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The Permanent Mission of the Republic of Iraq to the United Nations presents its compliments to the secretariat of the High - Level Panel on International Financial Accountability, Transparency and Integrity for achieving 2030 Agenda (FACTI Panel). and with reference to FACTI Panel Interim Report on September, has the honor to convey herewith the remarks of Iraqi Federal commission of Integrity regarding aforementioned report.

- 1- The report indicated in the paragraph titled (Defining Special Interests and Building Alliances for Reform) that the application of international rules in the areas of financial accountability, transparency and integrity depends on the characteristics and nature of the political system of each country without the need for strengthening the technical capacity, we believe that the technical capacity has a major role in determining the mechanism that any country can adopt to implement those rules, and thus its importance is complementary to the importance of the nature of the political system. Therefore, we suggest that this be noted in the final report.
- 2- Stated in the report, under the paragraph titled (cooperation in tax matters), that international tax rules apply to all countries, whether developing or developed. However, developing countries face many difficulties in the extent to which they respond to those rules, and the report did not indicate the need for international efforts to provide the necessary support for those countries, to overcome the obstacles they face in formulating and adopting these rules, and in a way that facilitates facing financial irregularities, especially tax evasion, so that developing countries are on an equal level with the rest of the countries in a rapidly changing world.
- 3- The report referred under the paragraph titled (accountability, public reports and anti-corruption), to the impact of corruption on all countries and the consequent loss of resources, weakening service delivery, undermining confidence in governments, and also indicated that the result of country reviews of states parties to the United Nations Convention against Corruption it has found that there are gaps and deficiencies in financial accountability and impunity, and is limited to



- only calls for legislative changes. Therefore, the Financial Action Team against money laundering has relied on property information for access to returns and illegal financial assets, and we suggest referring to the need to adopt electronic governance, in the field of tracking these assets, collecting information, and verifying in a way that makes it easier for the country owning the assets to access them.
- 4- Regarding the paragraph titled (International Cooperation and Settlement of Disputes), the report indicated the possibility not to prosecute the perpetrators of bribery crimes, in which one of the parties is a foreigner through the issuance of judicial decisions, in exchange for the possibility of recovering the returns and the assets derived from that. We indicate our reservation about this approach, given that not being prosecuted is not the ideal way to eliminate the crime of bribery, the act committed remains marked as a crime with the availability of its elements, and failure to prosecute may exploit the impunity of the perpetrators of this crime, so we do not support what was stated in the report regarding the approach mentioned in recovering the assets.
  - 5- the report referred to the role of the civil society organizations and media, to enhance accountability, transparency and integrity through the exercise of oversight over the extent of states compliance with international rules and standards, we believe in the importance of supporting that role by providing examples of good practices of these institutions to support efforts aimed at combating corruption in these countries.
  - 6- In the field of international coordination to confront corruption and recover assets, the report stated that a number of regional mechanisms have been taken within the framework of regional and international cooperation to unify the mechanisms used to collect information and track the assets and their return to the country of origin, resulting from acts of corruption, but the report did not mention the initiative to recover stolen assets (STAR), within the framework of implementing the international obligations imposed on states parties within the framework of the United Nations Convention against Corruption, given the importance of the initiative as an approved international instrument, and the number of countries participating in the initiative, and its objectives, and the report did not indicate the extreme importance of the issue of banking secrecy that most countries follow, which prevents us from knowing the status of smuggled assets .



- importance of the issue of banking secrecy that most countries follow, which prevents us from knowing the status of smuggled assets .
- 7- Regarding the issue of (confiscation of funds), we agree with what was stated in the report, that the procedures for legal aid requests as a whole are very cumbersome and lengthy for countries that request assistance to recover stolen assets, and we suggest in this regard to consider the possibility of finding innovative methods to facilitate and accelerate the recovery process.
- 8- Regarding the issue of (proactive sharing of information), we agree with what was stated in the report, because the exchange of information or its automatic transfer to the affected countries is rare in bribery cases, within this context, we suggest emphasizing the content of Article 56 of the United Nations Convention against Corruption in this regard.

The Mission will be grateful if the esteemed High-Level Panel on International Financial Accountability, Transparency and Integrity for achieving 2030 Agenda, takes notes of the remarks mentioned above and embed it within its final report.

The Permanent Mission of the Republic of Iraq to the United Nations avails itself of this opportunity to renew to the High-Level Panel on International Financial Accountability, Transparency and Integrity for achieving 2030 Agenda, the assurances of its highest consideration.



New York, December 14, 2020.

High-Level Panel on International Financial Accountability, Transparency and Integrity for achieving 2030 Agenda.

New York.

