful conflict of interest has been increased from EUR 75,000 to EUR 500,000 and may be raised to twice the proceeds of the offence;
- the fine for accepting bribes, unlawful conflict of interest and misappropriation of public property has been increased from EUR 150,000 to EUR 1,000,000 and may be raised to twice the proceeds of the offence;
- the fine for unlawful favouritism has been increased from EUR 30,000 to EUR 200,000 and may be raised to twice the proceeds of the offence.

Prison sentences for such attacks on probity, on the other hand, remain unchanged: 5 years’ imprisonment for extortion and unlawful conflict of interest, 10 years’ imprisonment for accepting bribes and influence peddling, 1 year’s imprisonment for misappropriation or embezzlement of public property, 2 years’ imprisonment for unlawful favouritism.

Lower penalties for repentant offenders

By contrast, in the case of accepting bribes or unlawful conflict of interest, the penalty may be reduced by half for repentant offenders (a perpetrator or accomplice who has made it possible to prevent the offence or to identify the other perpetrators or accomplices, where applicable, by alerting the administrative or legal authorities).

Increased scope for recourse to investigative measures derogating from ordinary law

For accepting bribes and unlawful conflict of interest, the law allows a broadening of the scope for recourse to the investigative measures derogating from ordinary law that were applicable previously only in relation to organized crime (possibility of infiltration, interception of correspondence, voice capture in private or public premises or vehicles, image capture in private premises, computer data capture, 96-hour detention in custody, etc.).

A government bill focusing specifically on the professional conduct of public officials is currently being adopted and will complement and clarify the provisions described above.
ITALY

STRATEGIC APPLICATION OF THE ROTATION PRINCIPLE IN ITALIAN CUSTOMS

Background and legal provisions

In 2012, Italy adopted an Anti-Corruption Law (Law No. 190) in compliance with several international initiatives, in order to introduce a consistent approach to the fight against corruption. Italian legislation now prescribes that once every three years, all key sectors of the public administration should adopt a Plan to Prevent and Fight Corruption. The Plan is updated every year and is modelled on a general National Plan containing a series of measures, such as transparency requirements, codes of conduct and regulations on conflicts of interest.

Compulsory job rotation for non-managerial and managerial positions features among these measures. This also applies to the Italian Customs Agency.

However, in order to apply staff rotation efficiently, training in specific activities has to be provided to a large number of employees. This has an impact in terms of costs. Indeed, all the new measures imposed by the National Plan to Prevent and Fight Corruption have to be implemented without additional human or economic resources.

For high-risk activities, rotation of non-managerial positions is foreseen after five years and rotation of managerial positions after three years. This provision can be adapted by each administration, based on its specific activities.

Limitations of and risks associated with non-strategic application of the principle of rotation

Although the importance of rotation in the prevention of corruption is generally recognized at international level, rotation of non-managerial positions has serious limitations in terms of cost-effectiveness. This is especially true of highly specialized areas.

In fact, it takes time to develop specialization in most of the activities carried out by Customs and, for that reason, rotation should not take place too rapidly. On the other hand, rotation will not be effective if it takes place too slowly.

To address these constraints and contain risks, and in keeping with the rationale for the Law and its requirements, the Customs Plan considers staff rotation to be a very important measure to combat corruption, but not the only one.

Therefore, in its Customs Plan to Prevent and Fight Corruption, Italy has put in place specific training plans to increase the number of employees who can handle high risk activities. Furthermore, other measures to prevent corruption have been considered.
Other measures to prevent corruption

Among these features the rotation of managerial positions. Indeed, Italian Customs has approximately 200 Heads of Unit sharing a common background. These individuals are more readily interchangeable and are prepared to change tasks. The Customs Plan to Prevent and Fight Corruption has identified two different mobility schemes, as suggested in the WCO Integrity Development Guide. Offices dealing solely or primarily with processes at high risk of corruption cannot be headed for more than three years by the same individual. In contrast, offices dealing mainly with processes at medium risk of corruption can be headed for up to six years by the same individual. To identify the risk level, the Internal Audit Office draws up a corruption risk map, at the start of the year, referring to all the main processes Customs manages. These are classified into three areas: (1) areas with a high risk of corruption, (2) areas with a medium risk of corruption, and (3) areas with a low risk of corruption.

A further two organizational measures adopted by Customs are worth pointing out. One applies to the technical domain and is intended to prevent corruption, while the other applies to the support work domain and is intended to prevent inconsistencies and unequal treatment. It was decided that all verification and control activities would be carried out in teams, with no prior warning.

Other structural and general measures were adopted, such as the creation of a new Studies and Procedures Office tasked with checking and reshaping all procedures related to staff assessment and selection (i.e. teaching activities, missions abroad and recruitment). This was done to allow for a clear distinction between who decides on procedures and who applies them.

Additionally, Customs has, for some considerable time, been working towards full automation of procedures.

Outcomes

Adopting strict criteria for the rotation of managers, coupled with the additional measures described above, will simultaneously be effective and make staff rotation a residual measure. Accordingly, it will be possible not only to reduce the limitations of and risks associated with non-strategic application of the principle of rotation, but also to act against corruption from different perspectives, involving Customs as a whole in striving for the essential goal of integrity.
INTEGRITY PROJECTS

Rwanda

In the context of the Rwanda Revenue Authority (RRA) integrity pilot project aimed at defining a robust communication strategy to enhance integrity, a mission to run a workshop on Stakeholder Engagement and Communication. The workshop benefited the members of the Integrity Committee and was organized in Kigali in May 2015. The mission also looked at assisting RRA with the development of an integrity strategy. This mission was funded by NORAD.

Haiti

Canada Border Services Agency (CBSA) contacted the WCO to seek assistance with performance measurement in support of Haiti Customs. An initial WCO mission went to Port-au-Prince in January 2015. The mission met with senior management, the performance measurement team and operational staff and produced a report which contains some suggestions for the way forward.

Bolivia

Bolivia Customs requested WCO assistance to enhance integrity development. Several conference calls have been held and a mission is scheduled for June 2015. In the meantime, Bolivia Customs held an event on 17 December 2014 to launch a project resembling the one embarked upon by Uruguay Customs and involving the signing of an MoU with the private sector to combat corruption. The WCO sent an expert from Uruguay Customs to represent it at this event.
Australia

The Australian Customs and Border Protection Service held an Integrity Dialogue on the fringes of the Asia/Pacific Regional Meeting. The theme of the Dialogue, that took place on 5 February 2015, was "The Use of Culture and Technology to Address Organisational Integrity Risks".

WCO Fellowship Programme

As part of the 65th and 66th WCO Fellowship Programme, the following countries chose integrity as the topic for their final paper: Egypt, Uruguay and El Salvador.

Corruption Risk Mapping Guide

Following the recommendations by the 13th Session of the ISC, the WCO invited Members to share their contributions and experiences with respect to risk mapping in the context of corruption. Eighteen countries have submitted contributions on this topic. The WCO Secretariat has collated this information and carried out research in order to present a draft Risk Mapping Guide at the 14th Session of the ISC. A finalized document will be presented to the WCO Council for approval in June 2015.

Procurement Guide

Along the same lines as the Risk Mapping Guide, and further to the recommendations by the 13th Session of the ISC, the WCO invited Members to share their contributions and experiences with respect to procurement. Several countries have submitted contributions on this topic. The WCO Secretariat has collated this information and carried out research in order to develop a Guide to assist Members with procurement.

Anti-Corruption and Port Controls Training Workshop takes place in Albania

The WCO participated in a two-day training workshop on Anti-Corruption and Port Controls in Tirana, Albania from 7-8 April 2015. The workshop was organized in the framework of the implementation of the UNODC-WCO Global Container Control Programme in Albania in collaboration with the Office of Albania Minister of State on Anti-Corruption, and US Export Control and Related Border Security (EXBS). The workshop aimed at providing border security entities and anti-corruption bodies in Albania with a general overview of United Nations Convention Against Corruption (UNCAC) as a universal tool in fighting corruption. The workshop also considered how to review and analyze mechanisms of corruption and the principal anti-corruption measures to target them in the public security sector. The WCO provided an overview of the it’s comprehensive approach to developing a strong integrity culture in Customs administrations.

Please feel free to contact the WCO Secretariat for any information related to these integrity activities and pilot projects.