

# Annual Report 2023









# Foreword



**Isabelle JEGOUZO**  
Director of the French  
Anti-Corruption Agency.

As Director of the French Anti-Corruption Agency since 27 July 2023, it is my pleasure and honour to be presenting this annual report for the first time. 2023 was a year of transition for the Agency and I warmly thank Alice Navarro for her work as Acting Director for over four months and for her professionalism in supporting me on my arrival. I would also like to thank the entire AFA team for their warm welcome and commitment.

The Agency, created by the Act of 9 December 2016 known as the “Sapin II” Act, is now seven years old – the age of reason – and it is time for a first review of our work.

In seven years, real progress has been made.

Today, perception surveys and AFA audits both show the progress that businesses have made with delivering on increasingly robust bribery and influence peddling prevention and detection systems. There is obviously still work to be done, but we are already seeing a sharp drop in extraterritorial prosecutions for transnational bribery and corruption in which many businesses have been implicated in the past. The judicial public interest agreement (CJIP), which provides the possibility for public prosecutor’s offices to submit businesses to AFA-monitored compliance remediation programmes, has particularly made France a key player in countering corruption on the international stage.

“The Agency is now seven years old... it is time for a first review of our work. Although clear progress has been made, many corruption prevention and detection challenges lie ahead.”

This clear progress was again recognised in March 2024 when the OECD adopted its monitoring report on the evaluation of the implementation by France of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. We need to maintain the momentum to ensure that this credibility endures.

The AFA will take forward, in complete independence, its activity sector audit policy coordinating, where appropriate, business audits with audits of public-sector entities. The Agency will also work on more systematically drawing on general lessons for its audits to improve the sharing of best practices and our knowledge of high-risk areas. AFA’s work with the sports world ahead of the 2024 Paris Games stands as an example of this particularly apposite approach.

2023 also saw the consolidation of AFA’s role in receiving whistleblower reports regarding corruption. Appointed as an external authority for receiving whistleblower reports by the Decree of 3 October 2022 implementing Act 2022-401 of 21 March 2022 on improving whistleblower protection (known as the Wasserman Act), AFA saw a marked increase both in the number of whistleblower reports, which doubled in just two years, and in their quality. These whistleblower reports demonstrate the public’s vigilance in this



area and many reports, once analysed by our experts, were referred to the relevant judicial or administrative authorities. AFA closely monitors action taken following these referrals.

Statistics on the perception of corruption in France give cause for concern: 69% of the French public consider corruption to be widespread in France,<sup>1</sup> and 26% say that they have personally been confronted with it.<sup>2</sup>

“

*69% of the French public consider corruption to be widespread in France, and 26% say that they have personally been confronted with it.*

”

AFA took forward its work on analysing criminal prosecutions for corruption to reveal the face of the phenomenon. This annual report publishes the findings of a pilot study of some one hundred court rulings to analyse corruption phenomena in detail. This work is set to be scaled up in the coming years by the corruption observatory to be developed at AFA, with a view to stimulating academic research on corruption.

The worrying figures on the perception of corruption in France should serve as a call to action to counter everyday corruption and contend with the more serious phenomena associated with organised crime, which uses corruption to develop and protect its activities and can, as keenly stressed by the French Senate Select Committee’s report on drug trafficking published on 14 May 2024, prove to be a threat to all key state institutions.

This subject is expected to be a pillar of the upcoming National Multi-Year Plan to Fight Corruption prepared in collaboration with representatives from every ministry and was put to a public consultation in the autumn of last year. The adoption of this plan could provide the opportunity to relaunch an ambitious public policy in this area to rally all central government administrations and support action by local and regional government bodies.

AFA will continue to support businesses and public-sector entities in setting up effective corruption risk management systems with a scale-up of awareness-raising actions and the development of guides and innovative training tools.

Countering corruption remains a challenge, in France as in many other countries. The formation of new European institutions should provide the opportunity for countering corruption to be a priority of the future European legislature. It is in Europe’s best interest to have a stronger anti-corruption mechanism and corruption prevention and detection standards providing European businesses with a common frame of reference.

Behind the scandals and the media circus, countering corruption calls for unwavering commitment and resolute action informed by level-headed public debate involving all of civil society. France has developed a preventive mechanism to extremely high standards and we can pride ourselves on that. We need to continue to develop its full performance capacity to help restore trust in government action and safeguard a healthy democracy.

**Isabelle JEGOUZO**

Director of the French Anti-Corruption Agency.

<sup>1</sup> Eurobarometer survey, July 2023.

<sup>2</sup> Harris Interactive Survey – “Les attitudes des Français à l’égard de la corruption” – Fondation Jean Jaurès and TI France, November 2023 (in French only).



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# OVERVIEW





# Tasks and actions

The French Anti-Corruption Agency (AFA) was established by the Transparency, Anti-Corruption and Economic Modernisation Act 2016-1691 of 9 December 2016, known as the Sapin II Act. The Agency has nationwide jurisdiction and is placed under the direct joint authority of the Minister of Justice and the Minister for the Budget. Its operations cover the whole of France's territory. Article 2 of the Act ensures that the Director of the Agency has the independence required for the Agency to conduct its audit activities.<sup>3</sup>

## ONE MISSION, SIX AREAS OF WORK

AFA is tasked with providing advisory and audit services to relevant authorities and persons to help them prevent and detect corruption, an umbrella term used to refer to the offences of bribery, influence peddling, extortion by public officials, unlawful taking of interest, misappropriation of public funds and favouritism.

AFA conducts this mission by employing a range of skills in six areas of work:

- ✓ **Administrative coordination and steering of the anti-corruption public policy**, including knowledge and analysis of corruption.
- ✓ **Audits** of the existence, quality and effectiveness of anti-corruption prevention and detection measures and procedures in public-sector and business entities with 500 or more employees and a turnover of over €100 million as required by Articles 3 and 17 of the Sapin II Act respectively.<sup>4</sup>
- ✓ **Support to businesses and public-sector entities** with setting up corruption prevention and detection systems.
- ✓ **Supervision of the implementation of business entities' anti-corruption compliance programmes**, particularly in the case of judicial public interest agreements.
- ✓ **Reception and processing of reports from whistleblowers** in particular.
- ✓ **International action.**

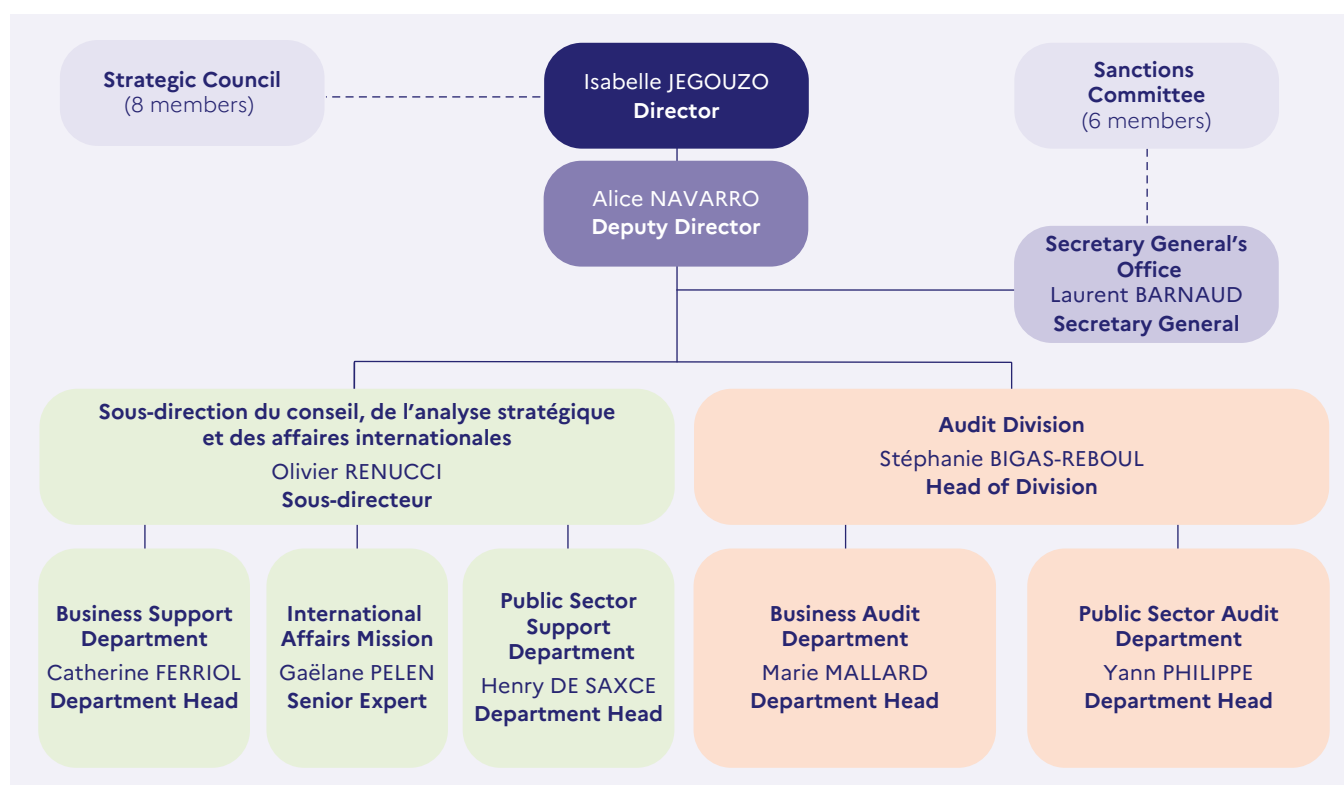
AFA is an anti-corruption public policy coordination body, an advisory structure and an administrative audit authority for public and business entities subject to compliance requirements. These roles make AFA a national leader in preventing and detecting corruption.

<sup>3</sup> The article's provisions lay down the requirements for the appointment of the Director (a judge independent from the judiciary hierarchy who is appointed for a non-renewable six-year term). The Director shall not seek or receive any instructions from any administrative or government authority in the exercise of his or her audit tasks.

<sup>4</sup> These audit tasks are defined by the Act and were expanded by Act 2018-202 of 26 March 2018 on the Organisation of the 2024 Olympic and Paralympic Games and Act 2022-217 of 21 February 2022 on the Differentiation, Decentralisation, Devolvement and Implementing Various Measures to Simplify Local Government Action.



# Organisation chart and resources



▲ AFA organisation chart as at 31 December 2023.





As at 31 December 2023, the AFA had a team of 55 staff members to conduct its mission, including three members seconded from other administrations. This multidisciplinary team is made up mainly of Grade A+ and A staff, including 61% established civil servants and 39% contract staff.

To possess the skills needed to perform its wide range of tasks, AFA prioritises technical profiles from the three branches of the civil service (central government, local government and hospitals) and from the business world. The team therefore includes ordinary judges, financial court judges, senior civil servants from interministerial bodies, civil service executives and senior central government executives, civil servants from the economic and finance ministries (public finance administrators and inspectors), and experts under public service contract, especially from the audit and compliance fields.

AFA's operating resources are made up of pooled appropriations made under Budget Programme 218, "Conduct and steering of economic and financial policies", of the "Public finance and human resources management" mission overseen by the Ministry for the Economy, Finance and Industrial and Digital Sovereignty.





**IMPROVING OUR  
UNDERSTANDING  
OF CORRUPTION  
TO DRIVE FORWARD  
A NATIONAL  
AMBITION**



# Corruption maps and figures

Corruption is hard to quantify since it is by definition hidden. It is measured mainly in two ways:

- ✓ Corruption perceptions indicators measured by opinion polls (which necessarily bear a strong element of subjectivity) and Ministry of the Interior victim statistics published annually;
- ✓ An analysis of the number and nature of criminal investigations. Although the number of convictions is an objective indicator, it far from captures the reality of the phenomenon since only a small proportion of offences are detected. The victim, i.e. generally society as a whole, is unaware of the harm done and can therefore not report it. In addition, the justice system often has problems finding evidence and obtaining international cooperation in corruption cases and sometimes has to settle for lesser charges (such as forgery, misappropriation of corporate assets or breach of trust) in order to prosecute and obtain criminal convictions in cases that actually involve more serious corruption offences. Nevertheless, AFA has embarked upon a project with the help of the Ministry of Justice to inventory and systematically analyse court rulings to steadily improve our knowledge of the phenomenon.

## Perception surveys

In 2024, after a number of years in 21<sup>st</sup> place, France stood 20<sup>th</sup> in the ranking of countries by Transparency International's Corruption Perceptions Index (CPI). Despite this relative progress, a number of recent statistical surveys have shown that corruption remains prevalent in France and is strongly disapproved of by respondents.

- ✓ **69% of the French public** (+5 percentage points on 2022) consider corruption to be widespread in France (European average: 70%);<sup>5</sup>
- ✓ **49% of the French public** (+8 percentage points) think that corruption has grown over the last three years in France, a higher percentage than the European average (45%);<sup>6</sup>
- ✓ **58% of the French public** (+1 percentage point on 2022) believe that **politicians are corrupt and 75% think that they act mainly for personal gain** (+4 percentage points on 2022).<sup>7</sup> This sentiment is shared across all socioeconomic groups (61% of executives and 65% of manual workers believe that most politicians are corrupt and it is only among retirees that this is a minority belief);<sup>8</sup>
- ✓ The upshot of this is a clear weakening of the democratic bond with over two thirds of the French public (even higher percentages among non-manual employees, manual workers and intermediate professions) considering that the democratic system is dysfunctional in France and that their ideas are not well represented;<sup>9</sup>

<sup>5</sup> Eurobarometer survey (europa.eu), July 2023.

<sup>6</sup> Idem.

<sup>7</sup> Survey: Les fractures françaises, Cevipof, Ipsos/Sopra Steria (in French only).

<sup>8</sup> Idem.

<sup>9</sup> Ibid.



- ✓ **26% of the French publi<sup>10</sup>** say that they have personally already been asked for a sum of money or a gift of value in a government administration to obtain a service such as a place in a crèche, an ID card or planning permission.

The Ministerial Statistical Department for Internal Security (SSMSI) also regularly conducts victim surveys. The latest data from the Experience and Perceptions of Security (Vécu et ressenti en matière de sécurité – VRS) survey<sup>11</sup> finds that **283,000 people aged 18 and over living in metropolitan France, or 0.6% of the adult population, were confronted with a situation of bribery at work in 2021**. Less than 1% of the individuals concerned said that they filed a complaint with the police.

## Analysis of criminal investigations

### Legal action

From 2017 to 2022, the number of individuals referred by public prosecutor's offices to the courts on corruption charges<sup>12</sup> rose 17.6% (2,173 charged individuals were referred to the courts in 2022 as opposed to 1,848 in 2017).

Of these individuals:

- ✓ 44% (955 individuals) were considered "not liable to prosecution" due to lack of evidence;
- ✓ Of the 1,218 other individuals:
  - ➔ 61 saw their cases closed with no further action due to inconclusive investigations, absence of plaintiffs, non-trial resolutions, or the public prosecutor's discretionary decision to not prosecute;
  - ➔ 1,157 were formally indicted on corruption charges, of which:
    - ▮ 132 (11%) benefited from an alternative to prosecution;
    - ▮ 1,025 (89%) were prosecuted, of which:
      - 544 (53%) appeared before an investigating magistrate;
      - 476 (46%) were prosecuted in criminal courts;
      - 5 (1%) were subject to other proceedings.

### Convictions

In 2022, 502 corruption offences,<sup>13</sup> compared with 451 in 2021, resulted in individual convictions, mainly for bribery (42%, comprising 23.9% for active bribery and 18.1% for passive bribery), misappropriation of public assets by a public official (24.1%), unlawful taking of interest (11.6%), favouritism (8.2%), concealment of such offences (6.6%), influence peddling (6.2%), extortion by public officials (1%) and money laundering (0.4%). Sixteen legal entities were convicted for corruption.

10 Survey: Les attitudes des français à l'égard de la corruption (in French only). This percentage of 26% breaks down into 6% "often", 11% "sometimes" and 9% "rarely".

11 See Les atteintes à la probité enregistrées par la police and la gendarmerie en 2023 | Agence française anticorruption (agence-francaise-anticorruption.gouv.fr) (in French only).

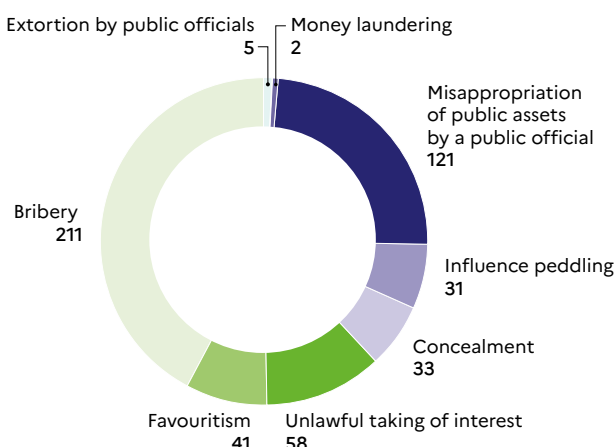
12 The offences concerned the following categories: bribery, extortion by public officials, favouritism, unlawful taking of interest, concealment, influence peddling, misappropriation of public assets by a public official, and money laundering.

13 Counting offences tends to overestimate the volume of convictions: the 502 offences counted in 2022 actually correspond to 218 cases and 408 convictions. A single offence may have been committed by more than one person, in which case it is counted as many times as there are perpetrators in the case.



The acquittal rate, i.e. the number of not-guilty rulings, was 23.6%, which was three times higher than the acquittal rate for all cases combined (7.9% excluding road cases) in the same year, reflecting the problems providing evidence of these offences. The sentences most commonly handed down for individuals are custodial sentences (77%), for an average prison term of 15.3 months, followed by fines (53%), for an average amount of €19,765 (vs €13,841 in 2021).

**Convictions for corruption and related offences in 2022 by type of offence\***



\*Figures for 2022, for a total of 408 convictions.

Source: Ministry of Justice SG-SDSE SID/Cassiopée - Directorate for Criminal Affairs and Pardons/PEPP.

**Sentences for corruption convictions from 2017 to 2022**

	2017	2018	2019	2020	2021	2022	%
Convictions	365	260	267	236	342	350 <sup>14</sup>	
Prison sentences	268	201	190	186	245	<b>269</b>	77%
Rate of prison sentences	73.4%	77.3%	71.2%	78.8%	71.6%	76.9%	
Of which custodial sentences (in whole or in part)	72	63	67	46	65	78	29%
Rate of custodial sentences	19.7%	24.2%	25.1%	19.5%	19.0%	22.3%	
Average prison sentence length (in months)	18.6 months	20.6 months	14.5 months	16.1 months	15.6 months	15.3 months	
Number of fines imposed	151	123	130	106	186	<b>186</b>	53%
Average fine amount	€15,669	€28,086	€25,113	€28,385	€13,841	€19,765	

Source: Ministry of Justice SG-SDSE, Cassiopée.

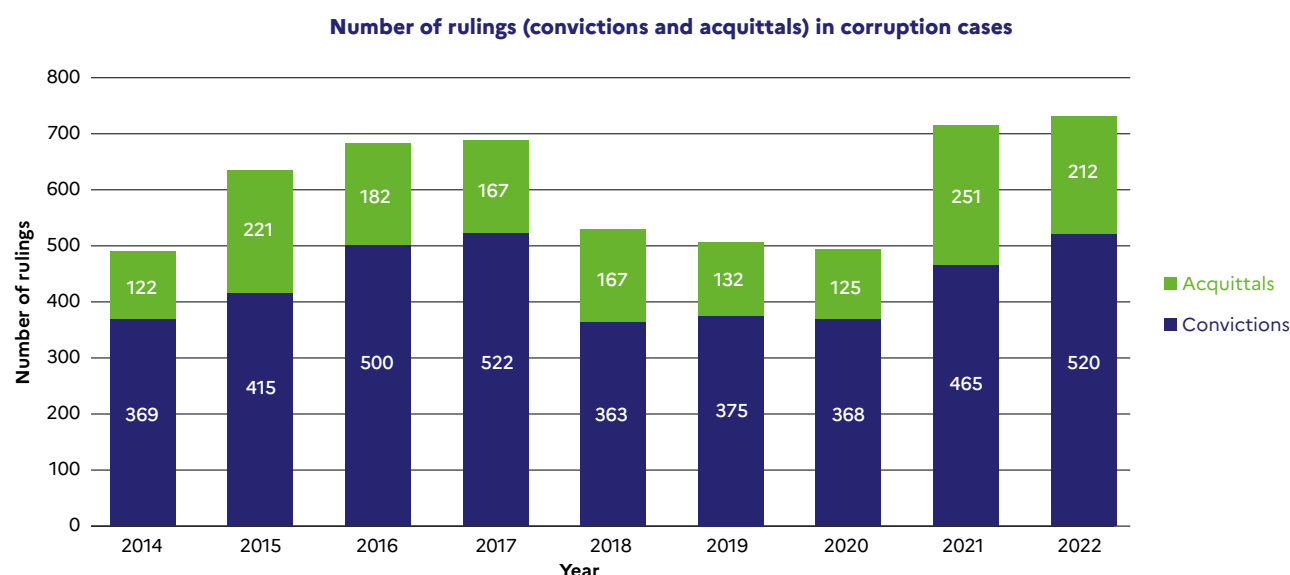
Note: The sum of fines and prison sentences is greater than the number of convictions because prison sentences and fines are often imposed at the same time for the same convictions.

<sup>14</sup> The difference in number compared with the 408 convictions reported in the pie chart is due to the fact that only cases where corruption is the "main" criminal conviction are included here, whereas the pie chart covers all convictions for "at least one" offence. The difference therefore relates to cases in which other convictions for more serious offences were also handed down.



## Aggregate numbers and geographic breakdown of corruption case rulings from 2014 to 2022

Statistical analyses of court rulings from 2014 to 2022 were conducted to paint a fuller picture of corruption in France.

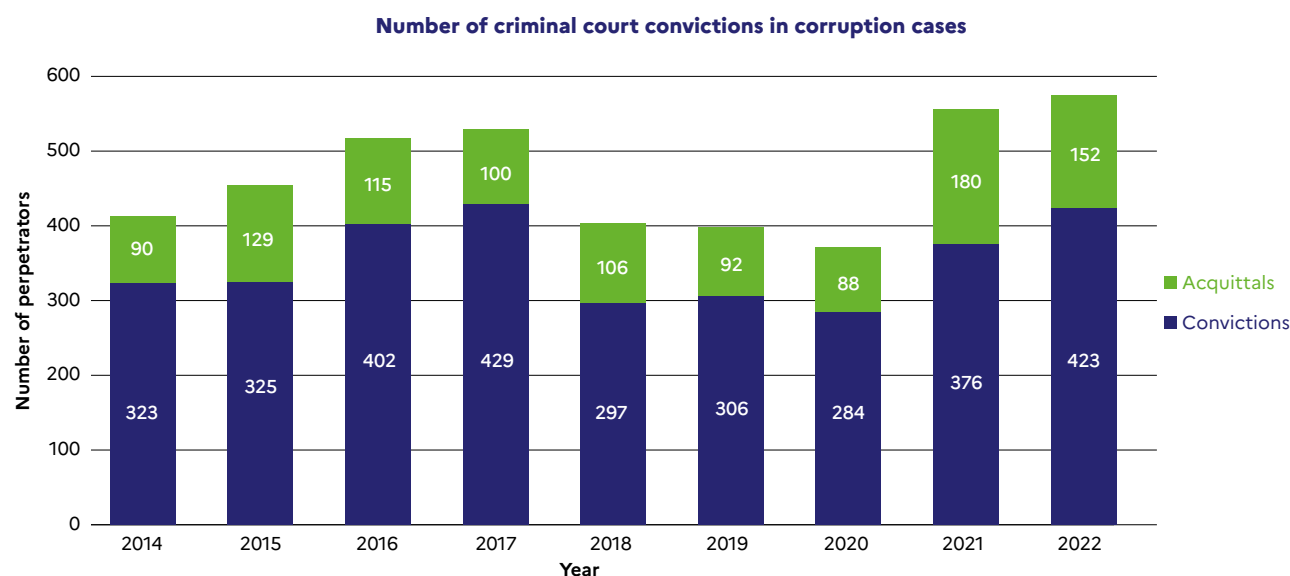


Source: AFA based on Ministry of Justice/SG – SDSE/Cassiopée data.

Coverage: Metropolitan and overseas France. First instance decisions ruled by criminal courts from 2014 to 2022 (excluding cases dismissed prior to preliminary investigations).

Key: In 2021, 716 corruption offences were prosecuted in criminal courts. The courts handed down convictions in 465 cases.

Note: Cases dismissed and exemptions from liability are included in acquittals.



Source: AFA based on Ministry of Justice/SG – SDSE/Cassiopée data.

Coverage: Metropolitan and overseas France. First instance decisions ruled by criminal courts from 2014 to 2022 (excluding cases dismissed prior to preliminary investigations).

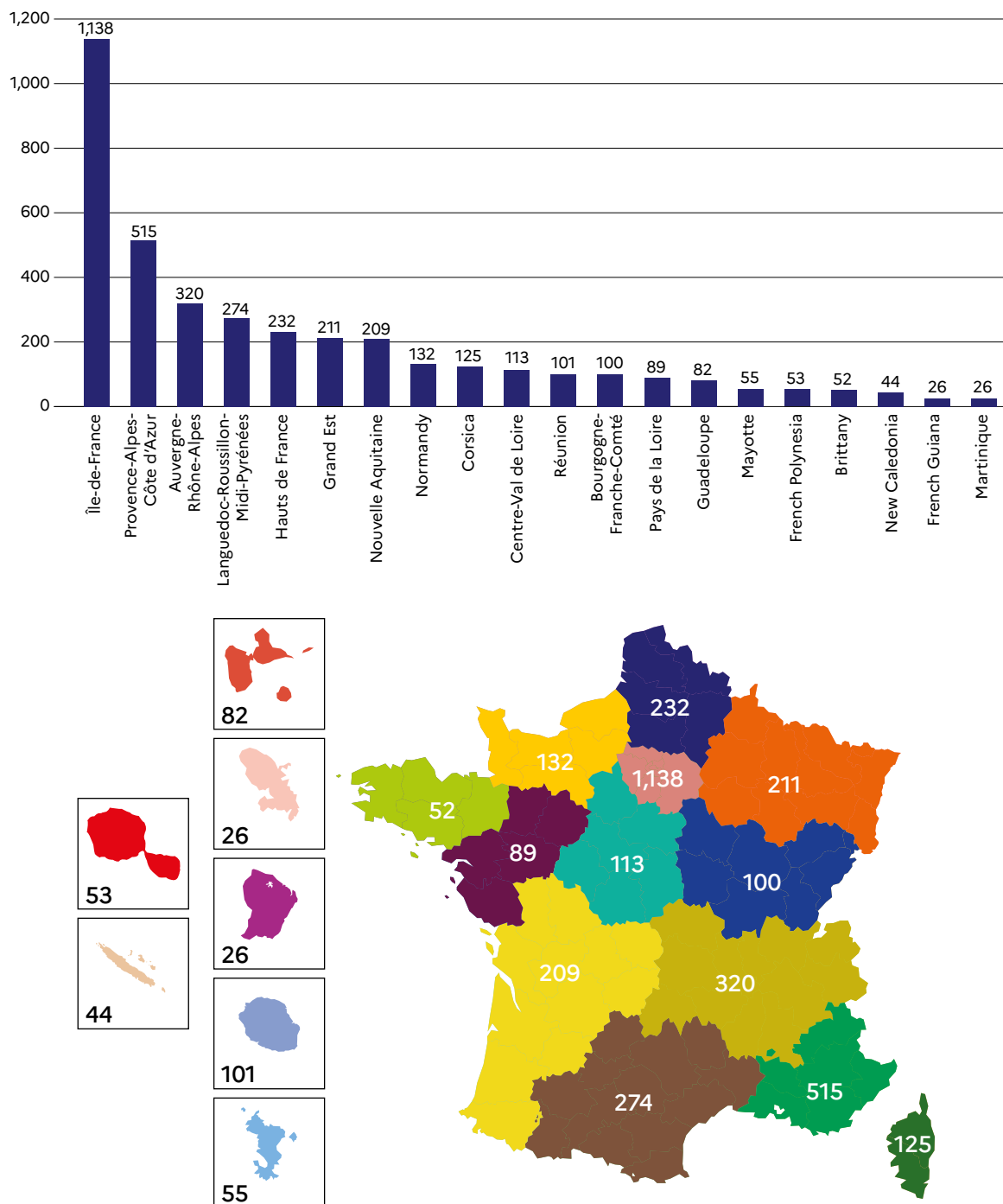
Key: 556 of the individuals tried stood trial for one or more corruption offences in 2021. The court handed down convictions for at least one of these offences in 376 cases while the remaining 180 were acquitted (although they may have been convicted for an offence outside the scope of this report).

Note: Cases dismissed and exemptions from liability are included in acquittals.



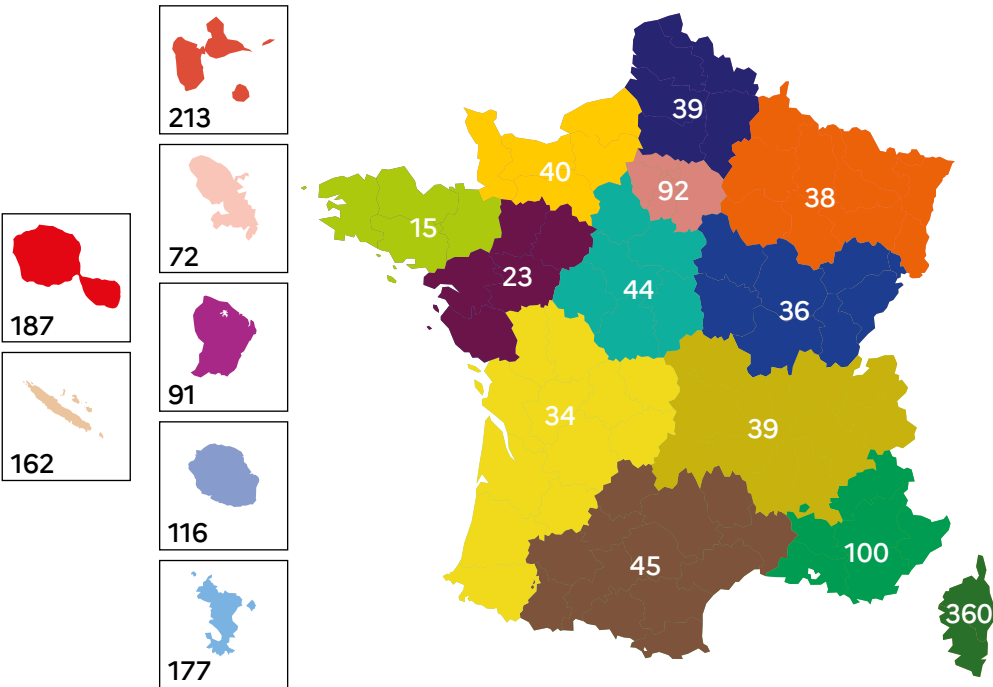
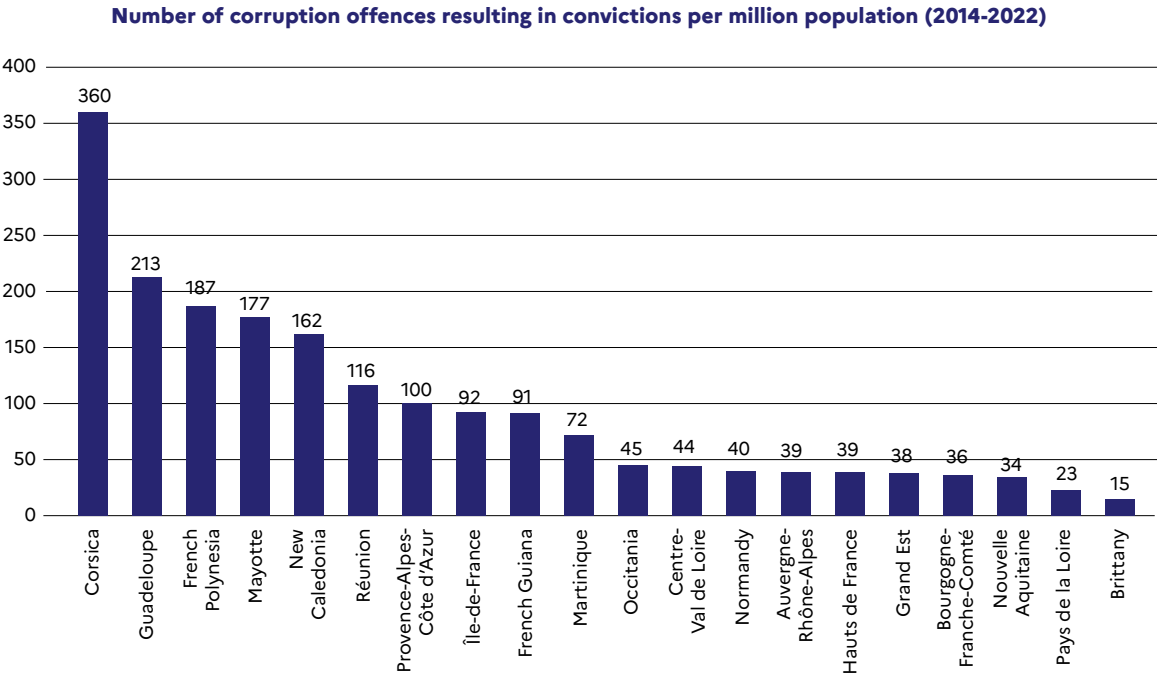
## Criminal convictions by region

Convictions for corruption in metropolitan and overseas France (total number of convictions 2014-2022)



Source: AFA based on Ministry of Justice/SG, Cassiopée and INSEE data.  
Coverage: Metropolitan and overseas France.





Source: AFA based on Ministry of Justice/SG-SDSE, Cassiopée and INSEE data.  
Coverage: Metropolitan and overseas France.



### THE NATIONAL CORRUPTION RISK MAPPING PROJECT

Under the terms of Article 3(1) of the Sapin II Act, AFA is responsible for contributing to administrative coordination and for centralising and disseminating information to help prevent and detect corruption offences.<sup>15</sup>

This task is key to understanding and revealing the face of corruption, which is, by its very nature, a hidden phenomenon. AFA hence launched a mapping project in 2021 in keeping with the objectives of the 2020-2022 National Multi-Year Plan to Fight Corruption. In 2022, AFA published its first joint statistical study with the SSMSI<sup>16</sup> on police and gendarmerie reports of corruption. This study was updated in March 2024. AFA has also contributed to research in liaison with the National Gendarmerie Officers School Research Centre (CREOGN) and the National Police School Research Centre (CRENSP).<sup>17</sup>

This work is being taken forward to add to the information available, further develop research in this area, build partnerships with public-sector and business entities, and publish useful findings for the general public and anti-corruption players. The findings of this research work will also be used to steer public anti-corruption policy.

#### Analysis of court rulings

AFA has started systematically collecting court rulings in corruption cases (bribery, influence peddling, misappropriation of public funds, favouritism, unlawful taking of interest and extortion by public officials) in liaison with the Ministry of Justice in order to fully analyse the rulings handed down.<sup>18</sup>

A pilot test presented below analysed a sample of 111 court rulings from 2014 to 2020 provided by partner public prosecutor's offices (Paris/National Financial Public Prosecutor's Office, Nanterre and Bastia). This geographically small-scale study can only provide an outline of trends pending data for the entire country.

#### Preliminary trends found by the pilot test on the analysis of 111 court rulings

The following charts present a pilot mapping analysis based on the hundred or so rulings collected. This analysis is to be considered with caution in view of the small sample concerned and its geographic concentration in just two metropolitan French administrative regions. However, it does outline a majority share of bribery and influence peddling in corruption cases, an even distribution between private and public sectors, a vast majority of individuals (only 9% of defendants are legal entities) of male gender (80%) among the defendants, and cases generally brought to light by means of complaints filed or a report by an authority or public official pursuant to Article 40(2) of the Code of Criminal Procedure.

It is also of note that two thirds of the rulings returned a guilty verdict and almost systematically handed down sentences of a fine (average of some €30,000) and/or a prison sentence (nearly one and a half years on average).

<sup>15</sup> The notion of corruption is an umbrella term used for the sake of convenience to cover six main offences criminalised and punishable under the Criminal Code: bribery, influence peddling, unlawful taking of interest, misappropriation of public funds, favouritism and extortion by public officials.

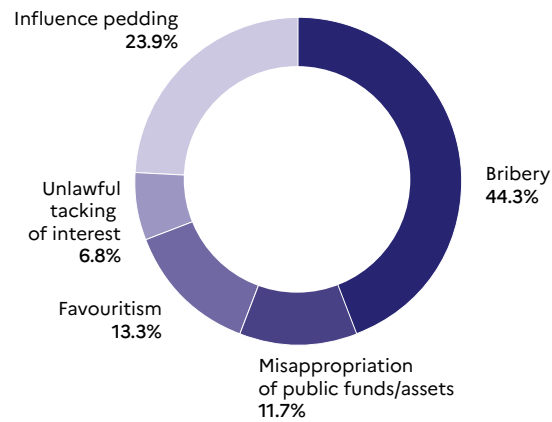
<sup>16</sup> Ministerial Statistical Department for Internal Security (SSMSI).

<sup>17</sup> See the AFA Annual Report 2022, pages 10 to 17.

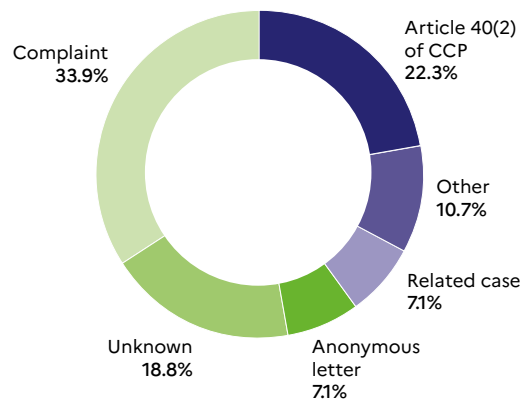
<sup>18</sup> Covering first instance rulings, court of appeal rulings and court decisions approving plea bargaining.



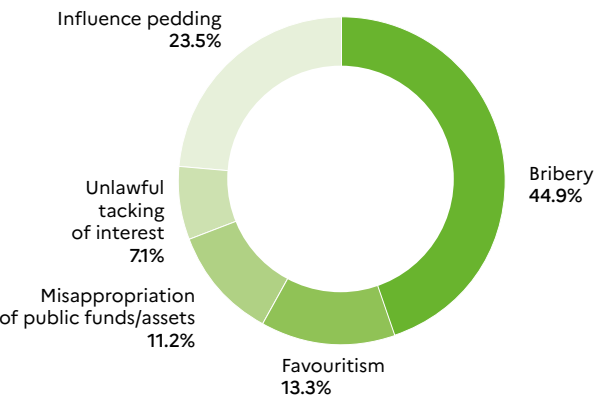
Breakdown by type of offence from 2014 to 2020



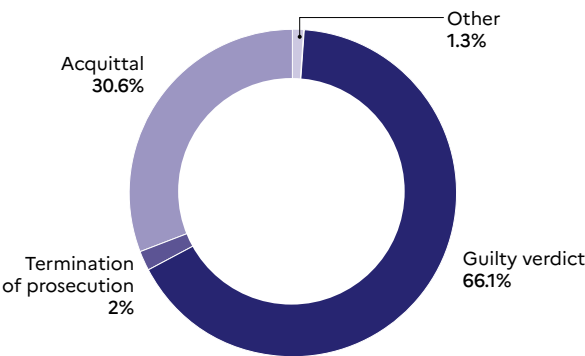
Case origin



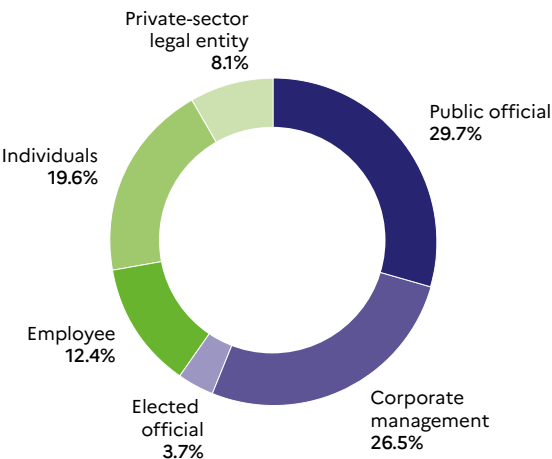
Breakdown of defendants by type of offence



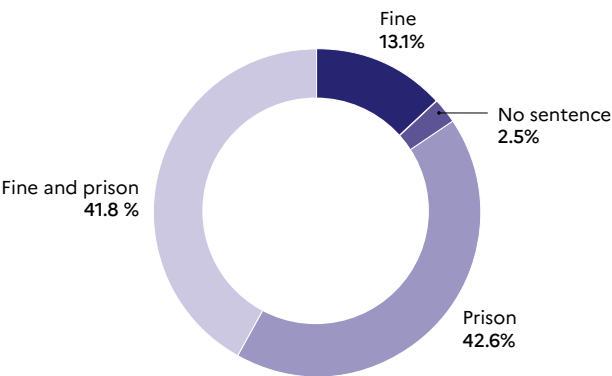
Breakdown by ruling



Breakdown by defendant



Breakdown by type of sentence





# Deployment of the French anti-corruption framework: state of play

In 2022, AFA published two major statistical surveys on the local public sector and businesses. These two surveys rounded out the 2021 diagnostic surveys on [central government](#) and its [agencies](#) (available in French only).

The [survey report on local public-sector entities](#) (in French only) followed a first study published in 2018. It found encouraging signs of progress, particularly in knowledge of risks and engagement with implementing AFA guidelines. However, results remained mixed in terms of large imbalances observed depending on the size of respondent entities and certain measures such as third-party due diligence remaining considerable problem areas.

The [second diagnostic survey on businesses conducted in 2022](#)<sup>19</sup> (in French only) found that progress had been made over the two-year period with knowledge of the offences and the risk of criminal proceedings as well as of the French anti-corruption framework, especially among businesses subject to the provisions of Article 17 of the Sapin II Act. 92% of respondent businesses stated that they had implemented one or more of these measures (up from 70% in 2020). Nevertheless, businesses were still experiencing difficulties introducing anti-corruption accounting controls, third-party due diligence procedures and internal control systems.

## SURVEY ON CORRUPTION RISK MANAGEMENT IN THE NON-PROFIT AND FOUNDATION SECTOR

In January 2022, AFA published a guide entitled **“Corruption Risk Management for Non-Profits and Foundations Recognised as Public-Interest Entities: Best Practices for Good Governance and Donation Management”**. This guide developed with the Comité de la Charte du Don en Confiance and France Générosités is designed for the nearly 2,900 public-interest non-profits and foundations in operation today (1,851 non-profits, 660 foundations and 410 business foundations). Following the publication of this guide, AFA conducted a statistical survey on the implementation of corruption prevention and detection systems and measures in the non-profit and foundation sector. The survey's findings were published in May 2023.

This report rounds out the surveys and diagnostic studies already conducted by AFA on the deployment of the French anti-corruption framework in government administrations and businesses.

The survey took the form of a questionnaire for all non-profits and foundations, irrespective of public-interest status: foundations, endowment funds, sports federations and non-profits, specifically targeting those receiving public subsidies and grants and launching public appeals.

The 575 completed questionnaires received were analysed to draw up a preliminary inventory of the measures taken, in particular by public-interest non-profits and foundations subject to Article 3(3) of the Sapin II Act. A summary of responses was published on the AFA website, listing the respondent bodies' main characteristics (legal form, budget, activity sector, and number of volunteers and employees); the level of knowledge of the offences and the number of incidents of corruption; and the deployment of elements of the AFA risk management guidelines.



<sup>19</sup> The first survey was published in September 2020.



**Findings revealed that non-profits and foundations recognised as public-interest entities still had a fairly low level of anti-corruption system maturity.** Nearly half of all respondents (47.4%) had not introduced any corruption prevention and detection measures. One third had adopted certain anti-corruption measures or were in the process of doing so. The majority of respondents had implemented at best 40% of the anti-corruption measures recommended by AFA, which remains inadequate. The main explanations for this relative inaction are the perception of low or controlled risk and the size or insufficient resources of the organisations.

The survey showed that non-profits and foundations receiving public subsidies or grants or launching public appeals had implemented some AFA-recommended anti-corruption measures correctly (for example, the anti-corruption code of conduct or the internal control). Nevertheless, the vast majority of respondents (84.3%) had introduced less than 10% of appropriate anti-corruption measures given their risk profile, which points to a level of maturity that is still fairly low in this area, as is the case with non-profits and foundations in general.



# Preparation of the new National Multi-Year Plan to Fight Corruption

In 2023, at the request of the Prime Minister, AFA was tasked with preparing the second National Multi-Year Plan to Fight Corruption. A working group of representatives covering all areas of central government administration met on several occasions to develop a draft plan supplemented by extensive bilateral consultations with representatives of the different public-sector, business and non-profit stakeholders. An online public consultation on the draft 2024-2027 National Multi-Year Plan to Fight Corruption also ran from 19 October to 19 November 2023, receiving 493 contributions.

Breakdown of public consultation respondents

Category	Percentage
Anonymous	16%
Individual	51%
Business	16%
Non-profit/Foundation	5%
Local and regional government	2%
Local public establishment	0%
Central public establishment	3%
Consultancy firm	2%
Law firm	2%
Researcher/Teacher/Professor	2%

The responses revealed a strong demand for greater transparency, especially regarding public data and instruments in areas such as public procurement (critical data whose publication is required by law) and subsidies (agreements for subsidies of over €23,000). Also raised was stepping up the role and protection of whistleblowers given their importance in the detection and discovery of offences. Feedback was requested from auditing bodies on their assignments and observations (including best practices) to help entities make progress. Lastly, respondents suggested that public-sector entities do more to systematically publish information on measures taken to prevent and detect corruption.



Demand was also expressed for faster, more systematic and tougher sanctions.

Training and awareness-raising were also mentioned as factors for corruption prevention effectiveness, with suggestions such as the systematic training of public servants and elected officials on taking up their duties and the development of anti-corruption training on higher education and vocational training courses. Youth education and awareness-raising were also considered to be priorities, with respondents suggesting the use of new means of communication (social media and the Internet), not to mention the role of secondary education and especially the civics and moral education curriculum.

Certain areas and sectors such as public procurement, town planning, construction and public works, healthcare, sport, waste treatment and defence were also mentioned by respondents as potentially at risk.

To scale up the corporate anti-corruption compliance role in businesses, advocated by the majority of respondents, the idea of setting up a system of voluntary, optional certification was approved by nearly 20% of respondents as was the idea to guarantee "special status" to the anti-corruption compliance role in businesses.

Lastly, on the subject of France's role and influence in anti-corruption action, respondents pointed out the importance of scaling up European and international anti-corruption action.





## LAUNCH OF A WORKING GROUP ON ORGANISED CRIME

The sheer volume of financial resources at the disposal of certain criminal networks, especially drug rings, gives them a capacity for corruption compounded by the potential use of intimidation tactics on people. This risk, identified by judges and police working to counter organised crime, has been the focus of a number of parliamentary reports since 2022.<sup>20</sup>

The French Senate Select Committee on the impact of drug trafficking in France and measures to address it recently produced an extensive report on the threat of corruption posed by organised crime. The committee considers corruption to be one of the most worrying and underestimated phenomena.<sup>21</sup> Criminal organisations' corrupt practices can target as much business entities, in particular those involved in transport logistics chains (port and airport staff, hauliers, etc.), as it can public servants, especially in the key central administrations.

Corruption is used by criminal organisations to conduct their activities (e.g. access to restricted areas or IT systems to locate or retrieve merchandise) and protect them (access to confidential information held by investigators, court services and prison services, etc.). It destabilises public authorities and institutions and their staff, and seriously undermines trust in public authorities.



It is therefore vitally important to ramp up our mechanisms to prevent and detect corruption associated with organised crime. To meet this need, AFA decided to launch interministerial work in liaison with the Central Office for the Fight Against Corruption and Financial and Tax Crime (OCLCIFI) as part of its administrative coordination brief to document and share the state of play with the threat and best practices identified to address it. A special working group held its first meeting in September 2023, jointly chaired by AFA and the National Directorate for Criminal Investigations' OCLCIFI to review progress with the 2019 Anti-Narcotics Plan and in particular its Action 18 on corruption in drug trafficking. The working group is made up of representatives from three ministries: Ministry of the Interior and Overseas France (the national police and gendarmerie), the economic and finance ministries (tax and customs authorities) and the Ministry of Justice (the prison administration and the main central departments concerned by criminal affairs and the organisation of court services). The group works on analysing the threat, identifying criminal schemes to inform risk mapping on corruption by organised crime, and sharing experiences and best practices to address the phenomenon (awareness-raising, training, internal control, information system security and detection).

The administrations thereby no longer face the phenomenon alone, can share their concerns in an environment of trust and confidentiality, and can discuss courses of action for prevention. The group analyses particularly sensitive subjects such as the risks of access to government files and applications that might be of interest to criminal networks and how to prevent them, and the specific issue of ports. This work will continue in 2024 and will produce a risk management method based on best standards in the form of guidelines and shared concrete courses of action in an extension of the tasks more generally assigned to AFA to assist government administrations with putting in place effective anti-corruption systems.

<sup>20</sup> For example, the 2022 report on the work of the parliamentary intelligence delegation for 2021-2022 identified the need to develop the measures to prevent corruption by public servants and authorities. It stressed that, "Given the financial resources at the disposal of organised crime networks and the methods of intimidation they are liable to use against police officers, intelligence agents and public officials, our anti-corruption measures need reviewing, if not scaling up, [to prevent the risk of France] becoming a "narco-state" as observed in certain North European countries."

<sup>21</sup> Commission d'enquête sur l'impact du narcotrafic en France and les mesures à prendre pour y remédier | Sénat (senat.fr) (in French only).





# AUDITS



# Audit figures

The audits conducted by AFA under the terms of Articles 3(3 and 4) and 17(III) of the Sapin II Act fall into two categories:

- ✓ **Audits conducted at the initiative of the Director of AFA ("ex-ante audits"), which concern:**
  - ➔ Central government administrations, local and regional government bodies and their public establishments, local public utilities,<sup>22</sup> semi-public companies, and non-profits and foundations recognised as public-interest entities, audited under the terms of Article 3(3);
  - ➔ industrial and commercial public establishments (EPICs) that exceed the thresholds laid down in Article 17(III);
  - ➔ certain semi-public companies, local public utilities, and industrial and commercial public establishments required to comply with both Article 3(3) and Article 17 (combined audits).
- ✓ **Audits to ensure execution of administrative sanctions or implementation of court-ordered compliance remediation programmes (remediation audits)** under the terms of compliance remediation orders handed down by the AFA Sanctions Committee and the new judicial measures introduced by the Sapin II Act (judicial public interest agreements – CJIP – and compliance remediation programmes – CRP).

Audits initiated by AFA and remediation audits are conducted to ascertain the existence, quality and effectiveness of the anti-corruption systems deployed by audited entities i.e. the measures and procedures intended to prevent and detect corruption.<sup>23</sup>

## AUDITS UNDERTAKEN IN 2023

**In 2023, AFA undertook 37 new audits and preliminary examinations:**

- ✓ **25 audits initiated by AFA:**
  - ➔ 10 audits concerning entities subject to Article 17(III) of the Sapin II Act. Of these 10 audits, 2 are initial audits of the leading companies in a high-risk business sector and 8 are follow-up audits to ensure that action has been taken by companies given warnings following audits conducted by AFA in 2018, 2019 and 2020.

These ten audits undertaken in 2023 concern businesses with turnovers of €400m to €143bn and workforces of 939 to 167,000 employees. Nine of them are French companies and one is a French subsidiary of a foreign group. Although some had no subsidiaries on the audit start date, one of them had over 900 subsidiaries in France and abroad.

- ➔ 15 audits of public-sector entities (7 large local and regional government bodies and 4 research agencies).

<sup>22</sup> Since the 3DS Act of 21 February 2022 which extended AFA's remit to local public utilities.

<sup>23</sup> Bribery and influence peddling for entities covered by Article 17 of the Act, with the addition of unlawful taking of interest, extortion by public officials, misappropriation of public funds and favouritism for entities covered by Article 3 only or by both Article 3 and Article 17.



These 15 audits undertaken in 2023 concern public-sector entities and non-profits recognised as public-interest entities with budgets ranging from €15m to €3.8bn. Thirteen of them have budgets in excess of €1bn. The audited entities' workforces range from 50 to more than 10,000 employees. Six of them have their registered office outside of the Paris region.

- ✓ **12 remediation audits of businesses, representing a sharp increase in this area:**
  - ➔ 8 preliminary examinations for potential CJIPs, at the request of the National Financial Public Prosecutor's Office and the Marseille Public Prosecutor's Office;
  - ➔ compliance remediation programme audits under the terms of a CJIP with the National Financial Public Prosecutor's Office and the Public Prosecutor to the Marseille Court of Justice.

## OVERVIEW OF AUDITS SINCE 2017

Audits and examinations undertaken since 2017	2017-2022		2023		Overall total
	Business entities	Public-sector entities	Business entities	Public-sector entities	
<b>Remediation audits</b>	20		12		<b>32</b>
Compliance remediation order audits	2				<b>2</b>
Compliance remediation programme audits	8		4		<b>12</b>
Preliminary examinations	10		8		<b>18</b>
<b>Audits initiated by AFA</b>	109	69	10	15	<b>203</b>
Initial audits	91	61	2	13	<b>167</b>
Follow-up audits	18	8	8	2	<b>36</b>
<b>Overall total</b>	<b>129</b>	<b>69</b>	<b>22</b>	<b>15</b>	<b>235</b>

As shown in the table above, 235 audits and examinations were undertaken from October 2017 to December 2023, including:

- ✓ 119 audits of business entities subject to Article 17(III) of the Sapin II Act;
- ✓ 84 audits of public-sector entities as outlined in Article 3(3) (including one combined audit);
- ✓ 32 audits and examinations relating to remediation audits.





# Audits initiated by AFA

## **AUDIT PURPOSE: TO VERIFY THE EXISTENCE AND QUALITY OF CORRUPTION PREVENTION AND DETECTION MEASURES**

Audits initiated by AFA are conducted for entities to improve their anti-corruption systems and thereby reduce their exposure to corruption risks. They also provide an opportunity to identify best practices and promote them in the AFA practical guides.

The purpose of the audits conducted at the initiative of the Director of AFA is:

- ✓ For public-sector entities and non-profits and foundations recognised as public-interest entities, to verify the quality and effectiveness of the measures taken to prevent and detect bribery, influence peddling, extortion by public officials, unlawful taking of interest, misappropriation of public funds and favouritism;
- ✓ For business entities with 500 or more employees and a turnover of over €100m, to verify the implementation and quality of bribery and influence peddling prevention and detection measures as required by Article 17(II) of the Sapin II Act.

On completion of an audit, AFA presents the audited entity's representatives with a report containing its observations regarding the quality of the anti-corruption system and recommendations to improve its procedures.

On completion of a business audit, AFA may observe breaches with respect to incomplete or ineffective implementation of the measures provided for by law. In this event, the Director of the Agency may issue a warning to the entity's representatives or refer the matter to the Sanctions Committee, which is independent of the Agency and can impose administrative sanctions.

Audits initiated by AFA are scheduled based on the public-sector and business entities' environment and risk exposure (risk of bribery of foreign public officials in international business transactions, business sector and profession, geographic location, relations with third parties, past record, etc.). Audits can also be scheduled based on external whistleblower reports received by AFA.





## WHAT THE LAW SAYS

### Bribery and influence peddling prevention and detection measures required of large businesses (Article 17(II) of the Sapin II Act)

- ❑ 1° A code of conduct defining and illustrating the various types of prohibited behaviour that could constitute acts of bribery or influence peddling. This code of conduct is included in the company's rules and regulations and is accordingly the subject of a consultation procedure with staff representatives as stipulated in Article L.1321-4 of the Labour Code;
- ❑ 2° An internal whistleblowing system for receiving reports from staff about instances of conduct or situations that violate the company's code of conduct;
- ❑ 3° Risk mapping in the form of regularly updated documentation for the purpose of identifying, analysing and ranking the company's exposure to risks of external solicitations for the purpose of bribery, based on the business sectors and locations where the company does its business;
- ❑ 4° Procedures for assessing the situation of customers, leading suppliers and intermediaries with regard to the risk map;
- ❑ 5° Internal and external accounting control procedures to ensure that the books, ledgers and accounts are not used to conceal acts of bribery or influence peddling. These controls may be carried out either by the company's own accounting and financial control departments or by an independent auditor in the case of audits to certify the financial statements as provided for by Article L.823-9 of the Commercial Code;
- ❑ 6° A training system for managers and staff most exposed to the risks of bribery and influence peddling;
- ❑ 7° Disciplinary rules providing for sanctions for company staff in the event of a breach of the company's code of conduct;
- ❑ 8° An internal control and assessment system for the measures put in place.





## Appointment of a new Sanctions Committee

Established by Article 2 of the Sapin II Act, the French Anti-Corruption Agency's Sanctions Committee comprises six members appointed for a five-year term: two members of the French Supreme Administrative Court, two members of the French Supreme Court of Appeal, and two French Government Audit Office judges.

On 17 April 2023, the end of the terms of office of five members of the first commission gave rise to the appointment of four new members: Richard Senghor, Councillor of State of the French Supreme Administrative Court, Édith Sudre, Judge at the French Supreme Court of Appeal, Isabelle Gravière-Troadec, Honorary Senior Advisor of the French Government Audit Office, and Jean-François Guillot, Senior Advisor of the French Government Audit Office. Nicolas Maziau, Judge on Special Service at the French Supreme Court of Appeal, appointed on 8 October 2021, remains on the Sanctions Committee. The Sanctions Committee is currently chaired by Paquita Morellet-Steiner, Vice-President of the French Supreme Administrative Court's Public Works Division. She was a member of the previous committee.

### INTERVIEW

#### A word from the Chair

*The new Sanctions Committee stands ready to take up its duties at the French Anti-Corruption Agency.*

*This annual report provides an opportunity to review the Committee's activities since its establishment. This Committee, like the French Anti-Corruption Agency itself, is a relative newcomer on the French institutional landscape. Its remit is unique.*

*The first Committee assisted with the operationalisation of the French Anti-Corruption Agency, in accordance with its own duties, and supported the development of the Agency's compliance audits pursuant to the Sapin II Act.*

*As observed by many commentators, in the three decisions subsequent to two referrals by the Director of the Agency in the previous period, the previous Committee sought to uphold the fundamental principles, in particular those of a procedural nature, governing the sanctions procedure established by Article 17 of the Sapin II Act and to apply them to its examinations.*

*By establishing rules of evidence based on the implicated entity's decision as to whether or not to take up the French*

*Anti-Corruption Agency's recommendations, the Committee also took into consideration the Agency's guidance work in disseminating best practices, guidelines and methods for the development of a compliance policy, a novel concept for many entities subject to the Sapin II Act.*

*We are well aware that this is the dawning of a new period of maturity for the Sanctions Committee. Over and above any decisions issued on any new case referrals, the new Committee has already decided to continue to publish press releases on the AFA website presenting its decisions and draw up a compendium of its case-law. It has also embarked upon a revision of its rules of procedure which are soon to be published on the AFA website.*



▲ AFA Sanctions Committee members – Richard Sanghor, Edith Sudre, Nicolas Maziau, Paquita Morellet-Steiner, Isabelle Gravière-Troadec and Jean-François Guillot (not in the photo).



### Examples of sanctions handed down by the Sanctions Committee

- ▶ Fine of ≤ €200,000 for individuals and ≤ €1 million for legal entities;
- ▶ Order for a company to amend its internal compliance procedures within a maximum of three years;
- ▶ Publication, dissemination or posting of the decision at the expense of the sanctioned individual or legal entity.

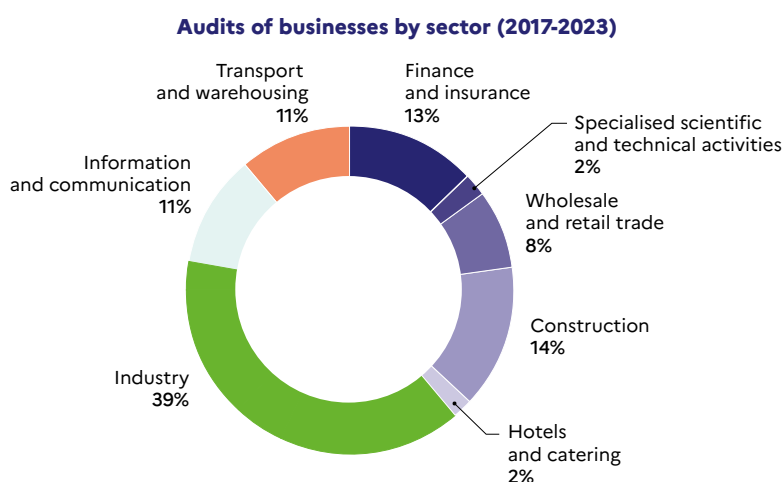
## AUDIT TAKEAWAYS SINCE 2017

### Audits of a range of entities for a holistic anti-corruption approach

From 2017 to 2023, AFA conducted 203 audits initiated by the Agency's Director: 119 on businesses and 84 on public-sector entities (including one combined audit of a public establishment) as well as non-profits and foundations recognised as public-interest entities.

#### Business entities

From 2017 to 2023, one third of audits concerned businesses in the manufacturing industry (light, heavy or high-tech industry), mainly in the aeronautic, environmental and automotive sectors. Next in line were the construction sector (14%), the financial sector (13%), transport and warehousing (11%) and information and communication (11%). The audits in these sectors concerned businesses particularly exposed to the risk of bribery of public officials due to their international business transactions or their interactions with public entities (in public procurement, for example). They also covered businesses liable to be exposed to risks of extraterritorial prosecution due to their line of business or geographic location.

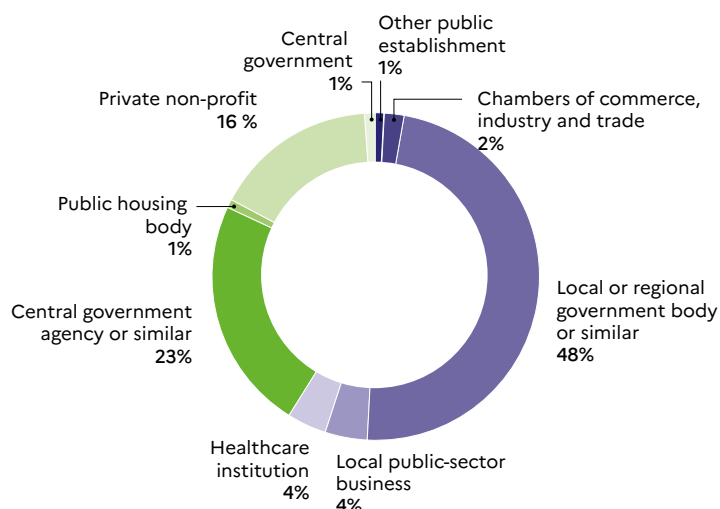


#### Public-sector entities

From 2018 to 2023, AFA focused its audits on two types of entities: large local and regional government bodies (regions, départements, city councils and very large municipalities) and central government agencies and bodies.

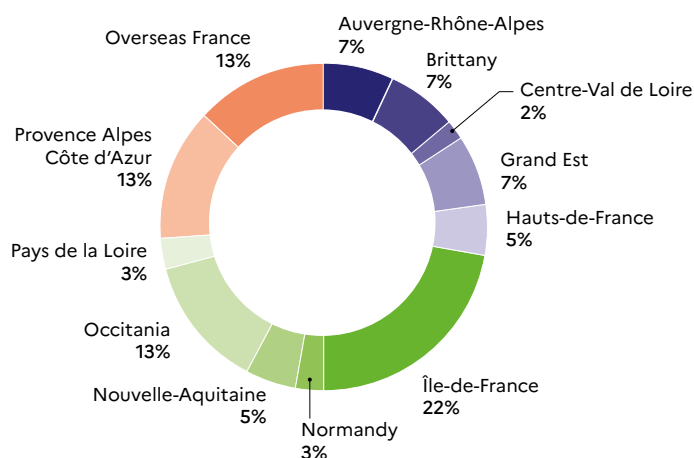


Audits of public entities by category (2018-2023)



In its audits of local and regional government bodies, AFA makes sure that the geographic distribution of audits is consistent with both AFA-SSMSI statistics on investigations opened into corruption and whistleblower reports received and processed by AFA.

Geographic distribution of audits of local and regional government bodies (2018-2023)



## Clear progress observed since 2018, but difficulties persist

Recent AFA audits have observed an improvement in business and public-sector entities' anti-corruption systems, as found by follow-up audits to verify the implementation of recommendations made by AFA following initial audits.

Although progress has also been noted by recent initial audits, AFA nonetheless observes that difficulties persist.

### Trends observed by business audits

Initial audits of businesses by AFA have virtually systematically found cases of failure to comply with the law. The breaches most often found by these audits concern:



The risk map, non-compliant in 82% of cases. In particular, the map's coverage (entities and/or geographic area) was not always clearly defined and the mapping method often lacked definition or relevance. Corruption risk mapping shortcomings impact on the bribery and influence peddling prevention and detection measures by preventing them from being geared to the risks to which the business is exposed;



- ✓ The code of conduct: although all the businesses had a code of conduct, it was non-compliant in 51% of cases. In some cases, non-compliance was due to insufficiently relevant content. For example, it was found on several occasions that the rules governing gifts and hospitality were not adequately defined and operational. In addition, the code of conduct was not systematically included in the company's rules and regulations, despite this being a legal requirement;
- ✓ The training system was non-compliant in 63% of cases due in particular to flaws in the method used to identify managers and staff most exposed to the risk of bribery and influence peddling;
- ✓ Third-party due diligence was found to be deficient in 88% of cases, mainly because it did not cover all the categories of third parties stipulated by law;
- ✓ The whistleblowing system was more rarely non-compliant (21% of cases);
- ✓ The disciplinary system was non-compliant in 19% of cases;
- ✓ Dysfunctional audits were the most frequent, whether due to accounting control procedures or internal monitoring and evaluation of measures taken, and were observed in 86% and 95% of cases respectively.

However, recent follow-up audits and initial audits have found an improvement in the quality of anti-corruption systems, as seen from the decrease in the average number of breaches, or even an absence of non-compliance (16 cases from 2020 to 2023). This reflects increased uptake of the law by businesses and a better command of the Sapin II Act's specifications.

This improvement has been accompanied in general by a stronger commitment from senior management. Senior management is communicating more frequently on its commitment to countering corruption and stepping up its involvement in validating measures and anti-corruption system oversight. Tone at the top is a key condition for the development of an effective anti-corruption system.

### Trends observed by public-sector entity audits

Public-sector entities are generally subject to a set of rules (Public Procurement Code, General Civil Service Code, public accounting rules, etc.) which, although not designed primarily to prevent and detect corruption, form part of a general system of prevention. AFA recommends that public-sector entities incorporate these rules into a general corruption prevention and detection system, as described in the AFA Guidelines published in the Official Journal of the French Republic in January 2021. An effective system requires a strong commitment by senior management and needs to include a precise assessment of the risks of corruption in its business and support activities, ethical rules geared to those risks, training for individuals most at risk, third-party due diligence, an internal control system to prevent and detect corruption, a whistleblowing system such as that provided for by the Sapin II Act, and an appropriate system of sanctions.

**Large local and regional government bodies** (regions, départements, city councils and very large municipalities) have made a great deal of progress since 2018 in terms of their corruption risk management culture and the development of risk prevention and detection measures. For example, although comprehensive corruption risk management systems are not yet common practice, many large local and regional government bodies have taken steps in this direction, especially those confronted with corruption in the relatively recent past.

**In central government,** AFA has observed the launch of anti-corruption systems in certain ministerial areas of responsibility including those of the Secretariat General and the central administrations and agencies. Nevertheless, AFA observes persistent difficulties due, for the central administrations, to the absence of strong steering and the multitude of insufficiently coordinated players that could potentially dilute responsibilities and reduce the effectiveness of the measures put in place. Although the central government agencies do not have these problems, most of them still have a great deal of progress to make. **The inclusion of ambitious goals in their contracts with central government could prove a powerful tool to improve practices.**



### 2023 audit review

#### New audit methods fully operationalised

In 2022, AFA decided to change its audit procedures, described in its audit charter, to gear them even more closely to the risk profiles of audited entities and incorporate feedback.

Audits launched in 2022 and conducted in 2023 were therefore the first to use these new procedures.

The initial review conducted by AFA and feedback from audited entities are positive:

- ✓ The two-phase audit, albeit with the second phase not being systematic, has made for efficiency gains by adjusting the depth of audits to the audited entity's risk profile and AFA's preliminary diagnosis of the existence and quality of the entity's anticorruption system;
- ✓ The draft action plan drawn up by the audited entity in response to AFA's report rallies the entities to engage in a structured response to the observations of non-compliance and the recommendations made by the Agency;
- ✓ The date of the observations reported, now the date of the audited entity's response to the provisional report, takes into consideration any work underway at the launch of the audit and completed at the end of the audit.

A total of 17 of the 30 audits initiated by AFA in 2022 were hence wound up at the end of Phase 1, with 13 being taken through to the Phase 2 in-depth audit. Phase 2 proved necessary, in particular, for follow-up audits conducted during this period to verify the implementation of recommendations and assess the effectiveness of the anti-corruption system as a whole since the initial audits.

#### Scaled-up sector audits

The majority of audits at AFA's initiative launched in 2022 and conducted in 2023 were scheduled as waves of sector audits to gain an overview of a given sector, compare the level of entity compliance in a given sector, and identify best practices.

**In audits of business entities,** the 2022-2023 audit schedule concerned follow-up audits of various businesses previously audited and undertook a wave of audits of businesses in the automotive and original equipment manufacturing sector covering French groups and French subsidiaries of foreign groups.

These audits targeted mainly entities at risk of bribery of foreign public officials in view of their geographic location and business sector. As with the general trend, these audits identified difficulties with risk mapping, third-party due diligence procedures, putting in place accounting control procedures, and internal monitoring and control of the system set up.

Concerning French subsidiaries of foreign groups in particular, although their parent company had often deployed a general compliance system and the subsidiaries had identified the particular requirements of French law, they often still had all too inadequate anti-corruption systems. AFA's audits enabled these subsidiaries' senior management to explain the Sapin II Act's anti-corruption requirements to their parent companies and will certainly improve the overall quality of the anti-corruption systems in the companies concerned.

**In audits of public-sector entities and non-profits and foundations recognised as public-interest entities,** the 2022-2023 audit schedule concerned audits of the major French sports federations in preparation for the Paris 2024 Olympic and Paralympic Games (see box) and audits of French city councils, whose responsibilities were recently extended. The largest of the city councils have corruption risk management systems that, although not complete or perfectly aligned with AFA's guidelines, help them prevent and detect corruption (code of conduct, ethics bodies, training, formalised internal control of operational and support processes, etc.). The smaller city councils remain underequipped in terms of corruption prevention and detection systems even though they are major local players managing sizeable financial resources.





## SPOTLIGHT

### Integrity in the sports world: assertive action by AFA

Pillar 3-3 of the first National Multi-Year Plan to Fight Corruption provides for “Promoting mainstreaming of integrity in sports organisations and events” by:

1. Systematically integrating corruption prevention and detection mechanisms:
  - ▶ into legislation on the organisation of major sports events,
  - ▶ into structures overseeing or involved in the organisation of these events;
2. Tasking AFA with audits of these structures and all stakeholders;
3. Working with all the sector’s public-sector and business players to adopt guidelines for integrity in sport to help the sports world deliver on anti-corruption systems commensurate with the risk level.

AFA played its part in meeting these major goals ahead of the Paris 2024 Olympic and Paralympic Games by:

1. Publishing guides in 2022 for the sports federations: <https://www.agence-francaise-anticorruption.gouv.fr/fr/document/guide-sur-prevention-des-atteintes-probite-destination-des-federations-sportives> (available in French only) and for Ministry for Sport operators: [https://www.agence-francaise-anticorruption.gouv.fr/files/2022-09/Guide\\_AFA\\_sport\\_operateurs\\_2022.pdf](https://www.agence-francaise-anticorruption.gouv.fr/files/2022-09/Guide_AFA_sport_operateurs_2022.pdf) (available in French only);
2. Conducting audits of the Paris Organising Committee for the 2024 Olympic and Paralympic Games (COJOP) and the French Olympic Delivery Authority (SOLIDEO) from 2020 to 2023 for these new bodies to deploy more robust corruption risk management systems;
3. Conducting audits of the largest sports federations, completed in 2023.

On completion of its work, AFA observed that the sports world had made progress in the area of ethics (declarations of interests, ethics and professional conduct committees in sports federations, strong ethics and audit structures for the organisation of the 2024 Olympic and Paralympic Games, etc.). Nevertheless, there is still room for improvement, in particular with the systems put in place by the sports federations.

**AFA therefore, along the lines of other proposals by recent reports on the subject, makes the following recommendations:**

1. Launch a think tank on the role and operations of the sports federations’ ethics and professional conduct committees to provide the federations with a real compliance officer, where appropriate in a shared set-up;
2. Provide for systematic, compulsory training for sports federation managers including a component on ethics and integrity;
3. Look into setting up a secure, identified corruption whistleblower reporting channel, at the Ministry for Sport for example, to be coordinated with the other existing whistleblowing systems;
4. Make use of the service level contracts between sports federations and the government to promote the deployment of corruption prevention and detection systems in sports federations with deployment support from the French National Olympic and Sports Committee (CNOSF), especially for the smallest federations;
5. Provide for sports federations to be subject to the Public Procurement Code with the same thresholds as those applicable to local and regional government bodies.

These subjects could feed into discussions on the sports bill scheduled for late 2024.



### EXCHANGES OF AUDIT INFORMATION WITH PUBLIC PROSECUTOR'S OFFICES AND OTHER ADMINISTRATIONS

The procedures for exchanging information with the judicial authorities on offences detected by AFA and the process of informing AFA of any judicial follow-up on these reports are specified in the Minister of Justice's dispatch of 10 January 2022 relating to AFA and its procedures for exchanging information with the public prosecutor's offices.

AFA systematically informs the public prosecutor's offices with territorial jurisdiction of the audits that it intends to carry out in order to coordinate its action with any criminal investigations or proceedings underway.

The dispatch also asks public prosecutors to "pay the utmost attention both to the reports sent by AFA (...) and to the criminal response to these acts." To this end, it provides for public prosecutor's offices to inform AFA of any judicial follow-up action to its reports.

**Although the purpose of AFA's audits is not to detect corruption, but to assess the quality of measures taken to prevent and detect corruption, the Agency sometimes discovers potential criminal offences.**

**In 2023, AFA referred three reports to public prosecutors pursuant to Article 40 of the Code of Criminal Procedure following audits of public-sector entities** concerning potential corruption offences (unlawful taking of interest, misappropriation of public funds and concealment of these offences).

**From 2018 to 2023, AFA referred a total of 19 reports on audits to the public prosecutor pursuant to Article 40 of the Code of Criminal Procedure. Sixteen of these reports concerned public-sector entities and three concerned businesses audited under the terms of Article 17.**

This difference is due mainly to the fact that AFA's audits of public-sector entities cover a broader scope of offences (bribery, influence peddling, unlawful taking of interest, favouritism, extortion by public officials, and misappropriation of public funds) than audits of businesses regarding measures to prevent and detect bribery and influence peddling.

In 2022, a first criminal conviction for unlawful taking of interest was handed down by a judicial court following a report made by AFA pursuant to Article 40 of the Code of Criminal Procedure for acts that it had itself observed in an audit of a university hospital carried out under the terms of Article 3 of the Sapin II Act.

In 2023, a plea bargain was made before the Court of Marseille for unlawful taking of interest and extortion by a public official discovered by AFA during an audit of a research establishment.

**In addition to close liaison with the public prosecutor's offices, AFA coordinates its audit work on public-sector entities with other bodies and administrations such as the financial courts, the General Economic and Financial Audit Department, ministry inspectorates and the National Public Housing Audit Agency (ANCOLS).**





## Growing use of compliance remediation programmes

A judicial public interest agreement (CJIP) is an alternative settlement procedure to criminal prosecution established by the Sapin II Act. It is applicable to legal entities implicated in cases of bribery, influence peddling, tax evasion, laundering money from these offences and any related offences. It effectively terminates public prosecution if the implicated legal entity fulfils the obligations to which it commits in the agreement.

The obligations, alternative or cumulative, attached to the signature of a judicial public interest agreement (CJIP) may consist of:

- ✓ Payment of a public interest fine of no more than 30% of average annual turnover;
- ✓ Implementation of an AFA-supervised compliance remediation programme for a maximum period of three years to bring corruption prevention and counter-corruption procedures into compliance;
- ✓ Payment of damages to the victim.

The CJIP, as proposed by the public prosecutor (or the investigating judge in the case of a judicial investigation) and accepted by the legal entity, must be validated by the presiding judge in an open court hearing.

**The existence of a compliance remediation programme, designed to prevent the risk of repeat offences by requiring the company to put in place an anti-corruption system geared to its risk environment, constitutes a factor of social acceptance of negotiated justice for legal entities.**

### DELIBERATIONS WITH PUBLIC PROSECUTOR'S OFFICES BEFORE SIGNING CJIPS

In a dispatch dated 10 January 2022 regarding the French Anti-Corruption Agency and how it liaises with public prosecutor's offices, the Minister of Justice asked public prosecutors to inform AFA in advance when they are considering the use of a CJIP with the potential inclusion of a compliance remediation programme.

AFA may, at the request of the public prosecutor, provide its assistance with an appraisal of the utility of a compliance remediation programme, the definition of a programme's coverage and duration, and the maximum costing for an AFA audit of the programme. AFA's expert assessment informs the court of the state of the business's anti-corruption system and its risk profile for the purpose of developing an appropriate bespoke compliance remediation programme.

In 2023, AFA conducted eight preliminary examinations prior to the establishment of a CJIP at the request of public prosecutor's offices. This activity has risen sharply given that a total of ten preliminary examinations were conducted from 2017 to 2022. In the majority of cases, AFA's coverage and duration recommendations were taken up by the public prosecutor's offices and approved by the presiding judges of the courts concerned.



## AUDITING PROCEDURES GEARED TO THE ANTI-CORRUPTION AGENDA

The purpose of an AFA audit of a compliance remediation programme pursuant to Article 131-39-2 of the Criminal Code is to verify the implementation, quality and effectiveness of prevention and detection measures comparable with those required of companies in accordance with Article 17 of the Sapin II Act:

- ✓ A code of conduct defining and illustrating the various types of prohibited behaviour that could constitute acts of bribery or influence peddling;
- ✓ An internal whistleblowing system for receiving reports from staff about instances of conduct or situations that violate the legal entity's code of conduct;
- ✓ Risk mapping in the form of regularly updated documentation for the purpose of identifying, analysing and ranking the legal entity's exposure to risks of external solicitations for the purpose of bribery, based on the business sectors and locations where the legal entity does its business;
- ✓ Procedures for assessing the situation of customers, leading suppliers and intermediaries with regard to the risk map;
- ✓ Internal and external accounting control procedures to ensure that the books, ledgers and accounts are not used to conceal acts of bribery or influence peddling. These controls may be carried out either by the legal entity's own accounting and financial control departments or by an independent auditor in the case of audits to certify the financial statements as provided for by Article L.823-9 of the Commercial Code;
- ✓ A training system for managers and staff most exposed to the risks of bribery and influence peddling;
- ✓ Disciplinary rules providing for sanctions for legal entity staff in the event of a breach of the legal entity's code of conduct.

When conducting audits of compliance remediation programmes, AFA draws on its six years of experience in audits of large corporations undertaken at its own initiative to ascertain compliance with the requirements stipulated in Article 17 of the Sapin II Act.

However, given that CJIPs can be signed with businesses of all sizes, compliance remediation programmes can also concern businesses not subject to the requirements of Article 17 of the Sapin II Act.



### SPOTLIGHT

#### How is a compliance remediation programme audit conducted?

Following an initial AFA audit of the entity's anti-corruption system, an action plan proposed by the company is sent to AFA for validation. During the implementation of this action plan, the company has the possibility of discussing the suitability of some of its framework policies with AFA. It informs AFA of progress with the action plan's implementation by means of quarterly reports.

AFA can conduct targeted audits of certain operational processes, departments, branches and subsidiaries, specific anti-corruption system measures, and countries and regions where the audited entity is established or operates to ascertain the effective implementation of the action plan and anti-corruption system measures.

The compliance remediation programme audit is closed after a final audit of the anti-corruption system to verify the implementation of the action plan defined following the initial audit and to assess the suitability, proper deployment and effectiveness of the anti-corruption system. The provisional final audit report is discussed by AFA and the audited entity, following which the final report is drawn up and sent to the public prosecutor who ordered the CJIP.

Throughout the duration of the CJIP, AFA reports to the public prosecutor on the implementation of the programme and any problems that may arise.

The timeframe for audits of compliance remediation programmes, which can last up to three years, gives the entity time to significantly improve its anticorruption system and ultimately reduce the risk of a repeat offence.



## A SHARP INCREASE IN ACTIVITY IN 2023

In 2023, six new CJIPs were signed providing for a compliance remediation programme. This makes for a total of 12 AFA-supervised compliance remediation programmes under the terms of CJIPs since the Agency was established:

### AFA-supervised compliance remediation programmes

- **Kaefer Wanner:** 2018, Nanterre Public Prosecutor's Office, 18 months;
- **SAS SET Environnement:** 2018, Nanterre Public Prosecutor's Office, 2 years;
- **Poujaud SAS:** 2018, Nanterre Public Prosecutor's Office, 2 years;
- **Société Générale SA:** 2018, National Financial Public Prosecutor's Office, 2 years;
- **Airbus SE:** 2020, National Financial Public Prosecutor's Office, 3 years;
- **Bolloré SE:** 2021, National Financial Public Prosecutor's Office, 2 years;
- **La Financière Atalian:** 2022, Paris Public Prosecutor's Office, 2 years;
- **DORIS:** 2022, National Financial Public Prosecutor's Office, 3 years;
- **Guy Dauphin Environnement:** 2023, National Financial Public Prosecutor's Office, 3 years (compliance remediation programme for Derichebourg Environnement Group);
- **Bouygues Bâtiment Sud-Est and Linkcity Sud-Est:** 2023, National Financial Public Prosecutor's Office, 3 years (compliance remediation programme for Bouygues Construction Group);
- **Seves Group SARL and Sediver SAS:** 2023, National Financial Public Prosecutor's Office, 3 years (programme for Seves Group);
- **SAS Groupe Omnium Développement, SAS Sud-Est Étanchéité, SAS Société d'Isolation et de Peinture Omnium, SAS Entreprise Ventre:** 3 CJIPs signed in 2023, 3 years, Marseille Public Prosecutor's Office (compliance remediation programme for Omnium Group).

Five of these 12 CJIPs have been closed and an opinion issued to terminate public prosecution.



## THE KEY ROLE OF CJIPS INCLUDING COMPLIANCE REMEDIATION PROGRAMMES IN TRANSNATIONAL INVESTIGATIONS

One of the purposes of the Sapin II Act is to assert France's judicial sovereignty by strengthening its credibility in countering bribery of foreign public officials and creating the conditions for compliance remediation programmes required of French companies to be ordered by a French authority and no longer exclusively by foreign authorities.

These goals have been met as observed by both the parliamentary fact-finding report on the evaluation of the impact of the Sapin II Act and the OECD in its December 2021 evaluation.

Two CJIPs including a compliance remediation programme were concluded by settlements coordinated between the French National Financial Public Prosecutor's Office (PNF), the Serious Fraud Office (SFO) and the US Department of Justice (DoJ). In these cases, the three authorities agreed to order the implicated company to conduct a compliance remediation programme supervised solely by AFA.



### INTERVIEW

#### The Airbus compliance remediation programme

##### Background

From 2016 to 2020, Airbus was subject to joint investigations by French, UK and US prosecution authorities (French Financial Prosecutor's Office, Serious Fraud Office and US Department of Justice) into allegations of bribery and corruption by the company. This action culminated in Airbus signing a CJIP and two DPAs with these authorities on 31 January 2020. Under the terms of these agreements, the company paid a total fine of €3.6 billion (including just over €2 billion to the French Public Treasury) and undertook to have its compliance programme audited by AFA. As part of its remit, AFA had already conducted an administrative audit of the group in 2017.

These circumstances and successive interactions with AFA have enabled Airbus to significantly improve its compliance programme and, more generally, have strengthened the robustness of the group's governance and controls.

In 2023, on completion of the group's compliance remediation programme, AFA considered that Airbus, in keeping with its requirements under the terms of the CJIP, had developed a suitable and effective anti-corruption system deployed across all the group's entities accompanied by a particularly strong culture of compliance, spearheaded and maintained by senior management and its compliance role. AFA sent the report to the PNF, SFO and DOJ, which discontinued the public prosecutions for the charges referred to in the CJIP.

The Airbus CJIP shows the credibility gained by France in countering bribery and corruption, especially on a transnational level. It attests to France's judicial sovereignty as well as its economic sovereignty, in keeping with the purpose of the Sapin II Act.

##### **Ray Bonci, Chief Ethics and Compliance Officer, explains the situation.**

##### **What governance and business model changes were made?**

*With the criminal investigations underway, John Harrison, Airbus General Counsel and Member of the Executive Committee, made compliance a pillar of the group's strategy. Having a new, qualified, professional compliance team in the legal department allowed us to turn the page on the past and guaranteed the authority we needed for a transformative change to our business practices. The changes we made not only reduced our compliance risk, but more than that, made substantial operational gains.*

*For example, having a new, rigorous system respectful of our commitments with third parties drastically reduced the number of commercial intermediaries by internalising previously delegated tasks and also brought us closer to our customers, a point that really made a difference during the COVID-19 pandemic.*

*Likewise, Airbus considerably streamlined the group's number of legal entities worldwide. This reduced the compliance risks and increased the effectiveness of the controls of the remaining structures in a cost-effective manner.*



**How was the obligation for AFA's monitorship of the programme put into practice?**

*This monitorship took the form of 16 targeted audits to verify the effectiveness and efficiency of the entire programme throughout the group: head office, divisions and subsidiaries audited worldwide. These audits produced a hundred-odd observations and recommendations consolidated into an action plan, whose implementation was placed under the responsibility of the Chief Ethics and Compliance Officer.*

*The organisational complexity of a group the size of Airbus sometimes proved a challenge to the plan's implementation, but tone at the top and hard work by all hierarchical levels overcame the problem and drove up interaction and cooperation among the different group departments. This cooperation and the integration of the compliance programme into our operations were a key factor for its success.*

**And now?**

*A compliance programme has to be dynamic to adjust to a changing regulatory and operational environment. Airbus has put in place human, technical (digital) and financial resources commensurate with the size of the group and its organisation and also to the dysfunctions laid out in the CJIP and the DPAs.*

*We now need to support and sustain this programme with firm underpinnings by developing high-impact training, streamlining procedures, optimal positioning of controls, and using precise indicators so that our management team, managers and staff can contribute, each at their own level, to its implementation.*





# AFA, new external authority for receiving and processing whistleblower reports

## NEW PROCEDURES FOR RECEIVING AND PROCESSING WHISTLEBLOWER REPORTS

Right from its creation, **AFA has received and processed whistleblower reports of potential corruption and inadequate corruption prevention and detection measures of businesses and public-sector entities.** There has been a sharp increase in the number of reports received in recent years.

On analysis of a whistleblower report, AFA may decide to open an audit, refer the report to the judicial authorities in the case of an alleged corruption offence, or refer the matter to an administrative body. The AFA also uses the whistleblower reports received to paint a clearer picture of the high-risk sectors and activities and generally steer the Agency's audits.

**Act 2022-401 of 21 March 2022 on improving whistleblower protection and its Implementing Decree 2022-1284 of 3 October 2022 on procedures for receiving and processing whistleblower reports designated AFA as the external authority for receiving whistleblower reports on certain acts of corruption.**

To facilitate whistleblower reporting, AFA decided to set up a one-stop reception and processing system, **spending 2023 overhauling whistleblower report handling procedures and the whistleblower report reception gateway on the AFA website.**

Throughout 2023, AFA regularly liaised with the French Defender of Rights and the other external authorities for receiving whistleblower reports regarding the implementation of the external whistleblower report systems.

## SHARP GROWTH IN ACTIVITY WITH INCREASINGLY SUBSTANTIATED WHISTLEBLOWER REPORTS

In 2023, AFA received 435 whistleblower reports, as opposed to 304 in 2022, 216 in 2021, 298 in 2020 and 229 in 2019. The number of whistleblower reports hence increased by over 40% on the previous year and doubled in the space of two years.

Of the reports received in 2023, 62% were deemed to be serious and detailed enough to be actionable by AFA (compared with 40% in 2022).

**The increase in the number and quality of whistleblower reports illustrates the key role now played by AFA in countering corruption. External whistleblower report reception and handling has become a fully-fledged AFA activity.**

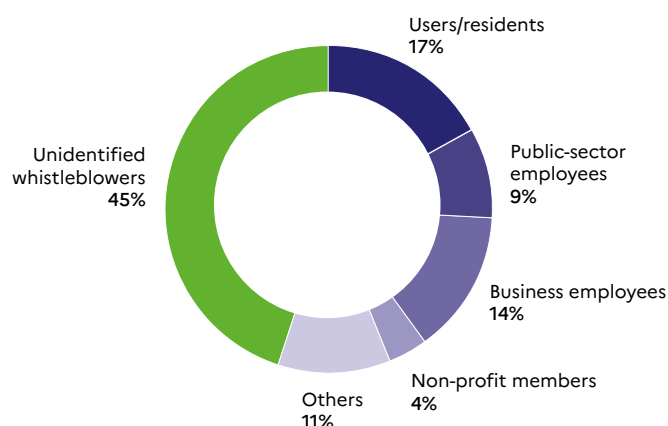
### Whistleblowers

A total of 27% of actionable whistleblower reports received in 2023 were made anonymously.

Identifiable whistleblowers were primarily users or residents (17%), followed by business employees (14%) and public-sector employees (9%). Whistleblowers were unable to be identified in 45% of cases, either because the whistleblower reports were made anonymously or because they did not provide enough information to identify the whistleblower.



### Whistleblowers in 2023



Of the whistleblowers employed in a business (14%), 3% worked in a business subject to the requirements of Article 17 of the Sapin II Act, 9% worked in a business not subject to those requirements, and information was not available on the remaining 2%.

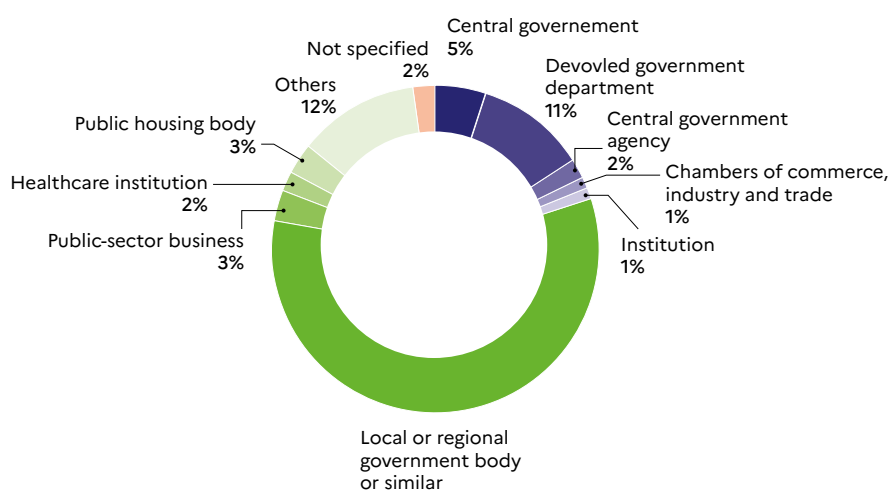
The majority of whistleblowers employed in the public sector (9%) worked in local or regional government bodies (6%).

### Entities and persons reported

Of the whistleblower reports handled in 2023, 55% reported public-sector entities or their employees, 28% businesses or their employees, 7% non-profits or people working for them, and 10% other individuals (in particular, self-employed professionals and individuals in private disputes).

58% of whistleblower reports from the public sector concerned local or regional government bodies.

### Whistleblower reports on public-sector entities

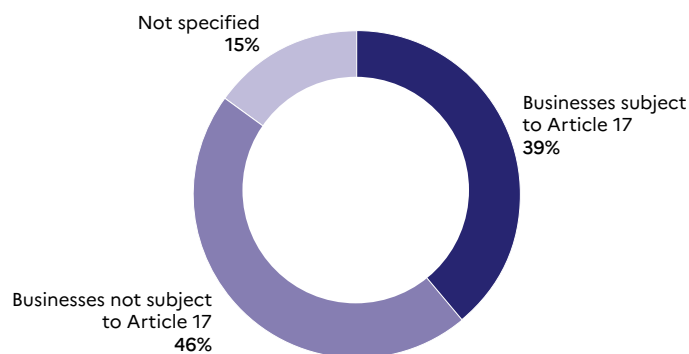


Reports on local or regional government bodies concerned mainly municipalities (36 reports on municipalities with 3,500+ inhabitants, 24 reports on municipalities with fewer than 3,500 inhabitants), followed by départements (7 reports) and one region (1 report). The other reports concerned other local public-sector entities, primarily public intermunicipal cooperation establishments (EPCI).

Of the whistleblower reports on businesses, 39% concerned businesses subject to the requirements of Article 17 of the Sapin II Act and 46% concerned businesses not subject to those requirements.



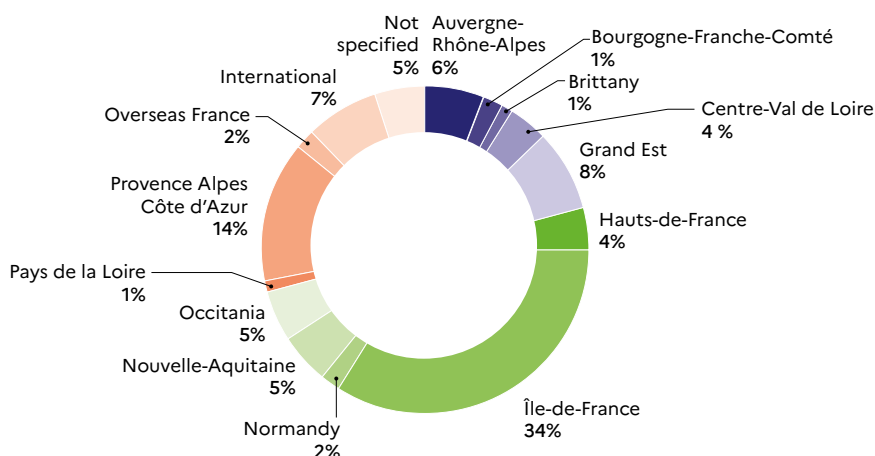
### Whistleblower reports on businesses



### Location of alleged offences

Alleged offences were reported to have been committed mainly in Île-de-France (34%), Provence-Alpes-Côte d'Azur (13%) and outside of France (7%).

#### Location of alleged offences



This geographic distribution is on the whole consistent with the statistical data published by AFA on court rulings in corruption cases and police and gendarmerie investigations (see Part 1). It is also consistent with the distribution of audits at the initiative of AFA (see Part 2).

### Allegations

A total of 36% of the whistleblower reports handled in 2023 reported possible corruption, mainly unlawful taking of interest, bribery of a public official, private-sector bribery and favouritism.

Among the other whistleblower reports:

- ✓ 12% reported other possible offences, tax evasion in particular;
- ✓ 29% lacked evidence of an offence;
- ✓ 23% reported acts that do not constitute offences, in particular civil or administrative disputes.



## ACTION TAKEN ON WHISTLEBLOWER REPORTS

A total of 49 of the whistleblower reports received by AFA in 2023 were referred to another body in 2023 or early 2024,<sup>24</sup> including 26 referred to public prosecutor's offices:

- ✓ 11 whistleblower reports were referred to the public prosecutor with jurisdiction under the terms of Article 40 of the Code of Criminal Procedure for probable corruption offences. This figure represents a sharp increase on the two referrals in 2022. The reports referred in 2023 concerned mainly allegations of bribery of a public official, including bribery of a foreign public official, unlawful taking of interest, private-sector bribery and favouritism;
- ✓ 15 whistleblower reports were sent for information purposes to the public prosecutor with jurisdiction because they could possibly be related to ongoing criminal proceedings;
- ✓ 23 whistleblower reports received by AFA were sent to other authorities and departments for information or corrective action (other whistleblower report reception authorities, financial courts, the French Financial Intelligence Unit (TRACFIN), ministry whistleblower contacts, compliance officers, general inspectorates, professional bodies, oversight administrations, the National Public Housing Audit Agency, etc.). The number of referrals to other bodies, excluding public prosecutors, represents a sharp increase and reflects AFA's determination for the relevant administrative bodies to take appropriate corrective action. AFA also closely monitors action taken on these whistleblower reports by the authorities receiving them;
- ✓ 1 whistleblower report gave rise to the launch of an AFA audit in 2023 and others were taken into consideration in audits underway.

## WHISTLEBLOWER REPORTS RECEIVED BY AFA AS AN EXTERNAL WHISTLEBLOWER REPORT RECEPTION AUTHORITY

Among the whistleblower reports handled in 2023, 60 appeared to be consistent with the whistleblowing provisions of Act 2022-401 of 21 March 2022 to improve the protection of whistleblowers, even though the whistleblowers in question had not explicitly referred to them. All of these whistleblower reports were processed and the procedure closed in 2024 with an average processing time of 74 days or 2.5 months.

Although all whistleblower reports received by AFA are processed in the same way in accordance with the terms of the abovementioned decree, irrespective of whether they are external whistleblower reports as defined by the Act of 21 March 2022, AFA decided for statistical purposes to differentiate external whistleblower reports as defined by the abovementioned act from other whistleblower reports.

AFA and the French Defender of Rights held discussions throughout 2023 to refine this distinction (case of anonymous whistleblower reports; whistleblower reports by unions, elected officials and constituents; whistleblower reports constituting individual complaints; consideration of the criterion of good faith and non-self-interest, interpretation of the notion of "threat or harm to the public interest", etc.). Discussions also focused on identifying action to be taken on certain whistleblower reports, especially in the case of whistleblowers declaring themselves to be victims of retaliation.

A total of 63% of the 60 external whistleblower reports received concerned possible corruption. Following analysis, one quarter were referred to the judicial authority and 15% were sent to an administrative body, including other external whistleblower report reception authorities when the whistleblower reports were not within AFA's jurisdiction.

In general, AFA observed a significant number of detailed external whistleblower reports in 2023 sent by individuals in positions of responsibility in large companies (compliance officers, audit department managers and accountants) who wanted to use the possibility now available to them to report to AFA cases of what they believed to be corruption. In particular, five of these whistleblower reports mentioned possible cases of bribery of foreign public officials, which led AFA to refer these whistleblower reports to the judicial authority.

2023 was therefore a year in which AFA made its mark as an external authority for the reception of whistleblower reports on corruption in close coordination with the French Defender of Rights and the other external whistleblower report reception authorities.

<sup>24</sup> Statistics as at 15 April 2024.









## ADVISORY ACTIVITIES



## Key figures

**57** awareness-raising workshops and other activities for public-sector and business entities in 2023

**3,500** people reached through awareness-raising activities

**5** guides, studies and collections of practical factsheets published in 2023

**51** training courses delivered in 2023, with **1,487** participants

**2,983** streams of AFA/CNFPT podcasts since their launch

**10,317** playthroughs of the "En quête d'intégrité" (Integrity Quest) serious game since its launch

**3,742** attempts at the AFA quiz

**27,850** people enrolled on the AFA/CNFPT MOOC and **2,858** logins to the "Probité" (Anti-Corruption) SPOC since their launch





# Ongoing dialogue with public-sector and business entities

## A CONSULTATIVE APPROACH

### Close ties with business entities

AFA has for some years sought input into its publications from businesses and professionals. It does so by holding public consultations on draft versions of its practical guides, as well as by establishing working groups to gather expert insights for future publications.

In 2023, as in previous years, AFA continued its efforts to build **closer ties with a diverse range** of business entities.

For instance, as part of preparations for a forthcoming publication on third-party anti-corruption due diligence, the Agency sent businesses an anonymous questionnaire asking them if they had faced any obstacles when setting up such a system and, if so, what best practices they had implemented to circumvent them.

In a similar vein, AFA stepped up discussions with the business community for input into a new practical guide on sponsorship and patronage activities, holding meetings with a number of sports-industry federations and associations to discuss certain matters they had raised during the prior public consultation.

The Agency also offers to speak to members of industry federations and business organisations. These **presentations** cover the Agency's new publications or any aspect of the anti-corruption system for which support is specifically requested.

AFA is considering new channels through which to distribute its work, as it seeks to reach more businesses and professionals.

### Cooperation with public-sector entities

In 2023, as part of its ongoing partnership with the National Centre for Local Civil Service (CNFPT), AFA developed a self-paced online course (SPOC), revised and enhanced its existing massive open online course (MOOC), released new podcasts and web radio shows, and delivered talks to local officials.

The Agency also seeks input from other institutional partners for its sector-specific practical guides. In 2023, for example, it worked with the French Hospital Federation (FHF) on a draft guide for public healthcare institutions, and with CCI France on a guide for chambers of commerce and industry.

AFA holds regular meetings with key associations of elected representatives and with non-governmental organisations (NGOs) working to counter corruption. For example, it consulted these organisations during the preparation of the National Multi-Year Plan to Fight Corruption.

The Agency also maintains an ongoing dialogue with various government ministries, supporting their efforts to put in place corruption risk management processes and fully involving them in the preparation of the second PNPLC.



### ANSWERING QUESTIONS FROM THE GENERAL PUBLIC, PUBLIC-SECTOR ENTITIES AND BUSINESSES

AFA's mission is to assist the competent authorities and persons involved in preventing corruption. As part of this role, it receives and processes referrals from both the private and public sectors. In 2023, the Agency processed 148 referrals in total, of which 84 related to various legal matters.

In 2023, AFA processed 79 referrals concerning public-sector entities, including 32 regarding legal matters mainly in the following areas: favouritism, the scope of the Sapin II Act, gifts and hospitality, bribery, conflicts of interest and unlawful taking of interest, misappropriation of public funds, and the content and implementation of an anti-corruption system.

Of these referrals relating to public-sector entities, 34% came from local governments and public entities, 25% from individuals, and 12% from central government ministries or agencies.

The Agency received 69 referrals relating to business entities. Of these, 52 concerned various legal matters such as anti-corruption measures, conflicts of interest, the scope of Article 17 of the Sapin II Act, and internal whistleblowing systems.

The majority of these referrals were submitted by **businesses** (41%), **consultancy firms** (23%) and **individuals** (23%), with others sent by **trade federations** (7%), **students** (4%), and **schools and universities** (1%).



# New guides on specific subjects and sectors

## PRACTICAL GUIDES

### Guide on internal anti-corruption investigations

On 14 March 2023, in line with its role to support business entities, AFA published a guide on internal anti-corruption investigations. The guide was developed jointly with the National Financial Public Prosecutor's Office following an extensive public consultation.

Internal investigations are common practice in the corporate world when it comes to human resources-related matters, and are one of the measures that can be taken following a whistleblowing report as provided for in Article 17 of the Sapin II Act.

Any business wishing to adopt sound management practices is advised to launch an internal anti-corruption investigation when the company or its management becomes aware of a breach of the organisation's anti-corruption code of conduct, of behaviour that contravenes the company's procedures for preventing and detecting such breaches, or of evidence of conduct that could constitute bribery or influence peddling.

An internal anti-corruption investigation, initiated at the company's behest, allows management to establish whether these suspicions are founded and to take the right course of action in order to protect the organisation's interests. The investigation may, where appropriate, give rise to a negotiated criminal justice response, signalling the organisation's willingness to act in good faith – provided that it is carried out in a fair and orderly manner and that its conclusions are objective.

This joint AFA and PNF guide aims to help all companies – whether or not they are subject to Article 17 of the Sapin II Act – design and conduct internal anti-corruption investigations in accordance with individual rights and freedoms.

It describes the internal anti-corruption investigation triggers, how to conduct an internal investigation, and the action to be taken following an investigation. The guide includes recommendations on what to look out for and examples of best practices, helping organisations successfully manage this specific procedure as best as possible.

The guide was updated following a public consultation held in March 2022, which saw contributions from 15 or so organisations (trade federations, business organisations, companies, and law and consultancy firms).

AFA and the PNF reviewed the 350 or so separate observations received in detail, with some 70% of these observations leading directly to changes or updates to the initial draft version.

The guide was well received by the business community. It was presented to trade federations and business organisations at talks and technical workshops. These sessions, attended by close to 800 people in total, provided an opportunity to expand on the best practices set out in the guide, as well as to delve into further detail on the role of legal professionals, and in particular lawyers in internal investigations.





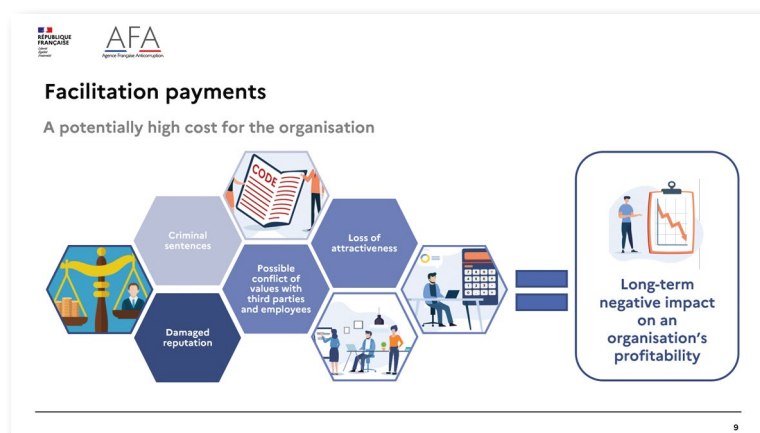
### Updated primer on facilitation payments

In October 2023, AFA published a revised version of its primer on facilitation payments.

A facilitation payment is a sum of money paid by a natural person to a public official in order to obtain, facilitate or speed up a customary or necessary administrative routine, which that person is entitled to expect. Although these payments are typically small in value, they are considered a form of bribe and are prohibited in France.

The document presents the legal issues raised by facilitation payments, what consequences companies can face, and the measures they can take to manage the associated risks.

The primer is available in French and English [on the AFA website](#).



## FORTHCOMING GUIDES

### Sponsorship and patronage activities

Sponsorship and patronage activities are a normal part of corporate life and are of great benefit to the economy and wider society. Although these activities are governed by strict rules, the possibility always remains that they could be misused for fraudulent purposes, in a departure from their original intent.

In 2023, AFA began developing a guide on managing corruption risk in these activities, with input from various government ministries and from bodies representing the non-profit and foundation sector.

### Guide for chambers of commerce and industry

In 2023, AFA put together a practical guide outlining a process for preventing and detecting corruption risks for chambers of commerce and industry. The publication was developed in conjunction with the Directorate General for Enterprise (DGE – the authority in charge of French chambers of commerce and industry network) and with CCI France (the national umbrella organisation for the chamber network).

### Guide for public healthcare institutions

This draft document, drawn up with input from the French Hospital Federation (FHF) and a working group of professionals from the hospital sector, will offer methodological guidance on designing and implementing an effective anti-corruption system in healthcare institutions.

All three guides are scheduled for publication in the first quarter of 2024.

## PRACTICAL FACTSHEETS

### Public information databases useful for third-party due diligence

Preventive third-party due diligence is an integral part of an anti-corruption programme. The purpose of this assessment is to mitigate corruption risk in an organisation's relationships with various third parties, including customers, suppliers, service providers, intermediaries, subcontractors, contractors, public procurement contract holders, delegates, grant-holders, users and partners. Insufficient third-party due diligence with regard to planned or current relationships could expose the organisation to the risk of more or less direct implication in corruption offences that could harm its

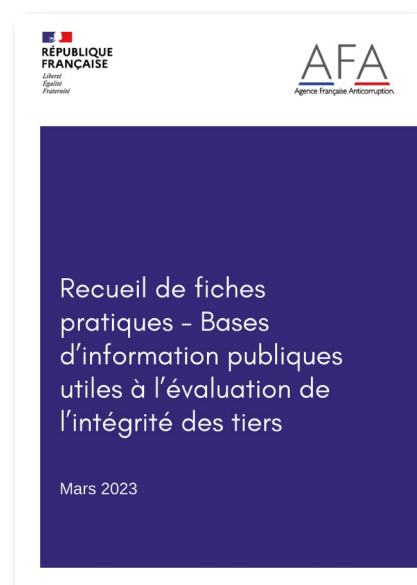


reputation, adversely affect its business development, and trigger the liability of the organisation or its senior management.

Third-party due diligence, as with all corruption risk management measures, is based on the organisation's corruption risk map, which categorises the third parties with which the organisation interacts into uniform groups with comparable risk profiles. The expected content of a third-party due diligence exercise is detailed in the AFA Guidelines. From a practical standpoint, third-party due diligence involves both gathering information directly from the third party in question (such as through an interview), and consulting and reviewing relevant, publicly available information. The aim is to gather and cross-reference information from different sources in order to build up a detailed picture.

Given that many organisations – in both the public and private sectors – are unfamiliar with third-party due diligence, the Agency felt it would be helpful to provide a compendium of public information sources that could be used for this purpose.

This document is not designed as a guide to conducting third-party anti-corruption due diligence, but rather as a collection of databases and sources that organisations can use. It is intended first and foremost to be a practical resource, listing both statutory and customary information sources. It is, by necessity, non-exhaustive, especially with regard to databases established in countries outside France or published in languages other than French. It is also intended to be a resource in continual development, with scope for future additions and updates.



## Collection of practical factsheets on indices measuring geographical exposure to corruption risk

On 19 May 2023, AFA published a collection of practical factsheets on the indices used to measure the corruption risk exposure of a given geographical area. This publication is intended to optimally assist companies operating outside France.

In order to map corruption risk and conduct third-party due diligence as part of an anti-corruption programme, an organisation needs to understand the corruption risk associated with the geographic areas in which it operates and the third parties with which it does business.

There are many freely accessible indices for measuring the corruption risk exposure of a given country or territory.

The Agency has compiled these indices into a compendium to support companies and their advisers, providing, in each case, the characteristics of the index and the underlying methodology. Each of the 18 indices are explained and analysed in a practical factsheet found in the first two sections of the document.

This publication – action-oriented by design – serves as a valuable resource for organisations of all shapes and sizes – operating outside France or working with third parties based abroad – looking to implement an anti-corruption programme.

The document is divided into four main sections:

- ✓ **The main indices** used to measure corruption risk in a geographical area;
- ✓ **Indices that include the risk of corruption** in a geographical area among their components;
- ✓ **Evaluation reports** that may be useful for analysing the risk of corruption in a geographical area;
- ✓ **Additional tools** that may be useful for analysing corruption risk in a geographical area.

The document will be updated annually.



### A study comparing France's anti-corruption framework with the highest international standards

On 11 May 2023, AFA published a study comparing France's anti-corruption framework with regulatory frameworks promoting business integrity across the world.

At a time of increasing focus on countering corruption worldwide, and as countries adopt and implement laws with extraterritorial reach, French companies operating abroad may find it hard to understand and comply with the many and varied obligations incumbent upon them.

**In response to these challenges, and with a view to providing information to companies on the matter, AFA produced a comparative study of the French, US and UK anti-corruption frameworks and the World Bank sanctions system framework and Integrity Compliance Guidelines.**

This study was compiled with support from the foreign authorities and organisations responsible for developing these standards, i.e. the U.S. Department of Justice (DOJ), the U.S. Securities and Exchange Commission (SEC), the Serious Fraud Office (SFO), the Financial Conduct Authority (FCA) and the Integrity Vice Presidency of the World Bank Group, all of which were consulted on the publication and invited to present it at the 2023 OECD Global Anti-Corruption & Integrity Forum, held on 22 May 2023.

The study brings into perspective the different rules and arrangements that French companies may need to comply with when operating abroad. It also demonstrates that, for the most part, the French anti-corruption framework aligns with the requirements of the very highest standards applicable around the world. **On this basis, organisations that adhere to the French anti-corruption framework can rest assured that it affords them both strong protection against the criminal risk of corruption, and robust guarantees of compliance with the anti-corruption rules and recommendations of foreign countries in which they are likely to do business.**





# Training courses geared towards different audiences

## TRAINING: CENTRAL TO THE FIGHT AGAINST CORRUPTION

In 2023, AFA continued and stepped up its training efforts to prevent and detect corruption offences with a combination of virtual and in-person sessions for different audiences. Around 50 initial and in-service training courses were delivered in partnership with various training bodies, including schools in the network of public service schools (RESP) and civil service training institutes.

The organisations that took part in this training included:

- ✓ **schools in the RESP network and civil service training institutes:**
  - the French National Institute of Public Service (INSP);
  - the National School for the Judiciary (ENM);
  - the National Centre for Local Civil Service (CNFPT);
  - the National Gendarmerie Officers School (EOGN);
  - the Institute for Public Management and Economic Development (IGPDE);
- ✓ **universities and specialised schools, including:**
  - universities in the Greater Paris area and regional France (e.g. Aix-Marseille, Nancy and Strasbourg);
  - business and management schools;
  - the Paris Bar School (EFB);
  - the Institute for Advanced National Defence Studies (IHEDN).



▲ Instructors and students at Université de Lorraine, France, February 2023.





LA PAROLE À...

### Interview with Gilles Accomando, Director of the Paris Bar School

**Why do you think it is important to step up anti-corruption compliance training for legal professionals, and why did you decide to join forces with AFA and the Cercle Montesquieu (a corporate legal officers' association) to run an annual continuing education course?**

We launched this anti-corruption compliance course, delivered in partnership with AFA and the Cercle Montesquieu, five years ago. We felt it was important to familiarise lawyers, legal experts and legal affairs directors with the new rules and controls introduced by the Sapin II Act.

What was interesting about this law, which was something of a pioneering piece of legislation in the compliance world, was that it spanned the intersection of two complementary professions: lawyers and legal affairs directors/legal experts. For us at the EFB, it made perfect sense to foster synergies between these professions and help them reach a common understanding of the subject, so as to support their practical work. What is more, AFA's input really raised the level of the course, ensuring the content accurately reflected the anti-corruption ecosystem.

**What feedback have you received from lawyers and legal experts about this course?**

The feedback from the EFB and the Cercle Montesquieu has been extremely positive. This would suggest that the course lives up to expectations and offers genuine value for the professionals who take it: as well as gaining perspectives on the topic from every stakeholder, they also learn about best practices, the latest developments and key points to watch out for in the anti-corruption field.

On another positive note, the instructors from the three partner organisations have formed a stable, close-knit team, which points to enduring interest in the matter. The EFB is delighted that this course will continue for many years to come.

**The format of the course was overhauled in 2023. What changes were introduced? And what does the future hold in store for your collaboration with AFA?**

We decided to overhaul the course last year after observing that most businesses were much more familiar with the theoretical framework, and that professionals were more knowledgeable about anti-corruption matters in general, than they were in the past. This meant we could switch the focus of the programme and devote more time to honing the associated processes. The new version of the course places a greater emphasis on practical application. For instance, it now includes a session on risk mapping and accounting controls, while the third-party due diligence session has a deliberately practical slant and includes an examination of a series of case studies. Meanwhile, the session on internal whistleblowing reports and follow-up investigations is highly instructive and informative, opening up an in-depth discussion on the topic. Beyond the content itself, the course is forming a community of legal professionals who better understand each other's roles and expectations when it comes to anti-corruption matters.

These training courses, which are delivered by AFA staff with relevant subject-matter expertise, range from general presentations on countering corruption to sessions on specific anti-corruption compliance measures. Over 1,400 people have attended these courses to date.

The Agency also carries out a wide range of advisory activities, including delivering initial and in-service training for various universities and other higher education institutes.

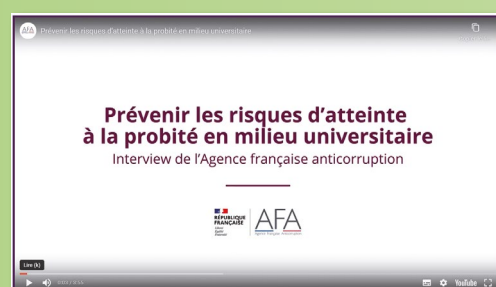


## SPOTLIGHT

## Anti-corruption training at Université Paris-Saclay

In 2023, Université Paris-Saclay (UPS) approached AFA to run an anti-corruption information session for the institution's staff. The session was held on 8 June 2023 at the UPS campus in Saclay, south-west of Paris. As a follow-up to this event, AFA and UPS produced an explainer video on countering corruption for the university's staff, students and partners. The topics covered in the video include definitions of key terms, the principles that apply to public establishments, examples of risk areas for universities, and best practices.

The Agency is set to continue this advisory work in 2024, including by running awareness-raising activities on corruption risk for the university's governing bodies.



## INNOVATIVE TOOLS

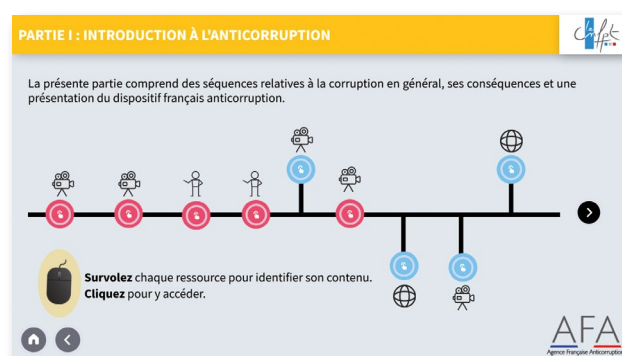
## An upgraded MOOC for local public-sector staff

Building on the success of its e-learning courses, AFA is actively exploring new ways to appeal to other audiences. As part of this effort, in 2023, the Agency overhauled its massive open online course (MOOC) – developed in partnership with the CNFPT – with a focus on greater accessibility. The upgraded course includes a series of explanatory video clips and covers new, current topics such as public-public conflicts of interest, criminal intent, unlawful taking of interest by former public officials entering the private sector, risk mapping and third-party due diligence. It also includes contributions from new experts explaining the nature of their work. Using a combination of video and audio clips, this new MOOC is aimed at all local public sector employees. In the few short months since it went live in January 2024, the course has already drawn in close to 3,000 participants, including many from French-speaking countries around the world.



## A companion SPOC for the MOOC

Also in 2023, in line with its e-learning strategy, AFA once again teamed up with the CNFPT to release a self-paced online course (SPOC) entitled "Probité" (Anti-Corruption). This course, which can be accessed on the Agency's website with no sign-up required, features around 60 different kinds of resources – from short clips, longer videos and podcasts, to diagrams, animated slide shows and external links. The SPOC is intended as a shorter, more incisive companion to the MOOC.





### A forthcoming MOOC for investigation departments (police, gendarmerie, customs officers, public finance inspectors)

Although police, gendarmerie and other investigatory officers are trained in criminal law and procedure, there are significant gaps in their knowledge when it comes to corruption. Meanwhile, growing awareness of the corruption risks associated with organised crime has strengthened the case for a common e-learning course for all staff working in investigation departments.

In response, a working group bringing together domestic security forces and the customs and tax authorities has been established and tasked with developing a common training programme for all investigators.

The course, which is currently under development, will offer participants useful information and guidance on corruption offences.

### A new batch of podcasts

AFA's awareness-raising initiatives also use online teaching tools such as the corruption quiz, the "En quête d'intégrité" (Integrity Quest) serious game, and podcasts produced by AFA in collaboration with the CNFPT and broadcast on the Fréquence T online radio station starting from September 2022. Various new subject-specific podcasts were produced in 2023, including an episode on ethics for public officials (featuring Christian Vigouroux, Ethics Officer at the Ministry of the Interior) and an interview with Michel Sapin. All episodes can be found on the [podcasts page of the AFA website](#) (in French only).

In 2024, the Agency will publish six new episodes intended for businesses, giving a deeper insight into topics such as structuring a corporate anti-corruption compliance function, preventing and managing conflicts of interest, establishing a gifts and hospitality policy, conducting an internal investigation and anti-corruption accounting controls, and putting in place effective measures in SMEs and mid-sized firms.

### "En quête d'intégrité": a serious game that teaches good practices in an entertaining way

The serious game developed by AFA for public officials has been played over 10,000 times since it was released in February 2022. The game, which is available on the [AFA website](#) and is accompanied by an [introductory video](#) (in French only), has also been taken up by other partners: the Mentor e-learning platform of the Directorate General for Administration and the Civil Service (DGAFP), the economy and finance ministries' Institute for Public Management and Economic Development (IGPDE) e-learning platform, and the gendarmerie e-learning platform.

The game, which is available in both English and French, also serves as a teaching resource in AFA's various awareness-raising activities and training courses. In 2023, for instance, it was presented at the National School for the Judiciary during a training course for foreign magistrates, in a ministry information programme, and on a number of visits by foreign delegations to AFA.





## AUDIENCE-SPECIFIC WORKSHOPS

### Awareness-raising activities for business entities

**Awareness-raising activities for businesses entities** involve promoting their engagement with the issues of countering corruption and anti-corruption systems. These activities are geared to the needs of the businesses concerned and range from an overview of the French anti-corruption framework to technical workshops for professionals focusing on a particular topic.

In 2023, AFA conducted **35 awareness-raising activities**:

- ✓ **13** technical workshops held jointly with trade federations and business organisations for their members;
- ✓ **15** presentations at conferences and seminars;
- ✓ **4** events outside Paris organised by Team France Export;
- ✓ **3** technical workshops related to the UN Global Compact.

As in previous years, these activities – and in particular the workshops – were organised by AFA with logistical support from **trade federations, business organisations** and other outside bodies, allowing the Agency to reach as many businesses as possible. A large number of professionals (in compliance, internal controls, accounting, etc.) took part in these events, some of which were attended by over 300 people.

The sessions held in 2023 focused in particular on trending topics covered in the Agency's publications, as well as on the three pillars of the AFA Guidelines: conducting an effective internal anti-corruption investigation, the importance of senior management's commitment, and the need to implement a robust compliance system.

### Informing public-sector entities about corruption risks

In 2023, AFA carried out dozens of awareness-raising activities for various public-sector entities and organisations, from training staff at a university hospital, to running a session on preventing bribery of officials posted abroad.

The Agency works with public-sector entities to build their knowledge of corruption risks and the French anti-corruption framework as it applies to them. These information sessions are an opportunity to discuss anti-corruption tools and their practical applications in the high-risk processes and functions of participants' organisations (such as public procurement, subsidy awards and human resources management).

These sessions mainly take the form of in-person and online introductory sessions to anti-corruption for central government and local public-sector entities, sometimes with more targeted activities.



#### FOCUS

#### Managing corruption risk in the sports world

AFA delivered a two-hour presentation to participants in the French National Olympic and Sports Committee's (CNOSF) "future leaders" programme, which aims to train people to take up positions of responsibility in the sports world and sports federations.

The two-hour session saw two speakers from AFA cover the following topics: the Agency's role and the resources it offers, including the two guides on preventing corruption for sports federations and Ministry for Sport operators; the risks associated with conflicts of interest; three case studies on gifts and hospitality in a professional context; and one case study on the distribution of free tickets by the governing body of a sports federation.

The presentation formed part of a broader, targeted support initiative for the sports world in the lead-up to Paris 2024 Olympic and Paralympic Games.



## Educational resources for 7- to 11-year-olds: understanding corruption from a child's point of view

Working with Fédération Léo Lagrange, which runs the “Les Petits Citoyens” youth citizenship programme, AFA has published two educational resources to help 7- to 11-year-olds better understand corruption. To coincide with the release of these resources, a series of workshops was held across France. One of these sessions, in Le Pré-Saint-Gervais, north-eastern Paris, was attended by the Director of AFA.

In 2023, AFA teamed up with Fédération Léo Lagrange to develop educational resources on corruption for children aged 7 to 11. Fédération Léo Lagrange is a non-profit organisation working to tackle social inequalities and exclusion. It produces a series of animated videos and comic strip-style booklets entitled “Les Petits Citoyens – Et si on s’ parlait...”, each covering a particular social issue in an age-appropriate way. The new educational resources were also developed in response to international recommendations calling on governments to promote a culture of anti-corruption.

The booklet and video were [published on the AFA website](#) (in French only) on 29 November 2023. To coincide with this, some 20,000 hard copies of the booklet were also distributed at Fédération Léo Lagrange sites throughout France.

On 20 December 2023, a corruption awareness-raising event for children aged 7 to 11 was held at [Le Pré-Saint-Gervais town hall](#) (in French only). For nearly two hours in the afternoon, around 30 children from the after-school care centre and the local youth council learned about the concept of corruption through the booklet, workshops and activities, and had a chance to share their impressions and ask their questions to teaching staff and the Director of AFA herself, Isabelle Jégouzo.



The children also read out passages from the recently released booklet on corruption, as well as playing games, watching a video about corruption in sport, and taking part in a split room debate.

For AFA, the event highlighted the fact that, while corruption is an inherently complex subject, even the youngest members of society can easily understand it when it is presented as a form of inequality that creates injustice.







PROMOTING  
THE FRENCH ANTI-  
CORRUPTION SYSTEM  
AROUND THE WORLD



## Taking action within multilateral anti-corruption bodies

AFA provides expertise to support French authorities in multilateral anti-corruption bodies. **As part of this work, the Agency attended the tenth Conference of the States Parties (CoSP) to the United Nations Convention against Corruption (the Merida Convention), held in Atlanta, United States, in December 2023.**

The CoSP meets every two years to set policy aims for the signatory States and to enhance cooperation among them. At the Atlanta conference, States Parties celebrated 20 years of the Merida Convention and took stock of global progress on countering corruption. AFA was actively involved in the negotiations, supporting the French delegation led by the Ministry for Europe and Foreign Affairs (MEAE).

At the conference, France tabled an ambitious resolution on preventing corruption in public procurement, which was ultimately adopted.<sup>25</sup> The event was also an opportunity for AFA to forge new relationships with potential partners.

One example is Morocco's National Authority for Probity, Prevention and Fight Against Corruption (INPLC), with which the Agency will co-chair MOBIN,<sup>26</sup> an OECD working group on integrity in the private sector, which will resume its meetings in July 2024.<sup>27</sup>

The Agency also took part in a number of panel discussions and side events at the conference. For instance, the Director of AFA gave the opening address at the [Private Sector Forum](#) and took part in a dedicated event organised by the United Nations Office on Drugs and Crime (UNODC) and the OECD to coincide with their forthcoming joint publication "A Resource Guide on State Measures for Strengthening Business Integrity".

AFA is also a member of the French delegation that participates in the peer review exercise under the OECD Anti-Bribery Convention, and the Council of Europe's Criminal Law Convention on Corruption and Civil Law Convention on Corruption. In 2023, it took part in several interdepartmental meetings on France's evaluation mechanisms, including the OECD Phase 4 Report and the GRECO Fourth and Fifth Round Report, which will be published in 2024.



<sup>25</sup> Resolution "Promoting transparency and integrity in public procurement in support of the 2030 Agenda for Sustainable Development", available online at: [www.unodc.org/documents/treaties/UNCAC/COSP/session10/resolutions/L-documents/2325383E\\_L13\\_Rev1.pdf](https://www.unodc.org/documents/treaties/UNCAC/COSP/session10/resolutions/L-documents/2325383E_L13_Rev1.pdf)

<sup>26</sup> [MENA-OECD Business Integrity Network](#).

<sup>27</sup> Meetings were suspended owing to the COVID-19 pandemic and subsequent political unrest in the region



## STRENGTHENING ANTI-CORRUPTION REGULATIONS AND COOPERATION IN EUROPE

In May 2023, the European Commission presented a proposal for a directive aimed at strengthening the European anti-corruption legal framework. The proposed directive is intended to harmonise corruption and bribery offences, and the associated penalties, across European Union (EU) Member States. With the fallout of the political and criminal scandals that shook the European institutions in late 2022 yet to dissipate, the Agency emphasised the importance of bringing forward an ambitious directive with a robust preventive component. The renewal of the European institutions in spring 2024 will also be an opportunity for France to back the call for an ambitious European corruption prevention strategy, with concrete measures targeting both the public and private sectors.

Alongside this regulatory work, a new EU network against corruption has also been created, providing a platform for prevention authorities, law enforcement agencies, civil society organisations and other stakeholders to share information and best practices and to identify new threats faced by all Member States. AFA took part in the launch event in September 2023 alongside its counterparts in other countries and is determined to play a proactive role in the network going forward.

Last but not least, the Agency took part in a round table discussion at a regional workshop organised by the European Anti-Fraud Office in partnership with the Special Investigation Service of Lithuania. The event, held in Vilnius in February 2023, provided an opportunity to highlight the synergies between efforts to stamp out fraud affecting EU financial interests and the fight against corruption. Attendees also explored avenues for cooperation on preventing and combating corruption in conjunction with the European Public Prosecutor's Office.



### SPOTLIGHT

#### Datacros II: a next-generation tool for preventing corruption

The EU has long had anti-corruption policies in place in order to protect its financial interests. The European Commission is working to roll out digital tools to support government administrations in this endeavour. Datacros II (Developing a Tool to Assess Corruption Risk Factors in Firms' Ownership Structure) is a research project that aims to detect anomalies in the ownership structure of firms for financial crime prevention.

Datacros II is follow-up to the original Datacros project, to which AFA contributed. It is a piece of software designed to detect anomalies in firms' ownership structure. By highlighting commercial relationships, shareholdings, governance arrangements and geographical locations – including so-called "non-cooperative" jurisdictions – the tool helps to identify firms' vulnerabilities to corruption risk. Datacros II pulls information from public, private and official databases, reconciles the data, analyses risk scenarios and produces vulnerability indices, which users can then build into their own research. For the first time, Datacros II will use open sources, including the database maintained by the Washington-based International Consortium of Investigative Journalists (the group behind, among others, the Panama Papers, the Paradise Papers, the Mauritius Leaks, the Implant Files, the Pandora Papers, the Luxembourg Leaks, the FinCEN Files, the Ericsson List, the Uber Files).

Information about the progress of the project can be found on the consortium's website: [www.transcrime.it/datacros](http://www.transcrime.it/datacros)



# Innovative partnerships to promote a culture of integrity worldwide

AFA is involved in various cooperation networks that aim to enlist all sections of civil society – including the private sector, non-profits, academia and NGOs – in effectively countering corruption at transnational level and fostering a shared culture of integrity. The Agency also takes part in one-off events at the request of anti-corruption stakeholders.

## BUILDING BRIDGES BETWEEN ANTI-CORRUPTION FRAMEWORKS THROUGH MULTILATERAL INITIATIVES

In May 2023, AFA took part in the OECD Global Anti-Corruption & Integrity Forum. At an event co-organised with the host organisation, the Agency presented its comparative study of the French, US and UK corporate anti-corruption frameworks and the World Bank sanctions system framework and Integrity Compliance Guidelines (see box below).

### SPOTLIGHT

#### OECD Integrity Week

On 22 May 2023, AFA and the OECD co-organised a side event at the OECD Global Anti-Corruption & Integrity Forum entitled **“Presentation of anti-corruption best practices in different jurisdictions: a discussion based on the study by the French Anti-Corruption Agency’s (AFA) study of corporate anti-corruption compliance systems”**.



The event coincided with the publication of an AFA study comparing France’s anti-corruption framework with several regulatory frameworks promoting business integrity across the world (see “Advisory activities” earlier in this report). The study, which is available on the Agency’s website, examines various legal frameworks – from the United States, the United Kingdom, France and the World Bank Group – that promote a normative approach to preventing corruption in the private sector.

The workshop was attended by representatives of the supervisory authorities that had contributed to the study (the DOJ, the SFO, the World Bank Group and AFA), alongside experts from academia, civil society and international organisations.



Attendees were told about the standards that apply in each system and the role that the respective authorities play. The session attracted a great deal of interest, especially from countries looking to strengthen their anti-corruption legislative framework and bring it in line with the highest international standards.

**The OECD and AFA wish to run this session again in the future as a way to promote further discussion and debate on anti-corruption compliance practices around the world.** The Agency also participated in other events at the 2023 OECD Global Anti-Corruption & Integrity Forum.

On 5 May 2023, AFA attended the International Partnership Against Corruption in Sport (IPACS)<sup>28</sup> Steering Committee meeting at the [Council of Europe](#) office in Paris. At this session, held in the lead-up to the Paris 2024 Olympic and Paralympic Games, the Agency gave a presentation on how its advisory and auditing activities help to promote integrity in sports organisations and sporting events.

## SPECIALIST ANTI-CORRUPTION AGENCY NETWORKS

In November 2023, AFA attended the European Partners Against Corruption (EPAC) and European contact-point network against corruption (EACN) General Assembly in Dublin, Ireland.

**EPAC is a network** bringing together anti-corruption authorities and police oversight bodies from Council of Europe member countries, while EACN is a network comprising anti-corruption authorities from European Union Member States. The two networks have joined forces to provide a cross-disciplinary platform for practitioners to exchange practical insights and expertise.

AFA also remains involved in the Network of Corruption Prevention Authorities, which it helped to set up in 2018. The Agency will take up the presidency of the network in 2024.



<sup>28</sup> IPACS is a multi-stakeholder initiative bringing together international sports organisations, governments and intergovernmental organisations to support and strengthen efforts to eliminate corruption and promote a culture of good governance in sport.



### INITIATIVES WITH CIVIL SOCIETY AND THE PRIVATE SECTOR

In June 2023, AFA attended the **World Bank Group's fifth International Corruption Hunters Alliance (ICHA) Forum**, held in Abidjan, Côte d'Ivoire.

The event welcomed over 300 anti-corruption experts, policy makers, and civil-society and private-sector representatives from more than 80 countries to discuss crises (of a health or geopolitical nature, for example) that are conducive to corruption risk and the importance of building stronger links in support of collective anti-corruption efforts, particularly within West Africa.<sup>29</sup>

At the forum, the Agency consolidated its existing working relationship with the World Bank Group's Integrity Vice-Presidency – which is responsible for preventing and detecting fraud in businesses receiving World Bank financing – through the signature of a bilateral memorandum of understanding (MoU).



▲ AFA and the World Bank Group's Integrity Vice Presidency sign a bilateral MoU.

<sup>29</sup> The ICHA 2023 Forum report is available at: <https://thedocs.worldbank.org/en/doc/91a9bc4af5e41ed141bb95e40532049c-0090012024/original/ICHA-2023-Conference-Report-FINAL.pdf?deliveryName=DM213645>.



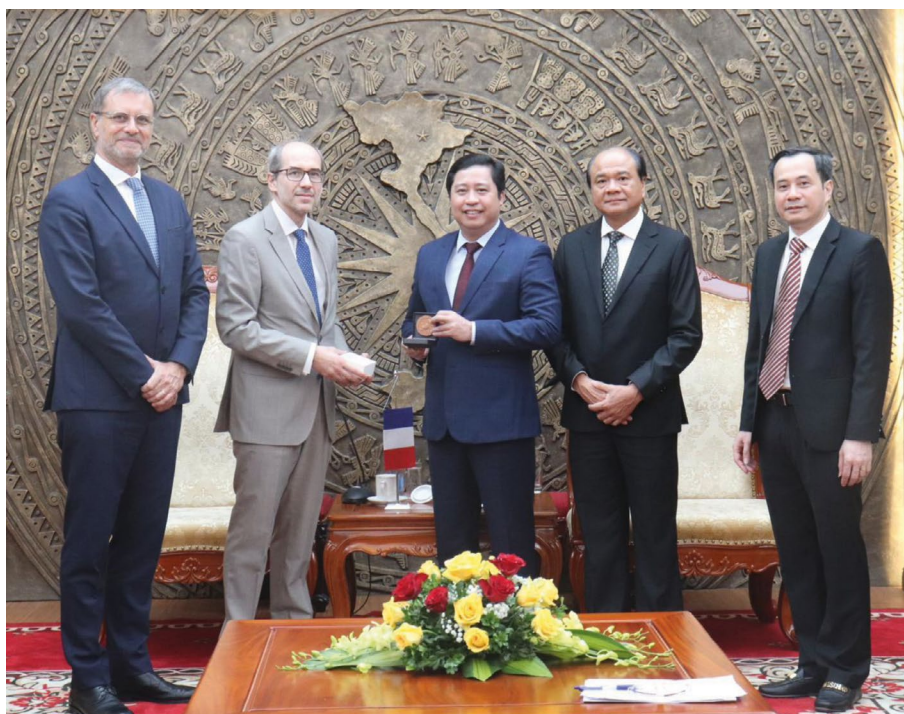
# Technical cooperation for integrity

## BILATERAL COOPERATION WITH PARTNER COUNTRIES

### AFA consolidates its collaboration with counterparty foreign anti-corruption authorities

In January 2023, AFA and the **Federal Commission of Integrity (FCOI) of Iraq** signed an MoU during a visit by the FCOI chair. Iraq has shown a keen interest in France's anti-corruption model for many years now, with magistrates from the country having regularly attended the annual training courses run by the Agency and the ENM.

AFA also renewed its MoU with the **Government Inspectorate of Vietnam (GIV)** – the country's national anti-corruption authority – during a working visit to Hanoi in October 2023 (see below for more details), coinciding with 50 years of diplomatic relations between France and Vietnam.



▲ AFA renews its MoU with the GIV.



### Sharing best practices and advocating for anti-corruption frameworks on the international stage

AFA's extensive remit includes interacting with a wide variety of partners on the international stage. These meetings serve as opportunities to identify best practices in preventing corruption or to unveil innovative tools that support this effort. Highlights of the Agency's technical cooperation work in 2023 are detailed below:

- ✓ AFA provided support to the Ukrainian authorities, keeping in close contact with the National Anti-Corruption Bureau of Ukraine and the National Agency on Corruption Prevention, its anti-corruption counterparts in the country: The Agency also has an ongoing relationship with neighbouring Moldova, having met with a delegation led by the Minister of Justice and the chair of the National Anti-Corruption Centre on the sidelines of CoSP 2023.
- ✓ Following these conversations, AFA identified private-sector integrity – and, more specifically, monitoring of the implementation of a compliance programme within a legal framework – as a topic of particular interest to its Ukrainian and Moldovan counterparts with a view to current or future legislative reforms. The Agency plans to intensify cooperation with its peers in these two countries in 2024 and beyond.
- ✓ AFA welcomed a delegation from the Anti-Corruption Agency of the Republic of Kazakhstan (Antikor) in October 2023. During the visit, the two agencies explored areas for future cooperation, with a particular focus on the use of digital technology to prevent and detect corruption.



▲ A delegation from Antikor visits AFA, October 2023.

Also in 2023, the Agency visited various partners as part of its technical cooperation work, including the following:

- ✓ In March, an AFA delegation conducted a fact-finding visit to Suriname. During the trip, which was organised in liaison with the ENM, Agency representatives met with the various bodies responsible for anti-corruption efforts in the country (including the Anti-Corruption Commission, the General Public Prosecutor's Office and the Supreme Audit Institution) and set the agenda for a multidisciplinary training seminar to be held in 2024.
- ✓ In October, AFA attended a seminar in Vietnam on corruption and transparency in public life. The event was organised by the GIV and held at the Vietnamese government's Inspector Training College in Hanoi. Agency officials delivered a presentation about the French anti-corruption system, alongside representatives of other relevant French authorities.



- ✓ In November, AFA took part in a seminar on international corruption ("Regards croisés sur la corruption internationale") at the Embassy of France in London. The event allowed participants to share experience and expertise, as well as to strengthen ties between the French and UK authorities. The Agency gave a presentation on preventing corruption and on follow-up arrangements for deferred prosecution agreements in the UK and for judicial public interest agreements (CJIP) in France, alongside representatives from the SFO (AFA's UK counterpart) and a panel of French experts from the National Financial Public Prosecutor's Office, the Ministry of Justice, the economy and finance ministries, and the MEAE.

The tenth session of the CoSP was held in Atlanta, United States, in December 2023. As well as monitoring the implementation of the UN Convention against Corruption and adopting resolutions, the event also provided a platform for strengthening bilateral relations between institutions. The conference was an opportunity for the new Director of AFA to introduce herself to her partners and counterparts, including the National Transparency Authority of Greece, Brazil's Comptroller General of the Union (ahead of it taking up the co-presidency of the G20 Anti-Corruption Working Group alongside the French authorities in 2024), and the GIV.

Holding technical meetings with its European partners remains an ongoing priority for AFA. In November 2023, for instance, the Agency helped deliver anti-corruption training to Croatian senior civil servants as part of a course run by the INSP. In a similar vein, AFA attended the symposium held to mark the 30th anniversary of the Conférence Internationale des Barreaux (International Bar Association Conference – CIB) and the 10th anniversary of the Club des Avocats Francophones (French-speaking Lawyers Club) in Sofia, Bulgaria. The event provided an ideal opportunity for the Agency to discuss various pressing challenges with the many leaders, policy makers and civil-society representatives in attendance.

## INTERVIEW

### Visit by members of the Special Investigation Service of Lithuania

In 2023, AFA welcomed a delegation from the Special Investigation Service (STT) of Lithuania for a technical working session on assessing and managing corruption risk as part of an [EPAC/EACN exchange programme](#).

In this interview, Mr Elanas Jablonskas, Deputy Director of the STT, discusses his organisation's responsibilities and touches on the obstacles to promoting integrity at international level.



**The institutional anti-corruption landscape differs markedly from one country to the next. Could you tell us what the STT is and what role it plays in Lithuania?**

*The STT was founded in 1997 as an independent institution responsible for countering corruption. Its key duties are to investigate corruption offences, to implement corruption prevention measures, to raise public awareness of the fight against corruption, and to provide analysis and advice to policy makers. The STT plays a crucial role in upholding the rule of law – acting as its anti-corruption pillar – and helps shape a more responsible and equitable system of governance in Lithuania.*

**In October 2023, you came to France as part of the EPAC/EACN best anti-corruption practice exchange (BACPE) programme. Can you tell us why you chose to visit AFA? What did you know about**

**the Agency's role and what were your expectations?**

*As you may be aware, our director serves as president of EPAC/EACN and supervises its secretariat. EPAC/EACN is the largest and oldest network of European national anti-corruption authorities and police inspectorates. Its membership includes over 100 authorities from 39 European countries (Russia and Belarus are not members). Under the BACPE programme, member authorities can send experts on a study visit in order to exchange anti-corruption best practices. Our visit last year focused on assessing and managing corruption risk. We have a memorandum of understanding with AFA and we knew that the Agency was a key player in the fight against corruption in France, with a strong reputation in prevention. During our visit, we had the pleasure of sharing our respective experiences of risk assessment tools, prevention programme compliance checks, and oversight mechanisms. It is interesting to note that AFA's work encompasses both the private and public sectors, whereas the STT's corruption prevention activities focus primarily on the public sector.*



*Our visit to the Agency was yet another valuable opportunity for constructive and insightful dialogue. We look forward to continuing to work with AFA and other international partners involved in upholding the principles of integrity, justice and good governance.*

**What, in your view, are the current obstacles to promoting integrity at European and international levels? How does technical cooperation between anti-corruption agencies and networks support progress towards this goal?**

*Corruption is a complex, global phenomenon. For this reason, there is a clear need to promote integrity – through common standards, closer cross-border cooperation and, to the extent possible, harmonised standards of proof – at European and international levels.*

*As things stand, there are no common anti-corruption standards, with individual countries establishing their own legal and institutional frameworks. This is one of the main obstacles we currently face, since legal system diversity, uneven application of laws and resource disparities make fighting corruption more difficult. If we want to be effective in countering corruption, we need to work to synchronise our strategies, share best practices and strengthen international collaboration.*

*Technological progress may be a source of new opportunities, but it has also enabled the emergence of new forms of corruption. The complex challenges we face in today's digital age – such as cyber-crime, money laundering and opaque financial practices – call for smart solutions. In order to keep pace with evolving threats, we must focus on honing our skills in advanced data analysis, cybersecurity, data protection and digital forensics. Cross-border cooperation also plays an important role in promoting integrity at European and international levels. When anti-corruption agencies and networks join forces, they foster a culture of information-sharing and mutual support, which in turn raises the bar for integrity and accountability. With robust systems for communication, coordination and dialogue, we are able to work in partnership and effectively tackle corruption together.*



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