



# SLOVENIA: FOLLOW-UP TO THE PHASE 3 REPORT & RECOMMENDATIONS

July 2016

*This report, submitted by Slovenia, provides information on the progress made by Slovenia in implementing the recommendations of its Phase 3 report. The OECD Working Group on Bribery's summary of and conclusions to the report were adopted on 29 July 2016.*

*The Phase 3 report evaluated Slovenia's implementation of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the 2009 Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions.*

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## SUMMARY AND CONCLUSIONS BY THE WORKING GROUP ON BRIBERY

### Summary of findings

1. In June 2016, Slovenia presented its written follow-up report to the OECD Working Group on Bribery (Working Group), outlining its responses to the recommendations and follow-up issues identified during its Phase 3 evaluation in June 2014. Slovenia has taken initial steps to implement the Working Group's Phase 3 recommendations but additional efforts are needed in some areas. Out of 29 Phase 3 Recommendations, 4 recommendations are fully implemented, 16 are partially implemented and 9 are not implemented.

2. In Phase 3, the WGB was concerned that Slovenia's foreign bribery offence did not fully meet the requirements of the Convention. The scope of the offence and the non-application of the defence of "effective regret" to foreign bribery still require clarification (recommendations 1a, 1b and 1c). Although Slovenia is able to show a higher number of convictions of legal persons for economic crimes as well as domestic corruption, Slovenia has taken no steps to review its approach to corporate liability and potential obstacles in investigating and prosecuting companies for corruption. In particular, the need to prove the link between the natural person who perpetrated the crime and the liability of the legal person continues to raise concerns. Finally, further specific guidance and training to both police and prosecutors on investigating and prosecuting legal persons are still needed (recommendations 2a and 2b). The Working Group agreed to continue monitoring these issues.

3. Regarding sanctions, the Working Group commends Slovenia for making mandatory fines for natural persons available for bribes paid for legal and illegal acts (recommendation 3a). Slovenia has also demonstrated some level of effectiveness in freezing assets but further efforts are needed with respect to confiscation. Further, the low level of sanctions applied against natural and legal persons for domestic bribery and other economic offences indicates the need to take greater efforts to raise awareness, among judicial authorities in particular, of the importance of applying sanctions which are sufficiently effective, proportionate and dissuasive for foreign bribery (recommendations 3b and 3c).

4. At the time of Phase 3, the Working Group raised serious concerns about Slovenia's lack of enforcement. At that time, Slovenia had four allegations of foreign bribery. Of these, one case had been terminated, two had not advanced beyond preliminary investigations and the fourth allegation had not been investigated. Both preliminary investigations have since been closed. Slovenia has since opened an investigation into the fourth allegation and taken some steps to obtain evidence from foreign jurisdictions. However, this low level of enforcement remains of concern.

5. Slovenia has demonstrated an improved commitment to combatting foreign bribery by providing training to investigators and prosecutors on the foreign bribery offence. Prosecutors have also been encouraged to step up enforcement and to treat foreign bribery cases as a priority. However, greater efforts are needed to enhance detection and ensure that law enforcement authorities prioritise the investigation of foreign bribery (recommendation 4a). In addition, the Working Group recommends that Slovenia continue internal discussion on the adequacy of the system of maximum 3-month or 6-month time limits imposed on the authorised use of some special investigative techniques in foreign bribery investigations. It also further encourages the full use of such techniques in foreign bribery cases (recommendation 4b). Slovenia has launched a reform of the Integrity and Prevention of Corruption Act for a more effective operation of the Commission for the Prevention of Corruption (CPC). The finalisation of this reform is essential, considering especially the challenges that the CPC continues to face in carrying out its duties. The Working Group also noted that further efforts are needed to ensure that the police, the prosecutors and the

judges are not subject to improper influence by concerns of a political nature or factors prohibited by Article 5 of the Convention in deciding whether to pursue an investigation or prosecution, or transmit corruption allegation reports to law enforcement (recommendation 4c). All these issues will thus require follow-up by the Working Group. The Working Group also agreed that further efforts should be deployed to ensure that the CPC is provided with sufficient resources and political support to effectively prioritize, coordinate and implement the measures for the prevention, detection and awareness-raising of foreign bribery (recommendation 9a).

6. Since its Phase 3 report, Slovenia has shown some level of proactivity in seeking MLA or other forms of international cooperation in the one foreign bribery case that is ongoing. Slovenia has enhanced its capacity to collect data on incoming and outgoing MLA requests. However, as outlined in Phase 3, the complexities of its recording systems could raise difficulties in practice (recommendation 5).

7. Regarding money laundering, Slovenia has taken initial steps to raise awareness of foreign bribery as predicate offence among staff of the Office for Money Laundering Prevention (OMLP). However, no steps have been taken to train non-financial reporting entities or develop typologies on laundering the proceeds of bribes. Future training in this area should also include a more specific focus on the foreign bribery offence (recommendation 6).

8. Slovenia has made a concerted effort to raise awareness of the foreign bribery offence among various public sector agencies, including officials posted abroad (recommendations 9b and 9c). Foreign bribery as a topic has also been included in some national anti-corruption strategies such as the 2015-16 Anti-Corruption Programme (recommendation 9a). Slovenia has also provided training to tax officials on issues related specifically to the detection of foreign bribery (recommendation 8). Some steps have been taken, and further steps are planned, to raise awareness among the private sector, including SMEs (recommendation 9d). However, no such measures have been made with respect to auditing and accounting professions (recommendation 7c) and more efforts are needed to promote internal controls, ethics and compliance measures to specifically prevent foreign bribery among both the public and private sectors (recommendation 7e). Slovenia is able to show a general increase in the number of indictments and judgments for false accounting between 2011 and 2014 although the fines imposed were generally too low to be sufficiently effective, proportionate and dissuasive (recommendation 7a). Despite some amendments to the Companies Act regarding the external audit requirements for small companies, Slovenia still needs to review the external audit requirements applicable to companies with operations abroad (recommendation 7b).

9. In terms of reporting, limited efforts have been made to train public sector officials on their obligation to report suspicions of foreign bribery and further efforts are needed to raise awareness among both the public and private sectors of the whistleblower protections afforded to those who report foreign bribery under the Integrity and Prevention of Corruption Act and the Slovene Sovereign Holdings Act (recommendations 10a and 10b). Slovenia has also not taken any concrete steps to ensure that such reports are handled efficiently and afforded the protections guaranteed by the law (recommendation 10c). The Working Group also decided that Slovenia should finalise the revision of the Auditing Act to ensure that auditors who report reasonably and in good faith suspicions of foreign bribery are protected from legal or other retaliatory action (recommendation 7d).

10. Finally, regarding public advantages, Slovenia reports that a new framework is in place to maintain centralised statistics on the number of candidates and tenderers excluded from public procurement based on prior criminal convictions, including for foreign bribery. However, relevant contracting authorities have yet to receive guidance on this framework and minimal efforts have been made to train staff of the Slovene Export Development Bank on how to detect, report and mitigate the risk of foreign bribery (recommendations 11a and 11b).

## **Conclusions of the Working Group on Bribery**

11. Based on these findings, the Working Group concluded that Slovenia has fully implemented Recommendations 3a, 4d, 8 and 9b; partially implemented Recommendations 2a, 3c, 4a, 4b, 4c, 5, 6, 7a, 7b, 9a, 9c, 9d, 10a, 10b, 11a and 11b; and not implemented Recommendations 1a, 1b, 1c, 2b, 3b, 7c, 7d, 7e and 10c. Due to this lack of implementation, the WGB agreed that Slovenia will report back in writing in one year (i.e. June 2017) on: (i) the foreign bribery offence (under recommendations 1a, 1b, and 1c); (ii) corporate liability for foreign bribery (under recommendations 2a and 2b); investigation and prosecution of foreign bribery (under recommendations 4a, 4b and 4c) and enforcement. The Working Group also agreed to continue to monitor follow-up issues 12a-m as case law and practice develops.

## PHASE 3 EVALUATION OF SLOVENIA: 2 YEAR WRITTEN FOLLOW-UP REPORT

**Name of country:** Slovenia  
**Date of approval of Phase 3 evaluation report:** 5 June 2014  
**Date of information:** 13 May 2016

### PART I: RECOMMENDATIONS FOR ACTION

#### *Recommendations for ensuring effective investigation, prosecution and sanctioning of foreign bribery*

##### **Text of recommendation 1a:**

1. Regarding the foreign bribery offence, the Working Group recommends that Slovenia (i) take all measures to ensure that the foreign bribery offence covers bribery of any person exercising a public function for a foreign country, regardless of whether that person has management powers and responsibilities and (ii) clarify its Criminal Code to ensure that the offence of foreign bribery covers bribery of officials of autonomous territories and separate customs territories; [Convention Article 1; Commentary 18; 2009 Recommendation III.ii and V]

##### **Action taken as of the date of the follow-up report to implement this recommendation in relation to:**

(i) take all measures to ensure that the foreign bribery offence covers bribery of any person exercising a public function for a foreign country, regardless of whether that person has management powers and responsibilities;

The definition of a foreign public official according to the Article 99 (sub-paragraphs 6,7 and 8 of paragraph 1) of the Criminal Code covers bribery of any person exercising a public function for a foreign country, regardless of whether that person has management powers and responsibilities or not..

Article 99, paragraph 1, sub-paragraph 3 refers to two alternatives, a person exercising a public function with management powers and responsibilities and a person carrying out official duties. »Official duties« (»uradne naloge« in a Slovenian text) are carried out also by other officials with lower positions and according to Article 99, paragraph 1, sub-paragraph 6, the foreign officials (of all positions) fall within this Article.

(ii) clarify its Criminal Code to ensure that the offence of foreign bribery covers bribery of officials of autonomous territories and separate customs territories.

The Criminal Code covers the criminal offence of foreign bribery of officials of autonomous territories, if these are part of territories of recognised states. If they are a separate part of some state (secession or otherwise) and that state is officially not controlling that part of territory, those officials cannot be covered under the concept of "foreign official". At best – in some of those cases – the Judgment of the European

Court of Human Rights in *Loizidou v. Turkey*, No. 5318/89, 18 December 1996 could be applied *mutatis mutandis* (for example paras. 56 and 57 of that Judgment).

Separate customs territories would be regarded as part of the State in which they are granted part of.

In cases where Article 262 (Giving of Bribes) of Criminal Code cannot be applied, Article 242 (Unauthorised Giving of Gifts) could apply for such situations.

**If no action has been taken to implement recommendation 1(a), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 1b:**

1. Regarding the foreign bribery offence, the Working Group recommends that Slovenia clarify that bribery of employees of foreign SOEs is equally criminalised; [Convention Article 1; Commentary 14; 2009 Recommendation III.ii and V]

**Action taken as of the date of the follow-up report to implement this recommendation:**

Bribery of foreign SOEs is generally criminalised in Article 242 (Unauthorised Giving of Gifts) of the Criminal Code. In addition: Article 99 (paragraphs 10 and 11) provides the definition of the economic activity:

(10) For the purpose of this Code, »economic activity« means:

- 1) Any activity that is performed on the market for payment;
- 2) Any activity performed as part of profession for an agreed or prescribed payment or any organised activity performed for an agreed or prescribed payment.

(11) Pursuant to this Code, economic activity or commercial operation shall include:

- 1) Implementation, governance, decision-making, representation, management and supervision within the framework of the activity referred to in paragraph 10 of this Article;
- 2) Management of immovable and movable property, funds, income, claims, capital assets, other forms of financial assets, and other assets of legal entities governed by public or private law, the use of these assets and control over them.

In 2015, Slovenia amended Article 242 of the Criminal Code in order to increase the prescribed maximum punishments with imprisonment (in para. 1. – up to six years and a fine, in para. 2 – up to four years and a fine). It is explicitly mentioned *in travaux préparatoires* of the Act amending the Criminal Code, that these amendments were made in order to meet OECD standards and based on previous WGB



recommendations. Additionally, in paragraph 3 it is added that “the punishment is to be remitted only if this is not contrary to the rules of international law”.

#### **Additional information provided on 6/7/2016**

General criminalisation of bribery (at economic activity) is in Article 242. Special incrimination of bribery of officials or civil servants (including foreign ones) is in Article 262 (*lex specialis*). In case that definition of article 262 could be narrower than required by the Convention (by interpretation by WGB (such as employees of SOE - state owned enterprises)), article 242, as functionally equivalent, would apply.

The introduction of new last sentence in paragraph 3 in Article 242 (KZ 1C, 2015) has therefore the same purpose as the change in Article 262 in KZ 1B (2011). Both changes have been introduced to implement the WGB recommendations.

**If no action has been taken to implement recommendation 1(b), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

#### **Text of recommendation 1c:**

1. Regarding the foreign bribery offence, the Working Group urges Slovenia to clarify by all appropriate means that the defence of “effective regret” in Article 262(3) of the Criminal Code and Article 11(2) of the LLPCO does not apply to foreign bribery. [Convention Articles 1 and 3; 2009 Recommendation III.ii and V; 2009 Recommendation Annex I.A]

#### **Action taken as of the date of the follow-up report to implement this recommendation:**

Ministry of Justice (MoJ) would like to reiterate the fact that the main incrimination in Article 262 (Giving of Bribes) of the Criminal Code which covers foreign bribery was amended in 2011 so that the waiver for this crime can only be enforced *»provided this is not contrary to the rules of international law«*. As was already conveyed to the OECD WGB the whole purpose of the said amendment was to satisfy the requirements of the Convention as is explicitly reflected in the *travaux préparatoires* of act amending the Criminal Code (KZ-1B) as well as in the commentary to the revisions<sup>1</sup>.

In the trainings that followed the Phase 3 evaluation this has been consistently emphasized so as to additionally clarify and reinforce the change in the minds of the practitioners. Moreover, as Article 242 of the Criminal Code (Unauthorised Giving of Gifts) has also been identified as a relevant article in connection to foreign bribery (especially with regard to the activity of SOEs), Article 242, para. 3 has accordingly been amended, as mentioned in 2a.

<sup>1</sup> Dr. Matjaž Ambrož, Hinko Jenull, Kazenski zakonik z novelama KZ-1A in KZ-1B, Razširjena uvodna pojasnila, GV Založba, Ljubljana, 2012, p. 189.

**Additional information provided on 6/7/2016**

The above mentioned trainings that followed the Phase 3 evaluation by the Judicial Training Centre of the Republic of Slovenia (CIP) focused also on the change of Article 262 of the Criminal Code from 2011, also following the recommendations of the OECD WGB. All trainings, provided by the CIP are attended by judges and prosecutors, so were the mentioned ones. For more details please see answers to the Recommendation 2b).

Regarding the issue of the language of Article 262(3) that has been duplicated to the offence under Article 242 CC (unauthorised giving of gifts), we explicitly state that the explanation to the changes to Article 242, paragraph 3 (“provided that this is not in contravention of the rules of international law”), that were introduced by the Amendments to the Criminal Code in 2015 (the KZ-1C) (as *travaux préparatoires*) have been included both in publicly available drafts, as well as in the official Explanatory Memorandum to the KZ-1C that was submitted to the National Assembly of the Republic of Slovenia (the Parliament) on 21 May 2015. Explanatory Memorandum included inter alia: Slovenia is changing Article 242 in accordance with the OECD Recommendations from Phase 3 and that this is the reason for insertion of the provision on “provided that this is not in contravention of the rules of international law” as already exists in Article 262 of the Criminal Code (the alignment with Article 262). We are of the opinion that in this respect the Recommendation of the WGB OECD was sufficiently taken into account.

As it was further explained the »clarify recommendations« in 1a, 1b and 1c have been implemented by explaining/clarifying the meaning of the provisions of Criminal code to the WGB in our written replies and to the relevant domestic institutions/practitioners by their involvement into the procedure for amendment of the relevant provisions of Articles 242 and 262 of Penal code, where several issues have been discussed (see also the additional information to 3c) and by explicit reference to the OECD WGB recommendations in the official explanation note to the Article 242 (omission to the effective regret in case of foreign bribery). Further to the changes of the CC these have been presented to the practitioners at several trainings, including the one in March 2016.

**If no action has been taken to implement recommendation 1(c), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 2a:**

2. Regarding the liability of legal persons, the Working Group recommends that Slovenia urgently review its approach to corporate liability, in particular to ensure (i) that the elements required to prove a link between the natural person that perpetrated the crime and the liability of the legal person under the Act are not obstacles to effective enforcement of the Act; (ii) a legal person cannot be exempted from prosecution because of its “insignificant” level of participation in the commission of the criminal offence; and (iii) the regime of liability of legal persons adopts one of the approaches described in Annex 1 B) b. of the 2009 Recommendation concerning the level of managerial authority and the type of act that may cause that liability to be incurred; [Convention Article 2; 2009 Recommendation III.ii, V., Annex I.B.]

**Action taken as of the date of the follow-up report to implement this recommendation in relation to:**

(i) that the elements required to prove a link between the natural person that perpetrated the crime and the liability of the legal person under the Act are not obstacles to effective enforcement of the Act;

The relevant provisions from the Slovenia`s Liability of Legal Persons for Criminal Offences Act (LLPCO) read:

**»Article 4  
Grounds for the Liability of a Legal Person**

A legal person shall be liable for a criminal offence committed by the perpetrator in the name of, on behalf of or in favour of the legal person:

1. If the committed criminal offence means carrying out an unlawful resolution, order or endorsement of its management or supervisory bodies;
2. If its management or supervisory bodies influenced the perpetrator or enabled him to commit the criminal offence;
3. If it has at its disposal unlawfully obtained property benefit or uses objects obtained through a criminal offence;
4. If its management or supervisory bodies have omitted due supervision of the legality of the actions of employees subordinate to them.«

Article 4 of LLPCO shows that the elements required to prove a link between the natural person who perpetrated the crime and the liability of the legal person under the Act are not obstacles to effective enforcement of the Act.

Above cited Article also shows that responsibility of legal person works on two grounds. The first one is that an individual perpetrator must commit a criminal offence prescribed by the Criminal Code and is also cited in the LLPCO in the name of, on behalf of or in favour of the legal person. The second one is that the legal person must contribute to committing the offence with its own actions. The link between natural and legal person must exist. Legal person`s contribution is always assessed according to the actions of the natural person.

Further, Article 5 of LLPCO stipulates that, providing that the conditions set out in Article 4 are met, a legal person is liable for criminal offence even if the perpetrator is not guilty or if the offence was committed under coercion or under threat made by the legal person. Article 27 of LLPCO prescribes that criminal procedure for the same criminal offence against legal person is regularly introduced together with natural person. Criminal procedure only against legal person shall be introduced when the procedure against natural person cannot be introduced for the reasons prescribed by law or if the procedure has already taken place.

Elements required to prove a link between the natural person that perpetrated the crime and the liability of the legal person are not an obstacle for prosecuting only legal persons. Legal person is liable for criminal offence even if the perpetrator is not guilty. Prosecuting legal persons without natural person is possible; this possibility is provided in Article 42 of LLPCO. But prosecuting legal persons is not possible when the natural person is unknown, as the liability of legal persons is assessed solely by the contribution the legal person has made to the acts of the perpetrator.

The reason for a small number of prosecuted and convicted legal persons is complex.

With the analysis of cases against legal persons it was established that in the majority of cases where criminal charges were brought against a legal person and have later been dismissed, this is a result of a termination of a legal person because of bankruptcy. In many cases legal persons served solely as shell companies. Therefore the reason for small number of prosecuted and convicted legal persons is not because prosecution of legal persons is not a priority but mainly because of objective obstacles.

Year	Criminal Charge	Indictment	Convictions	Percentage of Convictions
2013	1.810	179	31	48
2014	1.700	187	55	59
2015	1.394	190	72	71

Statistical data shows that the number of indictments in past three years constantly grew as did the number of convicted legal persons. This shows a significant improvement in prosecution of legal persons.

(ii) a legal person cannot be exempted from prosecution because of its “insignificant” level of participation in the commission of the criminal offence; and

The relevant provisions from the LLPCO read:

**»Article 28  
Expediency of Initiation of Proceedings**

The state prosecutor may decide not to request the initiation of criminal proceedings against a legal person if the circumstances of the case show that this would not be expedient because the legal person’s participation in the criminal offence was insignificant, because the legal person does not have any property or has so little property that this would not even suffice to cover the costs of the proceedings, because bankruptcy proceedings have been initiated against the legal person, or because the perpetrator of the criminal offence is the sole owner of the legal person against which it would be necessary to initiate proceedings.«

Article 28 of LLPCO prescribes the possibility to decide whether the state prosecutor should prosecute a legal person, if the circumstances of the case show that it would not be reasonable. Those circumstances are: insignificant level of legal person’s participation in the commission of the criminal offence, the absence of legal person’s assets or if the assets are too small to cover the costs of the proceedings, institution of proceedings to terminate the legal person as a result of bankruptcy or the sole ownership of the legal person by the perpetrator of the criminal offence against which the criminal procedure shall be instituted.

Above cited Article determines the grounds for dismissal of a criminal charge. But these grounds represent the reasons of reasonability (expediency principle) where criminal procedure is not instituted because of little effect that the procedure would bring and not because the legal person is any less liable. A mere conviction where a fine or any other sanction cannot be executed or where the sanctions are imposed on a natural person (in cases where the perpetrator is the sole owner of legal person) are not the consequences of a procedure that state prosecutors pursue and also not the aim of the criminal procedure. Omission of criminal procedure on the grounds prescribed in Article 28 of LLPCO does not represent a low importance of the criminal offence perpetrated by legal person but a mere enforcement of expediency principle.

(iii) the regime of liability of legal persons adopts one of the approaches described in Annex 1 B) b. of the 2009 Recommendation concerning the level of managerial authority and the type of act that may cause that liability to be incurred

The above-cited Article 4 of LLPCO is fully compliant with the 2009 Recommendation. Moreover, comparing the 2009 Recommendation<sup>2</sup> with the law currently in place in Slovenia, it needs to be explained that the Slovenian implementation does not only cover all of the cases listed under approach of Annex 1 B) b., but is broader in a manner that a legal person is also liable: »If it has at its disposal unlawfully obtained property benefit or uses objects obtained through a criminal offence.« (Article 4, item 3).

It also needs to be noted, that the link between the natural person, who committed the criminal offence and the liability of the legal person is also in the function of facilitating the criminal prosecution, as in concrete cases there will be factual connection between the actions of the natural persons and the legal person. Therefore, Article 27 of the Slovene Liability of Legal Persons for Criminal Offences Act determines that the procedure against a legal person is in principle initiated and carried out together with the procedure against the perpetrator. Yet, the procedure against the legal person can be initiated or carried out also in cases, in which it is not possible to initiate or carry out the procedure against the perpetrator (natural person) for reasons specified by law, or when procedure has already been carried out against the perpetrator. A legal person is liable for a criminal offence also, if the perpetrator is not criminally liable for the committed criminal offence (for example because of insanity or legally recognised mistake). And *vice versa* - the liability of a legal person does not preclude the criminal liability of natural persons or responsible persons for the committed criminal offence.

Considering the above, it is not surprising that following Phase 3 evaluation neither the Prosecution Offices nor the Police have brought forward any particular cases which would show that the elements required to prove a link between the natural person that perpetrated the crime and the liability of the legal person under the Act are obstacles to effective enforcement of the Act.

#### **Additional information provided on 6/15/2016**

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<sup>2</sup> »Member countries' systems for the liability of legal persons for the bribery of foreign public officials in international business transactions should not restrict the liability to cases where the natural person or persons who perpetrated the offence are prosecuted or convicted.

Member countries' systems for the liability of legal persons for the bribery of foreign public officials in international business transactions should take one of the following approaches:

a. the level of authority of the person whose conduct triggers the liability of the legal person is flexible and reflects the wide variety of decision-making systems in legal persons;

or b. the approach is functionally equivalent to the foregoing even though it is only triggered by acts of persons with the highest level managerial authority, because the following cases are covered:

- A person with the highest level managerial authority offers, promises or gives a bribe to a foreign public official;
- A person with the highest level managerial authority directs or authorises a lower level person to offer, promise or give a bribe to a foreign public official; and
- A person with the highest level managerial authority fails to prevent a lower level person from bribing a foreign public official, including through a failure to supervise him or her or through a failure to implement adequate internal controls, ethics and compliance programmes or measures.«

The below table shows the type of underlying offences for which the legal persons have been convicted. Offences coloured in grey are Criminal Offences Against the Economy and the yellow one is a corruption offence.

<b>Article of Criminal Code (KZ-1)</b>	<b>Name of the offence</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
186	UNLAWFUL MANUFACTURE AND TRADE OF NARCOTIC DRUGS			1
196	VIOLATION OF FUNDAMENTAL RIGHTS OF EMPLOYEES	8	10	15
199	UNDECLARED EMPLOYMENT	1	3	1
201	ENDANGERING SECURITY AT WORK		1	
205	GRAND LARCENY			1
208	MISAPPROPRIATION	2		2
209	EMBEZZLEMENT AND UNAUTHORISED USE OF ANOTHER'S PROPERTY	1	1	1
211	FRAUD		1	5
215	DISLOYALTY		1	
220	DAMAGING ANOTHER'S OBJECT		1	
223	DAMAGING THE RIGHTS OF OTHER PERSONS			2
227	DEFRAUDING CREDITORS		1	
228	BUSINESS FRAUD	8	27	27
229	FRAUD TO THE DETRIMENT OF EUROPEAN COMMUNITIES	1		3
230	FRAUD IN OBTAINING LOANS OR BENEFITS			1
235	FORGERY OR DESTRUCTION OF BUSINESS DOCUMENTS	3	3	3
240	ABUSE OF POSITION OR TRUST IN BUSINESS ACTIVITY	2	2	1
242	UNAUTHORISED GIVING OF GIFTS			3
245	MONEY LAUNDERING	3		2
249	TAX EVASION		1	3
251	FORGING DOCUMENTS	1	2	
253	CERTIFICATION OF UNTRUE CONTENTS		1	
289	PREVENTING RETURN TO WORK			1
	<b>TOTAL</b>	<b>30</b>	<b>55</b>	<b>72</b>

Statistics is gathered by the criminal acts. These criminal acts are stated in the LLPCO as the criminal acts for which legal persons can be prosecuted.

From 2013 to 2015 there have been three cases where legal person was convicted without the conviction of a natural person.

The information system of the prosecution service does not collect the data on the reasons for non-

conviction of the legal persons.

In 4,647 cases of economic and corruption offences the Police handled based on the LLPCO in 2014, the Police filed criminal charges against 1,135 legal persons and 3,445 natural persons.

**If no action has been taken to implement recommendation 2(a), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

The Criminal Code (KZ-1) contains criminal offences set forth in the Liability of Legal Persons for Criminal Offences Act (ZOPOKD), published in the Official Gazette of the Republic of Slovenia, no. 59/99,12/00 and 98/04). The content of the criminal offences set forth in the Liability of Legal Persons for Criminal Offences Act (ZOPOKD) is presented to criminal police officers at trainings organized by the Police in the field of economic and corruption crime. The trainings are organized every year in cooperation with state prosecutors.

Furthermore, guidelines for the implementation of the Liability of Legal Persons for Criminal Offences Act were prepared by the Economic Crime Division at the General Police Directorate. These guidelines shall be taken into account when investigating criminal offences and drawing up criminal complaints.

**Additional information provided on 6/7/2016**

Regarding the implementation of the LLPCO, on 4 February 2000 the General Police Directorate issued guidelines for its implementation no. 0222/2-004/6-2000, which apply to all units involved in crime detection and investigation.

**Text of recommendation 2b:**

2. Regarding the liability of legal persons, the Working Group recommends that Slovenia issue further specific guidance and training to both police and prosecutors on investigating and prosecuting legal persons, especially with regards to foreign bribery and other intentional economic crimes, and take further steps to prioritise the prosecution of legal persons involved in foreign bribery. [Convention Article 2; 2009 Recommendation III.ii and V, Annex I B]

**Action taken as of the date of the follow-up report to implement this recommendation:**

In September 2015, MoJ organized a Seminar on investigating, prosecuting and judging cases of financial crime in financial institutions at Brdo pri Kranju. Its aim was to identify the best international practices and Slovenian synergies to improve effectiveness. Mr. Bostjan Jazbec, Governor of the Bank of Slovenia, and Mr. Carlos Pinerua, Regional Director of the World Bank opened the seminar, organised by The Bank

of Slovenia and the World Bank Group. At the seminar the following topics were addressed: detection and investigation of financial crimes in financial institutions; case studies of improving the efficiency of the courts; the presentation of the Forfeiture of Assets of Illegal Origin Act (ZOPNI); and clarification of the role and responsibilities of management in supervisory boards of financial institutions during the investigation and court proceedings. The lectures were given also by several foreign experts, including from Italy, Germany, Croatia, as well as from the World Bank (principal legal advisor Heike Gramckow). The seminar enhanced the awareness and knowledge of the state prosecutors, investigators and other relevant public officials, while it also presented a podium for the exchange of their experience.

In addition, the Judicial Training Centre of the Republic of Slovenia carried out the following training for judges and state prosecutors regarding the economic crime in 2014, 2015 and 2016:

In 2014:

- Consultations for State Prosecutors of Specialised State Prosecutor's Office regarding the Forfeiture of Assets of Illegal Origin Act - ZOPNI (February 2014);
- Seminar »Understanding the Financial statements and the reflection of the accounting fraud in the financial statements« (April 2014);
- Video conference »Cyber Crime« (April 2014);
- The seminar on Confiscation of assets of illegal origin (April 2014).

In 2015:

- Seminar on investigating, prosecuting and judging cases of financial crime in financial institutions (September 2015);
- Seminar on the Understanding of the financial statements and the reflection of the accounting fraud in the financial statements (May 2015).

In 2016:

- During the Criminal Law School (April 2016) also the following topics regarding the economic crime were addressed: the legal assessment of the involvement of more persons in economic crimes; a comparison of some Croatian and Slovenian solutions in economic criminal law.

Within the Police, the content of the criminal offences set forth in the LLPCO is presented to criminal police officers at internal trainings organized by the Police in the field of economic and corruption crime. The trainings are organized every year in cooperation with state prosecutors.

Furthermore, guidelines for the implementation of LLPCO were prepared by the Economic Crime Division at the General Police Directorate. These guidelines are considered in the process of investigating criminal offences and drawing up criminal complaints.

Cases of detecting and investigating corruption offences related to bribing foreign public officials, where a legal person would also be a suspect, have not yet been dealt with by the Police.

Pursuant to the Article 25 of LLPCO, there were many criminal complaints of economic and corruption offences filed to the District State Prosecutor's Office, i.e. 3,496 in 2015, 4,647 in 2014, 1,982 in 2013 and 2,122 criminal offences in 2012.



Training on foreign bribery has been provided for prosecutors as described in the answer to Recommendation 4d and this included training on prosecuting legal persons.

General Prosecutorial Instructions can however be issued in order to achieve the uniform application of Acts or directing and/or unification of the prosecution policy (Article 167 of the State Prosecutor's Office Act) and accordingly instructions are to be issued, providing there is a need for them according to the expert assessment. The Article 168 of the State Prosecutor's Office Act prescribes which general instructions must be issued by State Prosecutor General. Specific instructions on prosecution of legal persons are not one of them. Decision on issuing instructions is within the competence of the State Prosecutor General, considering the functional self-dependence of the state prosecutors, confirmed and developed also in the decision of the Constitutional Court of the Republic of Slovenia of 2013.

Since the problem of uniform application of the said act was not detected there have been no Special instructions on prosecution of legal persons issued for the prosecutors.

However the State Prosecutor General has adopted the Prosecution policy in 2012<sup>3</sup> where economic and corruption offences are given priority. Article 25 of Liability of Legal Persons for Criminal Offences Act (hereinafter: LLPCO) prescribes a list of criminal offences from the Criminal Code for which legal persons are liable. The list contains all the economic and corruption offences. As prosecution policy is applicable regardless of the nature of a person, priority prosecution of legal persons in economic and corruption cases is also provided.

#### **Additional information provided on 6/7/2016**

At all mentioned trainings for judges and prosecutors the challenges of investigating and prosecuting legal persons, also concerning foreign bribery, were addressed as part of different topics/sessions, however usually not as a separate topic.

The skills for prosecuting legal persons are expected to be of general knowledge of the State Prosecutors. A lot of effort to achieve this general knowledge was made when the LLPCO came into force (2004) as well as when it was amended (2008 and 2012).

**If no action has been taken to implement recommendation 2(b), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

During 2016 and 2017 the Judicial Training Centre of the Republic of Slovenia envisages to organise trainings for judges and state prosecutors on the following topics:

- Forensics and economic crime (June 2016)
- The ownership transformation of companies, acquisitions, concentration (September 2016);
- Cyber-crime (November 2016);
- Evasion of taxes and excise duty, tax manipulation (January 2017);

<sup>3</sup> [http://www.dt-rs.si/uploads/documents/politika\\_pregona.pdf](http://www.dt-rs.si/uploads/documents/politika_pregona.pdf);

- Trading of securities (March 2017);
- Abuses in the insurance industry (May 2017);
- Money Laundering (September 2017);
- Crime in financial institutions (November 2017);
- Crime in the public sector (December 2017).

**Text of recommendation 3a:**

3. Regarding sanctions and confiscation, the Working Group recommends that Slovenia clarify that suitable fines are also available for “proper” acts or omissions in Article 262(2) CC as a useful additional deterrent; [Convention Article 3]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The Amending Act (the KZ-1C, which came to force on 20 October 2015) of the Criminal Code amended Article 262 regarding the issue of fines in 2015. The obligatory fine is now provided in paragraphs 1 and 2:

“Giving Bribes  
Article 262

(1) Whoever promises, offers or gives an award, gift or other benefit to an official or a public officer for him or any third person in order for him either to perform an official act within the scope of his official duties which should not be performed, or not to perform an official act which should or could be performed, or makes other abuse of his position, or whoever serves as an agent for the purpose of bribing an official, shall be punished by imprisonment of one up to six years and by a fine.

(2) Whoever promises, offers or gives an award, gift or other benefit to an official or a public officer for him or any third person in order for him either to perform an official act within the scope of his official duties which should or could be performed, or not to perform an official act which should not be performed, or makes other use of his position, shall be punished by imprisonment of six months up to four years and by a fine.

(3) If the perpetrator under the preceding paragraphs who gave the award, gift or other benefit on request of an official or public officer, had declared such an offence before it was detected or he knew it had been detected, his punishment may be remitted.”

Additionally, in 2015 provisions of paragraphs 1 and 2 of Article 242 of the Criminal Code (Unauthorised Giving of Gifts) were also amended for reasons of consistency and coherence of the wider scope of corruption criminal offences in the Criminal Code. Accordingly, in paragraph 1 the punishment with imprisonment of one year up to six years and by a fine (!) is prescribed and in paragraph 2 the punishment

with imprisonment of up to four years and by a fine (!) is prescribed.

**Additional information provided on 6/7/2016**

Fines for legal persons have not changed, as they are considered appropriate.

Article 13(1) of LLPCO provides that: “the fine which may be prescribed may not be less than 10,000 EUR or more than 1,000,000 EUR” (as amended by Article 7 of LLPCO-B). Article 13(2) further provides that “in the case of the legal person’s criminal offence having caused damage to another’s property, or of the legal person having obtained unlawful property benefit, the highest limit of the fine imposed may be 200 (two hundred) times the amount of such damage or benefit”.

**If no action has been taken to implement recommendation 3(a), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 3b:**

3. Regarding sanctions and confiscation, the Working Group recommends that Slovenia ensure that sanctions imposed in practice for foreign bribery are effective, proportionate and dissuasive; [Convention Article 3; 2009 Recommendation III.ii and V]

**Action taken as of the date of the follow-up report to implement this recommendation:**

As already mentioned the amendments to Articles 262 and 264 of the Criminal Code adopted in 2015 increased sentences.

In cases involving domestic corruption, Slovenian courts impose different criminal sanctions, from fines to imprisonment. Statistical analysis detected a trend towards an increase in the amount of imposed fines. This is a result of general awareness that fines are more effective and dissuasive and of an active implementation of the Prosecution policy. Prosecution policy states that where it is possible and suitable according to the circumstances state prosecutors shall propose monetary sanctions instead of suspended sentences. It also states that in criminal offences which are considered a priority, sentences proposed in first instance proceedings shall be insisted on in appellate proceedings.

Year	Judgments	Fines	Percentage of Fines
2010	22	2	9 %
2011	18	2	11 %
2012	33	14	42 %
2013	57	9	16 %
2014	84	27	32 %
2015	37	10	27 %

The data shows percentage of imposed fines for the last six years in domestic corruption cases. The percentage of imposed fines in the last four years is constantly above the percentage from 2010 and 2011

and is between 16 – 42 %. The state average of imposed fines in all cases was 6 % in 2014 and 2015. This means that fines in corruption cases are imposed more often than in other types of crime.

#### **Additional information provided on 6/15/2016**

The statistics provided in the response to the recommendation 3b does not relate solely to natural persons.

Since Phase 3 there have been two legal persons convicted of domestic bribery (for three corruption offences). The sanction imposed on these two legal persons was a fine in the amount of 1.200 EUR for one legal person in of 2.000 EUR for the other.

Plea bargaining is also possible for legal persons (legal entities; artificial persons), concerning their liability for criminal offences.

The below table shows detailed statistics on the sanctions imposed on both, natural and legal persons for domestic bribery.

<b>Year</b>	<b>Confiscation of objects</b>	<b>Barring from performing the occupation</b>	<b>Fine</b>	<b>Suspended sentence</b>	<b>Imprisonment</b>
2010	1		2	2	
2011	1		2	4	
2012	1	1	14	8	13
2013	1	1	9	11	14
2014	2	1	27	23	23
2015			10	18	11

The below table shows detailed statistics on the sanctions imposed on both natural and legal persons for offences against the economy.

<b>Year</b>	<b>Judicial admonition</b>	<b>Confiscation of objects</b>	<b>Confiscation of assets</b>	<b>Fine</b>	<b>Suspended sentence</b>	<b>Termination of legal person</b>	<b>Imprisonment</b>
2010		2		7	141		22
2011		2		13	116		42
2012		9		30	219		63
2013	2	9	4	45	441		139
2014	1	6	1	57	342	1	133
2015		5		42	300		97

More detailed statistics on the sanctions imposed on natural persons for domestic bribery and related intentional economic offences:

- the length of prison sentences:

The below table is a list of all imprisonments from 2010 to 2015 for domestic corruption. The list contains individualised overview of the length of prison sentences.

Year	Sanction	N. of Years	N. of Months
2012	IMPRISONMENT	1	3
2012	IMPRISONMENT	1	0
2012	IMPRISONMENT	1	5
2012	IMPRISONMENT	1	5
2012	IMPRISONMENT	1	3
2012	IMPRISONMENT	0	10
2012	IMPRISONMENT	1	2
2012	IMPRISONMENT	1	7
2012	IMPRISONMENT	1	5
2012	IMPRISONMENT	0	10
2012	IMPRISONMENT	0	8
2012	IMPRISONMENT	0	5
2013	IMPRISONMENT	1	8
2013	IMPRISONMENT	1	8
2013	IMPRISONMENT	1	8
2013	IMPRISONMENT		3
2013	IMPRISONMENT		6
2013	IMPRISONMENT		7
2013	IMPRISONMENT		4
2013	IMPRISONMENT		4
2013	IMPRISONMENT		7
2013	IMPRISONMENT		4
2013	IMPRISONMENT		4
2013	IMPRISONMENT	2	
2013	IMPRISONMENT	1	10
2013	IMPRISONMENT	1	10
2014	IMPRISONMENT	1	
2014	IMPRISONMENT		4
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT	5	6
2014	IMPRISONMENT		6
2014	IMPRISONMENT	2	6
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT	7	
2014	IMPRISONMENT	1	
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT		5
2014	IMPRISONMENT		3
2014	IMPRISONMENT	1	11

2014	IMPRISONMENT		5
2014	IMPRISONMENT		4
2014	IMPRISONMENT		5
2014	IMPRISONMENT		3
2014	IMPRISONMENT		6
2014	IMPRISONMENT		5
2014	IMPRISONMENT	1	
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT		6
2015	IMPRISONMENT	1	
2015	IMPRISONMENT		4
2015	IMPRISONMENT		2
2015	IMPRISONMENT	1	
2015	IMPRISONMENT		8
2015	IMPRISONMENT		5
2015	IMPRISONMENT	1	6
2015	IMPRISONMENT		8
2015	IMPRISONMENT		3
2015	IMPRISONMENT		6
2015	IMPRISONMENT		7

The below table is a list of all imprisonments from 2010 to 2015 for Criminal Offences against the Economy. The list contains individualised overview of the length of prison sentences.

Year	Sanction	N. of Years	N. of Months
2010	IMPRISONMENT	0	1
2010	IMPRISONMENT	0	4
2010	IMPRISONMENT	0	3
2010	IMPRISONMENT	0	5
2010	IMPRISONMENT	0	2
2010	IMPRISONMENT	0	6
2010	IMPRISONMENT	2	0
2010	IMPRISONMENT	1	0
2010	IMPRISONMENT	0	2
2010	IMPRISONMENT	0	3
2010	IMPRISONMENT	0	4
2010	IMPRISONMENT	1	6
2010	IMPRISONMENT	0	11
2010	IMPRISONMENT	8	2
2010	IMPRISONMENT	0	6
2010	IMPRISONMENT	5	0

2010	IMPRISONMENT	0	6
2010	IMPRISONMENT	0	7
2010	IMPRISONMENT	2	0
2010	IMPRISONMENT	0	8
2011	IMPRISONMENT	0	2
2011	IMPRISONMENT	0	3
2011	IMPRISONMENT	0	4
2011	IMPRISONMENT	1	0
2011	IMPRISONMENT	0	8
2011	IMPRISONMENT	0	6
2011	IMPRISONMENT	1	6
2011	IMPRISONMENT	1	4
2011	IMPRISONMENT	0	8
2011	IMPRISONMENT	0	4
2011	IMPRISONMENT	0	3
2011	IMPRISONMENT	0	2
2011	IMPRISONMENT	0	5
2011	IMPRISONMENT	1	0
2011	IMPRISONMENT	0	9
2011	IMPRISONMENT	1	2
2011	IMPRISONMENT	0	6
2011	IMPRISONMENT	1	0
2011	IMPRISONMENT	0	2
2011	IMPRISONMENT	0	1
2011	IMPRISONMENT	0	9
2011	IMPRISONMENT	0	6
2011	IMPRISONMENT	2	0
2011	IMPRISONMENT	0	8
2011	IMPRISONMENT	4	0
2011	IMPRISONMENT	1	0
2011	IMPRISONMENT	0	6
2011	IMPRISONMENT	0	5
2011	IMPRISONMENT	0	4
2011	IMPRISONMENT	0	2
2011	IMPRISONMENT	0	1
2011	IMPRISONMENT	0	6
2011	IMPRISONMENT	1	6
2011	IMPRISONMENT	1	10
2011	IMPRISONMENT	0	9
2011	IMPRISONMENT	0	8
2011	IMPRISONMENT	1	3
2011	IMPRISONMENT	1	8

2011	IMPRISONMENT	2	0
2011	IMPRISONMENT	0	8
2011	IMPRISONMENT	1	0
2011	IMPRISONMENT	0	10
2012	IMPRISONMENT	0	6
2012	IMPRISONMENT	0	5
2012	IMPRISONMENT	0	2
2012	IMPRISONMENT	2	10
2012	IMPRISONMENT	0	4
2012	IMPRISONMENT	0	10
2012	IMPRISONMENT	1	6
2012	IMPRISONMENT	0	3
2012	IMPRISONMENT	1	4
2012	IMPRISONMENT	0	7
2012	IMPRISONMENT	1	0
2012	IMPRISONMENT	0	9
2012	IMPRISONMENT	1	5
2012	IMPRISONMENT	0	3
2012	IMPRISONMENT	0	3
2012	IMPRISONMENT	0	4
2012	IMPRISONMENT		8
2012	IMPRISONMENT	0	3
2012	IMPRISONMENT	0	5
2012	IMPRISONMENT	4	0
2012	IMPRISONMENT	4	8
2012	IMPRISONMENT	5	0
2012	IMPRISONMENT	1	0
2012	IMPRISONMENT	2	2
2012	IMPRISONMENT	0	7
2012	IMPRISONMENT	1	6
2012	IMPRISONMENT	3	6
2012	IMPRISONMENT	0	7
2012	IMPRISONMENT	1	3
2012	IMPRISONMENT	1	5
2012	IMPRISONMENT	0	10
2012	IMPRISONMENT	1	5
2012	IMPRISONMENT	1	0
2012	IMPRISONMENT	1	3
2012	IMPRISONMENT	0	10
2012	IMPRISONMENT	2	0
2012	IMPRISONMENT	0	4
2012	IMPRISONMENT	1	7



2012	IMPRISONMENT	0	5
2012	IMPRISONMENT	0	7
2012	IMPRISONMENT	0	8
2012	IMPRISONMENT	2	6
2012	IMPRISONMENT	1	6
2012	IMPRISONMENT	0	1
2012	IMPRISONMENT	0	5
2012	IMPRISONMENT	0	8
2012	IMPRISONMENT	0	4
2012	IMPRISONMENT	0	4
2012	IMPRISONMENT	2	6
2012	IMPRISONMENT	4	6
2012	IMPRISONMENT	1	6
2012	IMPRISONMENT	2	0
2012	IMPRISONMENT	0	8
2012	IMPRISONMENT	1	3
2012	IMPRISONMENT	0	8
2012	IMPRISONMENT	1	3
2012	IMPRISONMENT	1	0
2012	IMPRISONMENT	1	3
2012	IMPRISONMENT	1	6
2012	IMPRISONMENT	1	11
2012	IMPRISONMENT	0	8
2012	IMPRISONMENT	2	9
2012	IMPRISONMENT	2	9
2013	IMPRISONMENT	1	2
2013	IMPRISONMENT	2	
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	0	11
2013	IMPRISONMENT	1	6
2013	IMPRISONMENT	1	
2013	IMPRISONMENT		2
2013	IMPRISONMENT		10
2013	IMPRISONMENT		9
2013	IMPRISONMENT		4
2013	IMPRISONMENT	0	8
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	2	5
2013	IMPRISONMENT	1	10
2013	IMPRISONMENT	1	8
2013	IMPRISONMENT	1	6
2013	IMPRISONMENT	2	0

2013	IMPRISONMENT	3	0
2013	IMPRISONMENT		6
2013	IMPRISONMENT	1	
2013	IMPRISONMENT		2
2013	IMPRISONMENT		7
2013	IMPRISONMENT		4
2013	IMPRISONMENT	0	3
2013	IMPRISONMENT		3
2013	IMPRISONMENT		7
2013	IMPRISONMENT	1	8
2013	IMPRISONMENT		4
2013	IMPRISONMENT		3
2013	IMPRISONMENT	0	3
2013	IMPRISONMENT	0	1
2013	IMPRISONMENT	6	0
2013	IMPRISONMENT		3
2013	IMPRISONMENT	0	4
2013	IMPRISONMENT	1	3
2013	IMPRISONMENT	2	2
2013	IMPRISONMENT	4	10
2013	IMPRISONMENT	1	6
2013	IMPRISONMENT		12
2013	IMPRISONMENT		11
2013	IMPRISONMENT		5
2013	IMPRISONMENT	1	2
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	4	0
2013	IMPRISONMENT		10
2013	IMPRISONMENT		6
2013	IMPRISONMENT		13
2013	IMPRISONMENT		8
2013	IMPRISONMENT	0	6
2013	IMPRISONMENT	4	
2013	IMPRISONMENT	4	6
2013	IMPRISONMENT	2	0
2013	IMPRISONMENT		2
2013	IMPRISONMENT	0	6
2013	IMPRISONMENT		7
2013	IMPRISONMENT		6
2013	IMPRISONMENT	1	10
2013	IMPRISONMENT	1	0
2013	IMPRISONMENT	1	8

2013	IMPRISONMENT		3
2013	IMPRISONMENT	1	8
2013	IMPRISONMENT	0	4
2013	IMPRISONMENT	0	6
2013	IMPRISONMENT	1	0
2013	IMPRISONMENT		4
2013	IMPRISONMENT		3
2013	IMPRISONMENT		11
2013	IMPRISONMENT		6
2013	IMPRISONMENT	1	10
2013	IMPRISONMENT		5
2013	IMPRISONMENT		7
2013	IMPRISONMENT	0	9
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	1	4
2013	IMPRISONMENT		8
2013	IMPRISONMENT		4
2013	IMPRISONMENT		10
2013	IMPRISONMENT	0	8
2013	IMPRISONMENT	0	7
2013	IMPRISONMENT	0	6
2013	IMPRISONMENT	0	4
2013	IMPRISONMENT	0	2
2013	IMPRISONMENT	1	3
2013	IMPRISONMENT		1
2013	IMPRISONMENT	2	
2013	IMPRISONMENT		8
2013	IMPRISONMENT	9	
2013	IMPRISONMENT	2	6
2013	IMPRISONMENT	0	2
2013	IMPRISONMENT	1	4
2013	IMPRISONMENT	3	6
2013	IMPRISONMENT	1	3
2013	IMPRISONMENT		10
2013	IMPRISONMENT		8
2013	IMPRISONMENT	1	0
2013	IMPRISONMENT		4
2013	IMPRISONMENT		2
2013	IMPRISONMENT		3
2013	IMPRISONMENT		6
2013	IMPRISONMENT	1	2
2013	IMPRISONMENT		4

2013	IMPRISONMENT	4	
2013	IMPRISONMENT	3	
2013	IMPRISONMENT	5	6
2013	IMPRISONMENT		7
2013	IMPRISONMENT		4
2013	IMPRISONMENT		7
2013	IMPRISONMENT		4
2013	IMPRISONMENT	4	0
2013	IMPRISONMENT		5
2013	IMPRISONMENT		2
2013	IMPRISONMENT	2	2
2013	IMPRISONMENT		4
2013	IMPRISONMENT	4	
2013	IMPRISONMENT	2	
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	1	6
2013	IMPRISONMENT		10
2013	IMPRISONMENT	2	6
2013	IMPRISONMENT		8
2013	IMPRISONMENT	0	8
2013	IMPRISONMENT	0	7
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	1	3
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	1	
2013	IMPRISONMENT		7
2013	IMPRISONMENT	4	
2013	IMPRISONMENT	2	
2013	IMPRISONMENT	3	6
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	1	7
2013	IMPRISONMENT		10
2013	IMPRISONMENT	1	
2013	IMPRISONMENT	4	
2013	IMPRISONMENT		5
2013	IMPRISONMENT	1	6
2013	IMPRISONMENT		5
2013	IMPRISONMENT	1	
2014	IMPRISONMENT		9
2014	IMPRISONMENT		8
2014	IMPRISONMENT		4
2014	IMPRISONMENT		2

2014	IMPRISONMENT		5
2014	IMPRISONMENT		3
2014	IMPRISONMENT	1	4
2014	IMPRISONMENT		10
2014	IMPRISONMENT	1	
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT		7
2014	IMPRISONMENT		9
2014	IMPRISONMENT		8
2014	IMPRISONMENT	4	6
2014	IMPRISONMENT	1	
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT	1	2
2014	IMPRISONMENT	2	
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT	4	
2014	IMPRISONMENT		3
2014	IMPRISONMENT		1
2014	IMPRISONMENT		6
2014	IMPRISONMENT		4
2014	IMPRISONMENT		7
2014	IMPRISONMENT		8
2014	IMPRISONMENT	1	
2014	IMPRISONMENT	1	10
2014	IMPRISONMENT	4	6
2014	IMPRISONMENT	4	
2014	IMPRISONMENT	1	8
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT		4
2014	IMPRISONMENT	2	3
2014	IMPRISONMENT	2	
2014	IMPRISONMENT		8
2014	IMPRISONMENT	1	
2014	IMPRISONMENT		10
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT	3	
2014	IMPRISONMENT	3	8
2014	IMPRISONMENT	3	
2014	IMPRISONMENT	2	6
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT		10
2014	IMPRISONMENT		7

2014	IMPRISONMENT	1	10
2014	IMPRISONMENT		3
2014	IMPRISONMENT		4
2014	IMPRISONMENT		9
2014	IMPRISONMENT		8
2014	IMPRISONMENT		10
2014	IMPRISONMENT		5
2014	IMPRISONMENT		2
2014	IMPRISONMENT		6
2014	IMPRISONMENT		7
2014	IMPRISONMENT	4	8
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT		1
2014	IMPRISONMENT		7
2014	IMPRISONMENT		14
2014	IMPRISONMENT	1	
2014	IMPRISONMENT	2	
2014	IMPRISONMENT	1	1
2014	IMPRISONMENT		2
2014	IMPRISONMENT		6
2014	IMPRISONMENT	2	
2014	IMPRISONMENT		11
2014	IMPRISONMENT		4
2014	IMPRISONMENT		1
2014	IMPRISONMENT		6
2014	IMPRISONMENT		6
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT		5
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT		11
2014	IMPRISONMENT		9
2014	IMPRISONMENT	6	5
2014	IMPRISONMENT	2	
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT		6
2014	IMPRISONMENT	1	11
2014	IMPRISONMENT	4	
2014	IMPRISONMENT		6
2014	IMPRISONMENT		4
2014	IMPRISONMENT		3
2014	IMPRISONMENT		5
2014	IMPRISONMENT	1	

2014	IMPRISONMENT		6
2014	IMPRISONMENT		2
2014	IMPRISONMENT		3
2014	IMPRISONMENT	1	
2014	IMPRISONMENT		6
2014	IMPRISONMENT	2	
2014	IMPRISONMENT		6
2014	IMPRISONMENT		7
2014	IMPRISONMENT		8
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT	3	
2014	IMPRISONMENT	1	
2014	IMPRISONMENT	2	
2014	IMPRISONMENT		6
2014	IMPRISONMENT	1	4
2014	IMPRISONMENT	1	2
2014	IMPRISONMENT		5
2014	IMPRISONMENT	1	6
2014	IMPRISONMENT		7
2014	IMPRISONMENT		1
2014	IMPRISONMENT	1	3
2014	IMPRISONMENT	2	
2014	IMPRISONMENT	2	4
2014	IMPRISONMENT	6	
2014	IMPRISONMENT	1	
2014	IMPRISONMENT		4
2014	IMPRISONMENT		10
2014	IMPRISONMENT		4
2014	IMPRISONMENT		5
2014	IMPRISONMENT	2	6
2014	IMPRISONMENT	3	
2014	IMPRISONMENT		4
2014	IMPRISONMENT		1
2014	IMPRISONMENT		4
2014	IMPRISONMENT		3
2014	IMPRISONMENT	1	10
2014	IMPRISONMENT		3
2014	IMPRISONMENT		6
2014	IMPRISONMENT		5
2014	IMPRISONMENT		3
2014	IMPRISONMENT	4	
2014	IMPRISONMENT	1	4

2014	IMPRISONMENT		3
2014	IMPRISONMENT		2
2014	IMPRISONMENT	1	
2015	IMPRISONMENT	2	
2015	IMPRISONMENT		5
2015	IMPRISONMENT		4
2015	IMPRISONMENT	1	2
2015	IMPRISONMENT		2
2015	IMPRISONMENT	1	2
2015	IMPRISONMENT	3	6
2015	IMPRISONMENT		6
2015	IMPRISONMENT		1
2015	IMPRISONMENT		2
2015	IMPRISONMENT		6
2015	IMPRISONMENT	1	
2015	IMPRISONMENT		2
2015	IMPRISONMENT	1	4
2015	IMPRISONMENT	4	
2015	IMPRISONMENT	1	6
2015	IMPRISONMENT		7
2015	IMPRISONMENT		6
2015	IMPRISONMENT	2	3
2015	IMPRISONMENT		3
2015	IMPRISONMENT	1	4
2015	IMPRISONMENT		10
2015	IMPRISONMENT		4
2015	IMPRISONMENT		6
2015	IMPRISONMENT	1	
2015	IMPRISONMENT	1	6
2015	IMPRISONMENT		2
2015	IMPRISONMENT		3
2015	IMPRISONMENT		7
2015	IMPRISONMENT		5
2015	IMPRISONMENT		
2015	IMPRISONMENT		8
2015	IMPRISONMENT		1
2015	IMPRISONMENT		9
2015	IMPRISONMENT		7
2015	IMPRISONMENT	1	
2015	IMPRISONMENT		10
2015	IMPRISONMENT	3	6
2015	IMPRISONMENT		1



2015	IMPRISONMENT	1	2
2015	IMPRISONMENT		8
2015	IMPRISONMENT		5
2015	IMPRISONMENT		2
2015	IMPRISONMENT		5
2015	IMPRISONMENT		4
2015	IMPRISONMENT		3
2015	IMPRISONMENT		10
2015	IMPRISONMENT		9
2015	IMPRISONMENT		8
2015	IMPRISONMENT		4
2015	IMPRISONMENT	1	4
2015	IMPRISONMENT		2
2015	IMPRISONMENT		7
2015	IMPRISONMENT		1
2015	IMPRISONMENT	1	2
2015	IMPRISONMENT		8
2015	IMPRISONMENT	1	3
2015	IMPRISONMENT		2
2015	IMPRISONMENT		10
2015	IMPRISONMENT	2	6
2015	IMPRISONMENT		3
2015	IMPRISONMENT	4	2
2015	IMPRISONMENT		7
2015	IMPRISONMENT		6
2015	IMPRISONMENT		4
2015	IMPRISONMENT		2
2015	IMPRISONMENT		7
2015	IMPRISONMENT		8
2015	IMPRISONMENT		6
2015	IMPRISONMENT	1	
2015	IMPRISONMENT		2
2015	IMPRISONMENT	1	
2015	IMPRISONMENT		5
2015	IMPRISONMENT	2	6
2015	IMPRISONMENT	1	8
2015	IMPRISONMENT		9
2015	IMPRISONMENT		10
2015	IMPRISONMENT		6
2015	IMPRISONMENT		4
2015	IMPRISONMENT	1	6
2015	IMPRISONMENT	1	

2015	IMPRISONMENT		9
2015	IMPRISONMENT		4
2015	IMPRISONMENT		4
2015	IMPRISONMENT		10
2015	IMPRISONMENT		3
2015	IMPRISONMENT	1	2
2015	IMPRISONMENT		4
2015	IMPRISONMENT		10
2015	IMPRISONMENT	1	4
2015	IMPRISONMENT	1	4
2015	IMPRISONMENT		7
2015	IMPRISONMENT		2
2015	IMPRISONMENT	1	3
2015	IMPRISONMENT	1	1
2015	IMPRISONMENT	1	
2015	IMPRISONMENT	1	2

- the monetary amounts of fines imposed:

The below table is a list of all imposed fines from 2010 to 2015 for domestic corruption. The list contains individualised overview of monetary amounts of fines imposed.

Year	Sanction	EUR
2010	FINE	400.00
2010	FINE	150.00
2011	FINE	200.00
2011	FINE	1085.73
2012	FINE	10000.00
2012	FINE	8000.00
2012	FINE	11000.00
2012	FINE	10000.00
2012	FINE	9000.00
2012	FINE	7000.00
2012	FINE	728.42
2012	FINE	4996.50
2012	FINE	1499.95
2012	FINE	4996.50
2012	FINE	11000.00
2012	FINE	6000.00
2012	FINE	1646.00
2012	FINE	6634.00
2012	FINE	1252.00

2013	FINE	3000.00
2013	FINE	500.00
2013	FINE	11333.34
2013	FINE	2833.33
2013	FINE	8000.00
2013	FINE	2000.00
2013	FINE	37000.00
2013	FINE	37000.00
2013	FINE	37000.00
2013	FINE	10.00
2013	FINE	400.00
2014	FINE	2949.30
2014	FINE	2949.30
2014	FINE	2940.00
2014	FINE	19662.00
2014	FINE	32250.00
2014	FINE	1000.00
2014	FINE	500.00
2014	FINE	1200.00
2014	FINE	2500.00
2014	FINE	400.00
2014	FINE	1200.00
2014	FINE	400.00
2014	FINE	24930.00
2014	FINE	25346.00
2014	FINE	900.00
2014	FINE	800.00
2014	FINE	450.00
2014	FINE	1400.00
2014	FINE	400.00
2014	FINE	1000.00
2014	FINE	1600.00
2014	FINE	1400.00
2014	FINE	1200.00
2014	FINE	1300.00
2014	FINE	3068.80
2014	FINE	1150.80
2014	FINE	2958.00
2014	FINE	3176.00
2015	FINE	1587.20
2015	FINE	2500.00
2015	FINE	3000.00

2015	FINE	2000.00
2015	FINE	1925.00
2015	FINE	4140.00
2015	FINE	800.00
2015	FINE	600.00
2015	FINE	500.00
2015	FINE	6600.00
2015	FINE	700.00
2015	FINE	8800.00

The below table is a list of all imprisonments from 2010 to 2015 for Criminal Offences against the Economy. The list contains individualised overview of monetary amounts of fines imposed.

Year	Sanction	EUR
2010	FINE	75000.00
2010	FINE	2000.00
2010	FINE	350.00
2010	FINE	400.00
2010	FINE	20883.20
2010	FINE	936.00
2010	FINE	300.00
2011	FINE	2086.46
2011	FINE	2000.00
2011	FINE	200.00
2011	FINE	985.95
2011	FINE	960.00
2011	FINE	1316.04
2011	FINE	1949.40
2011	FINE	975.00
2011	FINE	975.00
2011	FINE	975.00
2011	FINE	1645.00
2011	FINE	3290.00
2011	FINE	1041.19
2012	FINE	11362.50
2012	FINE	500.00
2012	FINE	500.00
2012	FINE	1500.00
2012	FINE	1160.00
2012	FINE	2985.92

2012	FINE	1500.00
2012	FINE	9000.00
2012	FINE	10000.00
2012	FINE	6000.00
2012	FINE	11000.00
2012	FINE	8000.00
2012	FINE	10000.00
2012	FINE	7000.00
2012	FINE	980.00
2012	FINE	5028.10
2012	FINE	988.50
2012	FINE	916.50
2012	FINE	1410.00
2012	FINE	2000.00
2012	FINE	3000.00
2012	FINE	39504.00
2012	FINE	16460.00
2012	FINE	19943.00
2012	FINE	100000.00
2012	FINE	1646.00
2012	FINE	1328.80
2012	FINE	633.00
2012	FINE	978.99
2012	FINE	289.34
2013	FINE	1500.00
2013	FINE	1000.00
2013	FINE	799.80
2013	FINE	3500.00
2013	FINE	50000.00
2013	FINE	25000.00
2013	FINE	1000.00
2013	FINE	3000.00
2013	FINE	3501.58
2013	FINE	35000.00
2013	FINE	50000.00
2013	FINE	70000.00
2013	FINE	6486.00
2013	FINE	50000.00
2013	FINE	6000.00

2013	FINE	1500.00
2013	FINE	1000.00
2013	FINE	3000.00
2013	FINE	10000.00
2013	FINE	850.00
2013	FINE	10000.00
2013	FINE	1000.00
2013	FINE	49905.00
2013	FINE	33270.00
2013	FINE	33120.00
2013	FINE	26496.00
2013	FINE	43056.00
2013	FINE	500.00
2013	FINE	11333.34
2013	FINE	2833.33
2013	FINE	8000.00
2013	FINE	2000.00
2013	FINE	500.00
2013	FINE	15000.00
2013	FINE	10000.00
2013	FINE	30000.00
2013	FINE	20000.00
2013	FINE	15000.00
2013	FINE	2000.00
2013	FINE	5000.00
2013	FINE	3000.00
2013	FINE	100000.00
2013	FINE	1225462.00
2013	FINE	437665.00
2013	FINE	45000.00
2014	FINE	30000.00
2014	FINE	600.00
2014	FINE	4533.33
2014	FINE	8726.00
2014	FINE	35000.00
2014	FINE	500000.00
2014	FINE	20000.00
2014	FINE	5000.00

2014	FINE	10000.00
2014	FINE	25000.00
2014	FINE	10000.00
2014	FINE	500.00
2014	FINE	5000.00
2014	FINE	960.00
2014	FINE	500.00
2014	FINE	40000.00
2014	FINE	8000.00
2014	FINE	16200.00
2014	FINE	166.67
2014	FINE	20000.00
2014	FINE	1160.00
2014	FINE	3000.00
2014	FINE	957.00
2014	FINE	1100.00
2014	FINE	4533.33
2014	FINE	2500.00
2014	FINE	2940.00
2014	FINE	3068.8
2014	FINE	1150.8
2014	FINE	25346.00
2014	FINE	800.00
2014	FINE	2200.00
2014	FINE	1340.00
2014	FINE	666.66
2014	FINE	510.00
2014	FINE	1651.5
2014	FINE	600.00
2014	FINE	1500.00
2014	FINE	840.00
2014	FINE	2040.00
2014	FINE	3000.00
2014	FINE	10057.00
2014	FINE	1005.00
2014	FINE	26820.00
2014	FINE	7000.00
2014	FINE	1000.00

2014	FINE	2000.00
2014	FINE	6000.00
2014	FINE	5000.00
2014	FINE	6000.00
2014	FINE	3000.00
2014	FINE	20000.00
2014	FINE	2958.00
2014	FINE	3176.00
2014	FINE	6500.00
2014	FINE	2400.00
2014	FINE	10000.00
2015	FINE	20000.00
2015	FINE	1000.00
2015	FINE	1014.00
2015	FINE	1000.00
2015	FINE	300.00
2015	FINE	600.00
2015	FINE	10000.00
2015	FINE	1000.00
2015	FINE	300.00
2015	FINE	525.00
2015	FINE	2000.00
2015	FINE	50000.00
2015	FINE	3780.00
2015	FINE	6600.00
2015	FINE	3000.00
2015	FINE	2000.00
2015	FINE	2500.00
2015	FINE	800.00
2015	FINE	600.00
2015	FINE	500.00
2015	FINE	400.00
2015	FINE	600.00
2015	FINE	1500.00
2015	FINE	700.00
2015	FINE	960.00
2015	FINE	900.00
2015	FINE	500.00



2015	FINE	2000.00
2015	FINE	7200.00
2015	FINE	10000.00
2015	FINE	10000.00
2015	FINE	300.00
2015	FINE	3000.00
2015	FINE	3200.00
2015	FINE	300.00
2015	FINE	1500.00
2015	FINE	8000.00
2015	FINE	999.9
2015	FINE	3000.00
2015	FINE	3390.00
2015	FINE	4980.00
2015	FINE	5400.00

**If no action has been taken to implement recommendation 3(b), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 3c:**

3. Regarding sanctions and confiscation, the Working Group recommends that Slovenia continue to take measures to draw the attention of prosecutorial and judicial authorities on the importance of applying sanctions which are sufficiently effective, proportionate and dissuasive on natural and legal persons convicted for foreign bribery offences, in particular, emphasising the importance of adequate economic sanctions. [Convention Article 3; 2009 Recommendation III.ii and V]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The Criminal Code, which was amended in 2015 (the KZ-1C), gave account to the above recommendation, as an important and quite notable aspect of the amending act is raising the maximum punishments with imprisonment for the main corruption criminal offences, including Articles 262 and 242 which are of interest for the OECD WGB.

Regarding Article 242, the maximum punishment with imprisonment was raised from 5 to 6 years for the acts in the first paragraph and from 3 years to 4 years for the acts in the second paragraph, as well as for the acts in Article 262.

Another notable change was that in concurrence with the rise in the maximum punishments with imprisonment, mandatory monetary fines were explicitly added to all the main corruption offences where this was not so before (including Article 262, paragraph 2 – see in this context also OECD WGB

Recommendation 3a).

In this context it is important to note that state prosecution and the judiciary, being a part of open consultative and deliberating process on the draft act amending the Criminal Code (KZ-1C), agreed with the described raising of punishments with imprisonment, as well as with the proposed additions of fines. This is definitely a good proactive element for increasing awareness and special attention of aforementioned judicial bodies on the need of importance of the Article 262 and the increase of sanctions.

As Slovenia does not have any legal or natural person convicted for foreign bribery yet, a practical example of application of the recommendation cannot be provided. However, according to the increasing number of imposed fines in economic and domestic corruption cases, this would also apply to foreign bribery cases.

As already stated under the answer to the recommendation 3b, statistical analysis detected a trend towards an increase in the amount of imposed fines in domestic corruption cases. The importance of adequate economic sanctions is also stated in the Prosecution policy where economic and corruption offences are listed as a priority.

#### **Additional information provided on 6/15/2016**

Regarding the extent of the involvement of the judiciary and the prosecution services in the amendments to sanctions for foreign bribery we explain that the judiciary and prosecution authorities were invited to deliberate upon the Draft KZ-1C. As it is usual in constitutional democracy, in such expert consultations all prosecutorial and judicial authorities are automatically informed. Afterwards these authorities de facto always contribute to changes of proposed drafts of legislation, as they did in this case (Articles 242, 249 and 262). Please see the Draft KZ-1C that was submitted to the Parliament<sup>4</sup> (in Slovene language), see especially pages. 14-27 – on expert and public consultations. In addition, meetings on the contents of the Draft KZ-1C were held, especially with the state prosecution.

Beyond the consultation process on the amendments to the CC (the KZ-1C) specific measures have been taken to raise awareness among prosecutors and judiciary of the importance of applying sufficient sanctions, including adequate economic sanctions for foreign bribery during a one-day Seminar on Bribery of Foreign Public Officials in International Business on 21 March 2016, organised by The Judicial Training Centre of the Republic of Slovenia (See the answer to 4b)).

**If no action has been taken to implement recommendation 3(c), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

#### **Text of recommendation 4a:**

4. Regarding the investigation and prosecution of foreign bribery, the Working Group recommends that Slovenia (i) seriously step up its enforcement of the foreign bribery offence and take concrete and meaningful steps to ensure that foreign bribery is an area of priority for law enforcement

<sup>4</sup> <http://imss.dz-rs.si/imis/91de2f302e7aecf4112c.pdf>

authorities; (ii) take concrete steps to ensure that the National Bureau of Investigation and the Special State Prosecutor's Office proactively investigate all allegations of foreign bribery; (iii) assess all credible allegations of foreign bribery and seriously investigate complaints of this crime; (iv) generate foreign bribery cases through more proactive means of detection, including through enhancing working relations with foreign law enforcement authorities and using information from diverse sources at the pre-investigative stage; [Convention Article 5; Commentary 27; 2009 Recommendation XIII and Annex I D].

**Action taken as of the date of the follow-up report to implement this recommendation in relation to:**

(i) seriously step up its enforcement of the foreign bribery offence and take concrete and meaningful steps to ensure that foreign bribery is an area of priority for law enforcement authorities;

The Republic of Slovenia has emphasised its determination to strengthen the fight against corruption through substantial enlargement of the Specialized State Prosecution Office (hereinafter: SSPO). On 31 December 2013 SSPO had 20 state prosecutors and 2 senior legal advisors while on 31 December 2015 it had 29 state prosecutors and 6 senior legal advisors. Additional two state prosecutors joined the SSPO in 2016. This increase in SSPO is a result of the coordinated effort of the Prosecutor General, the Ministry of Justice and the Ministry of Finance as well as the Commission for the Prevention of Corruption in order to provide better conditions for fighting bribery and economic crime (this process started in 2013).

SSPO is competent for the prosecution of serious economic and corruption offences. SSPO is structured in several different departments and the biggest department deals with prosecution of serious economic and corruption offences. Since foreign bribery cases fall within the jurisdiction of SSPO, important actions towards fighting this type of crime have been taken.

The Government of the Republic of Slovenia has shown that prosecution of serious economic crime and corruption is a priority and of great importance, since a vast part of additional, both human and financial resources have been allocated to the SSPO. Detailed data is given under the answer for recommendation 4a.

The budget for the SSPO in 2013 was 2.040.679 EUR while the budget for 2016 is 2.983.665 EUR. This represents more than 31% increase of funds.

Additionally, not only SSPO but also District State Prosecutor's Offices have increased the number of prosecutors and legal advisors. In September 2015 30 new prosecutors were appointed in different District State Prosecutor's Offices and in 2014 40 new senior legal advisors were employed.

In 2012 the State Prosecutor General of the Republic of Slovenia adopted the Prosecution Policy<sup>5</sup> (in accordance with Article 145 of the Prosecutor's Office Act) whereby it is ordered that organized crime, corruption and economic criminal offences should be treated as a priority (see Policy's item 4.1.).

State prosecutors are obliged to ensure priority consideration of these offences and to creatively use all procedural possibilities provided by the law. Prosecutors deal with priority cases particularly comprehensively and with high quality in the shortest time possible (for more on Prosecution Policy please see 1c).

<sup>5</sup> [http://www.dt-rs.si/sl/informacije\\_za\\_medije/114/](http://www.dt-rs.si/sl/informacije_za_medije/114/)

On 3 November 2014 the Deputy Prosecutor General issued a special call to Heads of all District State Prosecutor's Offices and to the Head of the SSPO regarding prosecution of foreign bribery cases. In this call the Deputy Prosecutor General of the Republic of Slovenia emphasised that all the necessary measures should be taken to ensure that foreign bribery cases are subject to quality and priority investigation.

Further on, Deputy Prosecutor General emphasised that heads of state prosecutor's offices have the competence to determine the type of matters and the method of getting informed on the cases. State prosecutors must submit a draft of their act for inspection in order to provide the efficiency and uniformity of prosecution to the head of a state prosecutor's office. Deputy Prosecutor General instructed to apply all these instruments with regard to foreign bribery cases with the aim of assuring more proactive detection and more effective prosecution. Within this call the prosecutors were also encouraged to proactively use mutual legal assistance.

#### **Additional information provided on 6/7/2016**

The National Bureau of Investigation (NBI) of the Criminal Police Directorate is not exclusively responsible for foreign bribery cases; it is just one of the operational units detecting and investigating such criminal offences in Slovenia. It should be pointed out, however, that police officers on all three organisational levels of the police, i.e. the national, regional, and local, are involved in discovering and investigating economic and corruption crimes, which includes the discovery and investigation of crimes in the field of bribery of foreign public officials in international business transactions.

The NBI therefore is not an operational unit that should obligatorily deal with foreign bribery offences; it can, however, in case of more demanding forms of such offences, autonomously decide to take on the investigation of suspected foreign bribery offences on the basis of Article 22 of the Organisation and Work of the Police Act (ZODPol) (Official Gazette RS, no. 15/2013, 11/2014, 86/2015), in force since 13.11.2015.

The NBI can take on the investigation of criminal offences on the basis of the aforementioned provisions in the following cases:

(1) An internal act adopted by the Director General of the Police upon the proposal of the Director of the National Bureau of Investigation shall determine investigations of suspicions of criminal offences to be taken over by the National Bureau of Investigation.

(2) Notwithstanding the preceding paragraph, the National Bureau of Investigation may institute or take over an investigation of the suspicion of a particular criminal offence in cases when it receives a written initiative to take over the investigation by the head of the Specialised State Prosecutor's Office of the Republic of Slovenia, the head of a district state prosecutor's office or the heads of any state authorities or institutions in the areas of taxes, customs duties, financial operations, securities, the protection of competition, the prevention of money laundering, the prevention of corruption, illicit drugs and inspection supervision. In the event of their refusal to take over the investigation, the police shall accordingly notify the initiator thereof.

Pursuant to Article 22 of the Police Organisation and Work Act (Official Gazette RS, no. 15/2013) the Director General of the Police hereby issues

Instructions on the type of criminal offences to be investigated by the National Bureau of Investigation

#### **Article 1**

These Instructions determine the cases of criminal offences when the investigation of a suspicion or suspicions of criminal offences is taken over by the National Bureau of Investigation.

### **Article 2**

As a rule, the National Bureau of Investigation shall take over the investigation of a suspicion or suspicions of criminal offences in cases of:

1. demanding and complex forms of criminal offences in the field of economic crime and corruption, the detection and investigation of which require international and inter-agency cooperation, specific skills and coordinated and targeted work of investigators;
2. manifestations of systemic corruption in private and public sector;
3. cases which due to their demanding character, complexity, international aspect, organisational and personnel needs are beyond regional scope and cannot be successfully and professionally investigated at the regional level;
4. the most demanding forms of economic crime whose consequences put financial interests of the Republic of Slovenia and the European Union at risk;
5. the most demanding forms of economic crime, whose consequences may threaten or destabilise the monetary or economic system of the Republic of Slovenia;
6. organised forms of crime with a high degree of organisation of criminal groups, which generate high proceeds, with manifestations which represent a high level of danger to society and individuals, with an international element of their operation, and dealing with criminal groups and individuals who, pursuant to analytical assessments, are determined as targets of the state level of organised crime;
7. other serious forms of crime that threaten the highest values protected by the Constitution (life and person, human rights and freedoms and national security), and the investigative activities require a special form of investigation organisation and investigators' operation outside of regular work framework of the criminal police.

### **Article 3**

These instructions shall enter into force on the day of their signature and are applied as of 15 June 2013. The signed instructions shall be posted on the Police intranet.

Number: 023-382/2013/7

Date: 11.6.2013

Regarding the draft of the prosecutor's act that has to be submitted for inspection to in order to provide the efficiency and uniformity of prosecution to the head of a state prosecutor's office, we explain the following. The relevant text that states that the state prosecutors must in some cases submit a draft of their act for inspection in order to provide the efficiency and uniformity of prosecution to the head of a state prosecutor's office means that the draft act of important decisions of state prosecutors (the prosecutorial act) is submitted to the head of the state prosecutor's office for a "quality check" with respect to uniformity and efficiency of prosecution (policies). The self-dependent state prosecutor is not bound by

this proposal and has afterwards still means at his/her disposal to still retain his/her own decision in the prosecutorial act (see Article 169 of the State Prosecutor's Office Act).

The translation of the wording of the »Special call« was not completely precise and accurate. We enclose the official translation of the call as mentioned in previous answer.

According to Article 89 of the State Prosecutorial Rules a matter can be determined as a matter of special importance if this is needed because of the efficiency and uniformity of prosecution. Decision making in such cases is at some stages different from the procedure in regular cases. Prosecutor in charge of the case has the exactly the same competences and independence but in cases of special importance prior to making a decision on:

- the rejection of an indictment, the suspension of criminal prosecution, and the marking of the case as resolved and closing the file without instigating proceedings,
- the execution, proposal or suspension of a procedural action or measure, or the withdrawal of the indictment if this was ordered in advance by the head of the state prosecution service, or on
- the withdrawal of the complaint or the decision not to file the complaint;

the state prosecutor shall submit the signed draft of the relevant document or written order in the internal reminder together with the case file to be reviewed by the head of the state prosecution service or the head of the department in cases of special importance.

The state prosecutor may issue or file the document referred to in the preceding paragraph or order the action to be executed only after the head of the state prosecution service or an authorised person has signed the draft and the internal reminder and marked that the draft or the order was examined and that they do not object it.

If the head of the state prosecution service refuses to sign the state prosecutor's document or the order written in the internal reminder because they believe the draft or the order to be insufficient or incomprehensible, they shall provide a brief description of the reasons in their written refusal or a note on the draft, and may also provide a detailed explanation to the state prosecutor regarding how to eliminate the deficiencies or incoherence. If the explanation is verbal, a note shall be made thereof.

If the new draft still fails to comply with the explanation, the head of the state prosecution service may again apply their authorisation as per the preceding paragraph.

If the head of the state prosecution service refuses to sign the state prosecutor's document or the order written in the internal reminder because they fail to agree with the decision of the state prosecutor submitting the case for signing, the head of the state prosecution service shall not return the case for reconsideration to the same state prosecutor and shall not reassign it to the same state prosecutor following their review.

(ii) take concrete steps to ensure that the National Bureau of Investigation and the Special State Prosecutor's Office proactively investigate all allegations of foreign bribery;

As already stated above in 4a(i) the State Prosecutor General has issued the Prosecution Policy emphasizing the importance of combating corruption crimes, which according to national legislation includes foreign bribery. Additional human resources that were assigned to the SSPO as well as training on foreign bribery will surely contribute to a better prosecution of foreign bribery cases.

As regards the detection and investigation of bribery of foreign public officials in international business transactions, the Police conducts criminal investigations of suspicions of foreign bribery pursuant to Article 148 of the Criminal Procedure Act. At the same time, the Police carries out internal trainings on bribery of foreign public officials in international business transactions.

The goal of the trainings is to improve the qualifications of criminal investigators with regard to the discovery and investigation of crimes of corruption in the field of bribing foreign public officials in international business transactions with the purpose of reducing the likelihood of international corruption.

In 2013, the Criminal Police Directorate also issued Guidelines and Instructions for Effective Discovery and Investigation of Crimes in the Field of Corruption. In the future, these Guidelines will be amended to include contents dealing with the bribery of foreign public officials in international business transactions, particularly in the sense of discovering such bribery.

In order to obtain information referring to the bribery of foreign public officials in international business transactions, the Police cooperates with the Ministry of Foreign Affairs and embassies, the Commission for the Prevention of Corruption, the Health Insurance Institute, the Slovenian Export and Development Bank, the Chamber of Commerce and Industry of Slovenia, the Chamber of Craft and Small Businesses of Slovenia, the Ministry of Health, and Transparency International Slovenia.

With regard to obtaining information on the bribery of foreign public officials, the Police also closely cooperates with police attachés in Belgrade and Sarajevo because general statistical data shows a significant business activity of Slovenian economic entities. Such priority was defined in order to raise the level, i.e. implement the urgent measures, especially in the field of bribery of foreign public officials in international business transactions.

(iii) assess all credible allegations of foreign bribery and seriously investigate complaints of this crime;

Given the fact that Slovenia only has one ongoing foreign bribery case, the answer to this recommendation can relate only to that particular case. The activity (assessment of the allegations and investigation) is described in the answer to the enforcement activity.

(iv) generate foreign bribery cases through more proactive means of detection, including through enhancing working relations with foreign law enforcement authorities and using information from diverse sources at the pre-investigative stage

See above.

#### **Additional information provided on 6/15/2016**

Regarding the information from June 2015 Report where we stated that heads of State Prosecutor's Offices have also been encouraged to issue general instructions (that are applicable to State prosecutors) for implementing this special call with the aim of ensuring more proactive detection and investigation as well as more effective prosecution of foreign bribery, we additionally explain:

In this case no such instructions were adopted. The purpose of the call was not to issue the instructions but to raise awareness of prosecutors of the foreign bribery offence and of the WGB's recommendations. General instructions are being issued in cases of the uniform application of the Act, directing and/or unification of the prosecution policy and the notification at state prosecutor's offices. So basically it is issued when prosecution policy is not being implemented or there are differences between the acts of prosecutors. In this case the call was issued at the very beginning of the activities when the instructions were not needed. It was intended to make the prosecutors aware that foreign bribery is a serious offence

and that we are obliged to fully employ our capacities in these cases.

**If no action has been taken to implement recommendation 4(a), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 4b:**

4. Regarding the investigation and prosecution of foreign bribery, the Working Group recommends that Slovenia review the system of maximum 3-month or 6-month time limits imposed on the authorised use of some special investigative techniques in foreign bribery investigations and make full use of such measures at its disposal in foreign bribery cases; [Convention Article 5; 2009 Recommendation XIII and Annex I D]

**Action taken as of the date of the follow-up report to implement this recommendation:**

Following the review of the recommendation several deliberations took place (between 2014 and 2016). However, the Ministry of Justice remains at the opinion already conveyed on previous occasions – as is well known to the OECD WGB – that such proposals would cause clear non-compliance with the Constitution of the Republic of Slovenia and some relevant treaties and international law in general. This has become abundantly clear since the systemic, precedential Decision of the Constitutional Court of the Republic of Slovenia, No. U-I-65/13, 3 July 2014; published in: Official Gazette of the RS, No. 54/14 and OdlUS XX, 27 that deals with the data retention regime of the Republic of Slovenia<sup>6</sup>. The said Decision also used the principle of proportionality concerning the encroachment into communications privacy with respect to time limits concerning data retention (which is clearly a lesser intrusion into private sphere in comparison with special investigative techniques and their time limits). The Constitutional Court of the Republic of Slovenia also requested a preliminary ruling before the Court of the European Union (CEU) in this case. In addition, slightly before that the Constitutional Court also overturned the time limits and grounds for keeping DNA samples by the Police in the Police Act (Decision of the Constitutional Court of the Republic of Slovenia, No. U-I-312/11, 13. 2. 2014; published in: Official Gazette of the RS, No. 15/14 and OdlUS XX, 20). In addition, Slovenia also intervened in the Case of *Maximillian Schrems (Facebook)* before the CEU (C-362/14, 6 October 2015) supporting with its own argumentation the position of the claimant and his human rights – needless to stress, these arguments were also upheld by the CEU. The previous case law of the Constitutional Court of the Republic of Slovenia that also limits proposals for increases of encroachments into human rights, including, but not limited to – the time limits special investigative techniques, has already been presented to the OECD in the past.

Finally, the most recent case law of the European Court of Human Rights that significantly limits governmental encroachments into human rights shall be taken into account – the *Roman Zakharov v. Russia* Case (Eur. Ct. H.R., No. 47143/06, 4 December 2015) and *Szabo and Vissy v. Hungary* Case (Eur. Ct. H.R., No. 37138/14, 12 January 2016).

<sup>6</sup> Accessible in English language at: <http://odlocitve.us-rs.si/en/odlocitev/AN03707?q=U-I-65%2F13>



In conclusion the MoJ is of the Opinion that its presentations and explanations in previous years to the OECD on the limits of human rights encroachments *vis-à-vis* the Slovenia`s Constitution and international human rights law were correct, justified and adequately balanced. Therefore the situation of the new (but predictable) case law is now well known to all actors in the Slovenian legal system.

The Office of the State Prosecutor General fully agrees with the recommendation 4b regarding the possibility of prolonging the maximum 3-month or 6-month period time limits and believes that prolonging this period would contribute to better use of special investigative techniques in practice.

In addition, within the above mentioned deliberation the issue of data retention was raised.

The Office of the State Prosecutor General is of the opinion that since the Constitutional Court abrogated<sup>7</sup> Articles 162 – 169 of the Electronic Communications Act<sup>8</sup>, state prosecutors have difficulties regarding the use of Article 149.b of Criminal Procedure Act. Abrogated Articles provided the obligatory and non-selective retention of certain traffic data of all communications related to fixed network phone service, mobile phone service, Internet access, Internet e-mail service and Internet phone service for 14 (data related to phone services) or 8 (data related to data transfer) months. As the time limit of retention of up to 14 months no longer applies, state prosecutors are unable to obtain information on communications using electronic communications networks. Operators of the electronic communications networks do not keep the data longer than needed for their commercial activity and the data cannot be provided.

The Office of the State Prosecutor General informed the Ministry of Justice on this matter and proposed prolongation of retention period. In practice the short traffic data retention period (only 3 months) greatly inhibits effective investigation of all serious offences, including corruption, where special investigating techniques are used.

It is the opinion of the Office of the State Prosecutor General that the reasoning of the above cited Decision of the Constitutional Court of the Republic of Slovenia does not provide a conclusion that the time limit of data retention of up to 8 or 14 months is too long. The essence of this decision lies in another aspect that is in the absence of the legislature to delimit in detail the circumstances limiting such interference to a measure truly necessary to achieve the objective pursued by the measure of data retention, which is investigation, detection and prosecution of serious criminal offences. The decision stipulates that abrogated regulation was non-selective and the legislator did not explain why a shorter period of retention does not suffice to achieve its purpose. The Decision therefore does not prevent a longer time limit of data retention; instead the legislature must specify in detail the circumstances, the persons and other elements which all together would represent a legal framework complimented with the Constitution of the Republic of Slovenia. In the current absence of any legal regulation of data retention, the prosecution does not have any means to effectively gather the evidence concerning the traffic data of communications related to all kinds of telephone and internet service.

The Police is of a similar opinion as the Office of the State Prosecutor General. Communication services operators are currently obligated to store data for only 3 months, which the Police believes, hinders the collection of evidence, especially when investigating complex forms of economic, corruption, and organised crime.

For the above-mentioned reasons the amendments of the Electronic Communications Act are being deliberated upon (following the request of the Ministry of Justice) to establish new data retention regime

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<sup>7</sup> Constitutional Court Ruling U-I-65/13-19 from 3.7.2014

<sup>8</sup> Official Gazette of RS, no. 109/12, 110/13, 40/14 – ZIN-B, 54/14 – Constitutional Court ruling and 81/15

which would comply with the doctrine contained in the above-mentioned decision of the Constitutional Court.

#### **Additional information provided on 6/15/2016**

In the constitutional democracy, with control mechanism, that include separation of powers or division of competences (within the executive power as is in this case – the Ministry of Justice, the Supreme State Prosecutor`s Office and the Police can hold different opinions, even publicly) and freedom of expression (general one and expert one) different factors of the legal system can hold different views. This is the usual mode of functioning of constitutional democracy in Slovenia, nothing new. But at the end – all of the state authorities are bound by the Rule of Law concept, *in toto*. And in Slovenia there is no system of “unity of powers” that existed until 1991, so differences in opinions are permitted, acceptable and logical.

The Ministry is aware of different opinions now as was aware of them before. The primary mission of the Ministry, that comes from the Rule of Law concept and respect for the Constitution and international treaties protecting or establishing human rights and fundamental freedoms is always to start such assessments from the viewpoint of conformity of proposed/mentioned “new measures” with national and international human rights law. Operational efficiency has to be of secondary nature, if human rights compliance is manifestly not guaranteed. With respect to the case law that was mentioned in our previous replies we predicted such wide-reaching results – from the viewpoint of the Rule of Law. Concerning the divergence of opinions - the Ministry of Justice is aware also of reactions in some other countries in the European Union (specifically their police and prosecutorial organisations) that did not expect or maybe even cannot philosophically accept the new case law of international or national (constitutional or supreme) courts that abolished data retention and similar regimes. This is a part of the free democratic dialogue, but at the end, everybody is bound by the concept of the Rule of Law, especially bodies of state authority.

Specifically on the divergence of opinions, for example, the data retention Decision of the Slovenia`s Constitutional Court of July 2014 has a problem also with possible future length of data retention – see item 26 of the Decision and maybe also provides a sort of indication (footnote No. 32) – the former legal regulation of Germany – 6 (six) months of data retention.

Additionally, just as a way of example - in the meantime there was a new guarantist Decision of the Constitutional Court issued on the (house) searches of attorneys` offices – the Decision Nos. U-I-115/14, Up-218/14, 21. 1. 2016; published in: Official Gazette of the RS, No. 8/16). This decision goes contrary to traditional understanding of attorneys` premises searches (and attorneys` electronic documentation) of judiciary, state prosecution and Police and was as such expected by the MoJ since at least September 2015. We are accordingly of the Opinion that in all cases of new proposed measures it has to be known to a certain extent of certainty, whether new measures are human rights compliant or not.

In conclusion, since this case law and previous case law of the Constitutional Court (starting in 1997!) coherently shows that additional level of care has to be given not to introduce new disproportionate (either substantive or defined by the too wide length) investigative measures, the MoJ has to conclude that constitutionalism, as part of the Rule of Law concept, is the supreme value for any deliberations in this respect, as was already clear from our replies in May 2016.

The Office of State Prosecutor General is of the view that the maximum 3-month or 6-month time limits for the use of some special investigative techniques is too short as it was also noticed by the lead examiners.

In our opinion, some criminal acts, including bribery (as these acts occur behind closed doors) cannot be

successfully investigated without the use of such techniques. In practice sometimes it takes longer to gather the evidence and therefore such time limits (for interception of communication and surveillance in a person's home or other areas with the use of technical means for documentation, Articles 150 and 151 of the Criminal Procedure Act) are too short.

Also as it was explained in our answers to the questionnaire, we believe that current regulation of the retention period for the traffic data, hinders effective investigations. Because of the short 3 month period, many times prosecutors face problems when investigation serious criminal acts that are usually investigated with special investigative techniques. This data is the prerequisite for the analysis of phone communications that later enable reaching higher evidence standard, which is needed for example telephone interception, surveillance and undercover operations. If this data is not available, the investigation is basically stopped or at least very much hindered already in the first phase.

**If no action has been taken to implement recommendation 4(b), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 4c:**

4. Regarding the investigation and prosecution of foreign bribery, the Working Group recommends that Slovenia, as a matter of urgency, strengthen safeguards and take any other steps to ensure that law enforcement authorities and the CPC are not subject to improper influence by concerns of a political nature or factors prohibited by Article 5 of the Convention in deciding whether to pursue an investigation or prosecution, or transmit corruption allegation reports to law enforcement authorities; [Convention Article 5]

**Action taken as of the date of the follow-up report to implement this recommendation:**

In addition to what has already been conveyed to the OECD WGB in the previous follow-up concerning this recommendation, it needs to be noted that the amendments to the Judicial Service Act, the Courts Act and the State Prosecutor's Office Act were adopted in 2015, with the aim of limiting corruption risks for judges and prosecutors.

Last amendments of the Courts Act and the Judicial Service Act were adopted and entered into force on 28 March 2015.

The provisions of the Constitution and the State Prosecutor's Office Act ensure that the state prosecutor, as a functionary, performs his functions independently and autonomously. Article 3 of the State Prosecutor's Office Act determines the self-dependence of the state prosecutor. From the legislative point of view all possible steps to strengthen the public prosecutors independent status have been made. According to Article 35 of the State Prosecutor's Office Act with appointment the state prosecutor acquires the right to life tenure. Before appointment prosecutors take the following oath: »I swear that I will perform the state prosecutorial service conscientiously, self-dependently and in accordance with the Constitution and the statutes.« This oath is of great importance as every appointed prosecutor is a self-dependent and autonomous functionary. Therefore he/she cannot be given instructions or orders in a specific criminal case. The State Prosecutor General emphasised multiple times in trainings, workshops and in his speeches that only prosecutors who are confident, professional, with personal integrity and commitment can guarantee their work will be based on law and law alone.

A step towards a higher awareness of integrity is an integrity plan<sup>9</sup>. All District State Prosecution Offices adopted one. Furthermore, after the amendment of State Prosecutor's Office Act in March 2015 the State Prosecutorial Council adopted the Code of Ethics of State Prosecutors<sup>10</sup>. In addition, the Commission for Ethics and Integrity was formed within the State Prosecutorial Council. The Commission is competent to deliver principled opinions on compliance with the Code of Ethics of State Prosecutors, to issue recommendations on meeting the standards of state prosecutors' ethics and integrity, to adopt guidelines on the internal organisational measures of state prosecutor's offices in cases of interactions with persons who have ceased to perform the prosecutorial service, and to ensure, in cooperation with the Judicial Training Centre, state prosecutors training and education on ethics and integrity. As recommended by the Council of Europe – GRECO the State Prosecutor General adopted the Policy for Detecting and Managing the Risks and Vulnerabilities of Corruption in the Prosecution Service<sup>11</sup> in March 2016.

Additionally the Office of the State Prosecutor General points out that all prosecutors are supervised every three years when their work is assessed both from the professional and personal point of view.

Pursuant to the Act on Amendments to the Courts Act, the Judicial Council should adopt the Criteria

<sup>9</sup> Integrity plan is a tool for establishing and verifying the integrity of the organization. The Slovenian model of integrity plan has been developed on the basis of a compulsory inclusion into and application of international conventions, standards and principles for corruption prevention into national law doctrine. Integrity plan is devoted to: (1) identifying relevant corruption risks in different working fields of an individual organization; (2) assessment, what danger corruption risks may pose to individual organization; (3) determining measures to reduce or eliminate corruption risks.

<sup>10</sup> [http://www.drzavnotozilski-svet.si/zapisniki/izjave/Kodeks\\_drzavnotozilske\\_etike.pdf](http://www.drzavnotozilski-svet.si/zapisniki/izjave/Kodeks_drzavnotozilske_etike.pdf)

<sup>11</sup> [http://www.dt-rs.si/uploads/documents/zakonodaja/Politika\\_integritete.pdf](http://www.dt-rs.si/uploads/documents/zakonodaja/Politika_integritete.pdf)

on selection of judges, and pursuant to the Act on Amendments to the Judicial Service Act the Judicial Council should adopt the amendments to the Criteria on the quality of judicial performance for the evaluation of judicial service. Both Acts were adopted in 2015. According to the mentioned Act on Amendments to the Courts Act the Judicial Council should also adopt the Code of Judicial Ethics and establish the Commission for Ethics and Integrity six months after entering into force of this law – therefore by 28 September 2015. Accordingly, the Code of Judicial Ethics was adopted and published on 11 June 2015 at the web page of the Judicial Council<sup>12</sup>. At the same session, the Judicial Council also amended the Standing Orders of the Judicial Council, which enabled the procedure for establishing the Commission for Ethics and Integrity. The Judicial Council established the Commission for Ethics and Integrity at its session on 3 September 2015 and appointed five distinguished judges as its members (among them: a Judge of the European Court of Human Rights from Slovenia, one High Court Judge, one District Court Judge, one Local Court Judge and one Supreme Court Judge)

It needs to be noted that the legislative changes, the adoption of the Code of Judicial Ethics applicable to all judges and the appointment of the Commission for Ethics and Integrity have put in place a living and organically evolving system of judicial ethics whereby the Code of Judicial Ethics itself will be constantly updated via concrete examples and opinions published by the Commission for Ethics and Integrity.

The Ministry of Justice strongly believes that the instruments provided for by the mentioned legislative changes will further enhance the robust safeguards already present in our judicial and prosecutorial (sub)systems without any undue hindrance to their autonomy.

There is however no legislation that is itself resistant to any political influence. The Office of the State Prosecutor General is aware that people and their integrity are by far the most important factors in ensuring politically independent actions of functionaries. The prosecutors are therefore also provided trainings on integrity. Nonetheless, statements issued by the politicians represent subtle but in reality great pressure on state prosecutors. Those statements are often an expression of their opinion of the criminal procedures in which they are involved. And those statements do have consequences in the form of informal pressure on state prosecutors.

Similar applies to judges who are also provided trainings on ethics and integrity.

The Police is autonomous and independent in its work, which is defined in the Police Organisation and Work Act (Official Gazette of the Republic of Slovenia, Nos. 15/13, 11/14 and 86/15) – Article 4 governs the directing of the Police:

(1) Directing the police shall be a systematic and methodical provision of mandatory instructions and guidelines relating to the work of the police.

(2) Directing the police shall be carried out by way of written guidelines and instructions (hereinafter: the guidelines) issued by the Minister.

(3) The core guidelines for drafting a medium-term plan for the development and work of police, which is prepared for a five-year period, shall serve to define the basic development objectives in specific areas of police work and the guidelines for the performance of tasks by the police as well as the implementation of measures necessary for their realization.

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<sup>12</sup> [http://www.sodni-svet.si/images/stories/datoteke/Kodeks\\_sodniske\\_etike.pdf](http://www.sodni-svet.si/images/stories/datoteke/Kodeks_sodniske_etike.pdf)

(4) Annual guidelines shall relate to the preparation of an annual plan of police work in the following calendar year.

(5) Particular guidelines shall relate to the implementation of individual tasks and measures of the police when immediate action to remedy any deficiency is required.

(6) These guidelines may define deadlines for accomplishing a particular task and reporting requirements relating to the accomplishment of a task.

(7) The medium-term plan of the development and work of the police shall be adopted by the Minister on a proposal of the Director General of the Police, while the annual plan of the work of the police shall be adopted by the Director General of the Police following a prior consent given by the Minister.

(8) The powers of the Minister referred to in the fifth paragraph of this Article shall not apply to police procedures the directing of which has been taken over by the responsible state prosecutor pursuant to the law governing the criminal procedure. Notwithstanding the law governing the criminal procedure, it shall be deemed that the state prosecutor has assumed the direction of the work of the police in a pre-trial criminal procedure as of the moment of his being informed about a criminal offence.

When discovering and investigating criminal offences, police officers carry out their powers independently and within the statutory authorisations. In the event that the state prosecutor assumes the directing of the pre-trial investigation, the investigation shall be carried out in accordance with the Decree on the Cooperation of the State Prosecutorial Service, the Police and Other Competent State Bodies and Institutions in Detection and Prosecution of Perpetrators of Criminal Offences and Operation of Specialised and Joint Investigation Teams<sup>13</sup>.

The Commission for the Prevention of Corruption is an independent state body that independently decides what cases to pursue or dismiss, including cases of foreign bribery. When deciding the Senate of the Commission relies solely on their own experience and the expertise of Commission's investigators. However the Commission is aware of risks of improper influence on its work, both through the members of the Senate and through other employees. The risk is being managed through the Integrity Plan.

The Integrity Plan is an obligatory, legally prescribed mechanism for establishing and verifying the integrity of public sector organisations. It is a type of a business compliance tool based on self-assessment, which enables the organisation to thoroughly identify potential and existing threats to its integrity/ the integrity of its operation. The Slovenian model of the integrity plan was developed on the basis of a combination of international standards and principles of integrity enhancement and corruption prevention. It is based on an on-going assessment of existing and potential risks in an organization's environment (including legal environment, stakeholders etc.), processes (internal and external) and people (including the management). The integrity plan also entails a list of measures for mitigating those risks. Additionally, the Commission established the Integrity Risk Register, a sort of an action plan which facilitates institutions in implementing their integrity measures thus strengthening the integrity of public officials and functionaries.

Information on the relevant elements of the integrity plan was provided by the Commission representative in the December 2015 oral report. As declared on the occasion, the integrity plan among other includes the assessment of the risk of undue influence on the work of the Commission's

<sup>13</sup> <http://www.pisrs.si/Pis.web/pregledPredpisa?id=URED5367>

Senate and its employees.

Recently, further steps were adopted to carry out the proposed measures on this topic with the aim to enhance the transparency of the work of the Commission's Senate: the Senate adopted a decision which prescribes that whenever the Senate adopts a final decision in a concrete corruption case, which is not in line with the prior proposal of the Commission's expert staff, the Senate is obliged to provide a detailed written argumentation for such an action. This written argumentation can be subject to freedom of information requests.

In addition to the explicit specific provisions of the Rules of Procedure of the Commission, relating to the risk of undue influence on the Commission's Senate and/or Commission's operation presented in the previous reports to the WGB (CPC Rules of Procedures II/1./Article 7, III/1., V/1./Article 36/2), it should be noted that the Rules of Procedure are in effect a public document which was published in the National Gazette and can also be obtained from the Commission's website<sup>14</sup>. This allows for further public scrutiny of the Commission's procedures (the public can assess the Commission's procedures with regard to the officially prescribed procedures set out in the mentioned document).

The Commission took a further step in adopting Code of conduct of employees and co-workers of the Commission for the Prevention of Corruption that codifies expected conduct also in the field of independence of the Commission. The Code is published on the website of the Commission<sup>15</sup>.

Additionally the new Integrity and Prevention of Corruption Act (hereinafter IPCA) that is being prepared will introduce changes to the procedure for appointments of members of the Senate. It is foreseen the changes will further strengthen the independence of the Commission.

The normative activities concerning the IPCA have been progressing according to the schedule. In July 2015, the IPCA Working Group (consisting of representatives of the Ministry of Public Administration, the Commission for the Prevention of Corruption and the Ministries of Justice and Interior) prepared an Interim Report<sup>16</sup> providing an overview of the IPCA's problematic parts, and the assessment of the relevant provisions together with an explanation of the required amendments. The task of the IPCA Working Group was to conduct a thorough and professional review of the provisions of the existing legislation, judicial practice and comparative law and to draft amendments that would maintain the direction, purpose and objectives of the current regime, with the Commission as an independent and autonomous authority that is efficiently running its procedures and exercising other statutory powers. In July 2015 the stakeholders, including Transparency International Slovenia, other NGOs, the Slovenian Lobbyist Association and the Institute of Constitutional Law, were invited to submit in writing their opinions, comments and suggestions concerning this issue. An expert consultation attended by the representatives of the Ministry of Public Administration, the IPCA Working Group, the Commission for the Prevention of Corruption and the stakeholders was held in October 2015. In line with the Programme, the draft Amendments to the Integrity and Prevention of Corruption Act (IPCA) have been prepared by the Working Group and have been in the process of finalisation by the Ministry of Public Administration for the purposes of public consultation. The commitment of the Government to adopt the IPCA amendments is explicitly reiterated in the adopted Government's 2016 Legislative Programme of Activities (GLPA)<sup>17</sup>. According to the Programme, the

<sup>14</sup> <http://www.uradni-list.si/1/content?id=107991>

<sup>15</sup> [https://www.kpk-rs.si/download/t\\_datoteke/2428](https://www.kpk-rs.si/download/t_datoteke/2428); Attached to this report is also a translation of the Code.

<sup>16</sup> The Interim Report is published at: [http://www.mju.gov.si/si/novinarsko\\_sredisce/novica/select/sporocilo\\_za\\_javnost/article/12447/7039/cf16489c0af62dabe8bc02bfdbd9c058/?tx\\_ttnews\[month\]=02&tx\\_ttnews\[year\]=2016](http://www.mju.gov.si/si/novinarsko_sredisce/novica/select/sporocilo_za_javnost/article/12447/7039/cf16489c0af62dabe8bc02bfdbd9c058/?tx_ttnews[month]=02&tx_ttnews[year]=2016)

<sup>17</sup> Link to the **GLPA 2016** (in Slovenian): [http://www.vlada.si/delo\\_vlade/program\\_dela\\_vlade](http://www.vlada.si/delo_vlade/program_dela_vlade)

IPCA will be tabled for the Government deliberation by late summer, while the deadline for its adoption is December 2016.

On the basis of the abovementioned activities, it was established that the main changes in the IPCA should comprise, inter alia:

- Optimising procedures for nomination of the Commission's President and the Deputies;
- Complementing the provisions related to the Commission's proceedings and the publication of the Commission's decisions by a proper transfer from the CPC Rules of Procedure to the Law;
- Optimising existing legal bases of record keeping and data collection including personal information so that no doubt remains to what is to be collected and processed by the Commission and under what conditions;
- Complementing the provisions in relation to publication of the Commission's decisions;
- Additional sanctions for infringement of the provisions of the Act.

#### **Additional information provided on 6/7/2016**

Concerning the issue of statements of politicians that can mean subtle pressure on state prosecution - there was no need at all to address this issue since Phase 3 (with the exception of the Decision of the Constitutional Court of 2015 below). Namely, the MoJ had in the period of 2010-2011 prepared on its own initiative relevant tools and introduced them in the State Prosecutor's Office Act of 2011 (hereinafter: SPOA). These included the defining of individual state prosecutors as self-dependent – Article 3 of SPOA (as specifically confirmed as only permitted implementation of the Constitution by the Constitutional Court in 2013), the possibility of individual state prosecutors to request the decision of the State Prosecutorial Council if their self-dependence was infringed in any way (Article 172 of the SPOA) and the power given to the State Prosecutor General in his capacity as the highest representative of all state prosecutors to publicly protest/chastise upon the encroachment into self-dependence of state prosecutors and self-dependence of state prosecution as a whole (system). So, there are strong, legally established “defence tools”) for respecting the integrity, reputation and authority of state prosecution) available to be used.

At the end – if judiciary or state prosecutors are unjustifiably criticised by the prosecuted politicians, this is something that is unfortunately to be expected in any democratic society and both the judiciary and the state prosecution have to use their legally available tools for defence of their integrity, reputation and authority in a reasonable manner (as is stated in the Decision of the Constitutional Court on corruption in 2005 – the Decision No. Up-879/14, 20. 4. 2015 – items 49.-53 of the Decision; published in: Officially Gazette RS, No. 30/15).

In the view of the Office of State Prosecutor General it is not within the power of the prosecution office to take measures that would protect the prosecutors from the pressure described in the answer in the follow up report. This is within the competence of the ministry or other higher state bodies. Prosecution Office as an institution can only support the prosecutor who was subjected to such pressures and inform the authorities and the public of this matter.

In view of the Office of State Prosecutor General prosecutors perform their duties in a self-dependent



manner and do not refrain from prosecutions of legal persons for economic reasons. The reason for low numbers of prosecution of legal persons was explained in the written follow up report submitted in May. In practice also in cases of economic crime, when a criminal act is committed by the management, legal person is usually the injured party. But the fact that many cases of serious economic crime where very high profile managers of big companies were prosecuted and in the end sentenced show that economic reasons do not affect the decision of a prosecutor whether to prosecute a case or not because of possible economic consequences.

**If no action has been taken to implement recommendation 4(c), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 4d:**

4. Regarding the investigation and prosecution of foreign bribery, the Working Group recommends that Slovenia promptly provide in depth training specifically on the foreign bribery offence to investigators and prosecutors. [Convention Article 5]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The Judicial Training Centre of the Republic of Slovenia organised a one-day Seminar on Bribery of Foreign Public Officials in International Business on 21 March 2016<sup>18</sup>. The Seminar aimed to provide special training for judges and state prosecutors at different levels, as well as for representative of other relevant state offices. Minister of Justice Mr. Goran Klemenčič opened the Seminar by expressing dedication of the Government and the Ministry to combat corruption in general as well as foreign bribery. The Seminar was attended by approx. 150 representatives from state prosecutor's offices, the Police, the Financial Administration, the Office for Money Laundering Prevention, the Commission for the Prevention of Corruption, the Ministry of Foreign Affairs, and the Ministry of Justice. The OECD's role in fighting foreign bribery was presented by Mr. William Loo, Deputy Head of Division & Senior Legal Analyst in OECD Anti-Corruption Division. Other topics included a presentation of data on trade with Slovenia and information on Slovenian foreign direct investments, a presentation of foreign bribery in Slovenian criminal law and the activities of Slovenia in OECD WGB. Three foreign guests (one from Switzerland, one from Germany and one from the UK SFO) presented their experiences (and obstacles) in fighting foreign bribery. Such comparative approach was particularly well received by participants, as comparative analyses are always beneficial in order to strengthen the activities and effectiveness at the national level. (Please find the seminar's programme enclosed to this report).

The Office of State Prosecutor General, Training and Expert Supervision Department with cooperation with Judicial Training Centre have provided the following trainings that were specifically focused on foreign bribery offence:

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

<sup>18</sup> For more information on the seminar please find enclosed agenda of the seminar.

Transactions held on 25 November 2014. Mr Ciril Keršmanc and Mrs Romana Berčič employees of Ministry of Justice and the Commission explained the Convention and its principles and stressed the importance of combating this type of crime. 184 state prosecutors and senior legal advisers attended the training.

- Training on Convention on Combating Bribery of Foreign Public Officials in International Business Transactions held on 23 April 2015. The employees of Commission for the Prevention of Corruption presented Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, Council of Europe Conventions on corruption, GRECO recommendations and the United Nations Convention against Corruption. The aim of the training was to present the international obligations of the Republic of Slovenia in the field of anti-corruption.
- Training on Bribery of foreign Public Officials in International Business Transactions held on 21 March 2016. 34 prosecutors attended this seminar (among them 13 prosecutors from SSPO) and 14 senior legal advisers.

On 22 October 2015, the Police carried out training on bribery of foreign public officials in international business transactions. 65 participants took part in this training, among them participants from the Police (the National Bureau of Investigation, criminality departments from the Police Directorate, the Economic Crime Division, the Criminal Police Directorate, the Criminal Intelligence Centre, the Service of the Director-General of the Police), the Ministry of the Interior, the District State Prosecutor's Office, the Higher Court, the District Court, the Specialised State Prosecutor's Office, the Faculty of Criminal Justice and Security, and the Interpol. One of the lecturers was also the Chairman of the OECD Working Group against Bribery of Foreign Public Officials in International Business Transactions (WGB).

Within the Criminal Investigation Course of 2016 organised and carried out by the Criminal Police Directorate and the Police Academy of the General Police Directorate, newly employed criminal investigators will also learn about the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, with a special focus on crimes related to bribing foreign public officials in international business transactions. Our purpose is to train newly employed criminal investigators to independently, with a high level of expertise and legally perform tasks of preventing, discovering, and investigating crimes, including bribery of foreign public officials in international business transactions.

In 2015, the Criminal Police Directorate (with the National Bureau of Investigation as its integral part) organised internal trainings on the topic of the use of analytical tools for detection and investigation of economic and corruption offences, including foreign bribery.

#### **Additional information provided on 6/7/2016**

The CPC's April 2015 training was organised by the Ministry of Public Administration – Administrative Academy in cooperation with the Commission for the Prevention of Corruption. Invitation was sent to all the ministries, and bodies within ministries, government services, administrative units, municipalities, courts and other government agencies.

The training was attended by public sector employees, including prosecutors and judges, employees of the Ministry of Infrastructure, Budget Supervision Office, Money Laundering Prevention Office and others.

**If no action has been taken to implement recommendation 4(d), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 5(i):**

5. With respect to mutual legal assistance (MLA), the Working Group recommends that Slovenia ensure its authorities are more proactive in seeking MLA or other forms of international cooperation, as appropriate, in foreign bribery cases [Convention Article 9]

**Action taken as of the date of the follow-up report to implement this recommendation:**

Department for International Cooperation was established at the Supreme State Prosecutor's Office with the Annual Work Schedule for 2015. The head of the Department is Deputy State Prosecutor General of the Republic of Slovenia. The Department is in charge of international cooperation and activities of the Supreme State Prosecutor's Office, concerning relations with state prosecutors from other countries as well as with international organisations and the obligations arising from such relations. The Department is also collecting information about contacts, established by state prosecutors in concrete cases with authorities of foreign countries. The information about these contacts is reported to the Prosecutor General according to the State Prosecutorial Rules. The Department also has an appointed contact person for matters regarding short-time securing, forfeiture or seizure of items on proceeds of crime and property of illegal origin if it is proposed or ordered.

District State Prosecutor's Office (DSPO)	1-Extradiction			2-Other forms of MLA		3a-Refferring criminal prosecution to foreign county	3b- Resuming criminal prosecution from a foreign country	4- Recognition and execution of the decisions issued by a court where penalty was imposed
	1a- Cooperation in decision making procedure in the case of received request based on European Arrest Warrant	1b- Issuing the European Arrest Warrant request	1c- Cooperation in decision making procedure in the case of non EU member state requests for extradition	2a- Providing assistance after received requests	2b-Sent requests			
DSPO Celje	4	0	2	7	9	10	0	0
DSPO Krško	15	1	3	1	1	1	0	0
DSPO Koper	16	1	6	10	1	10	0	1
DSPO Kranj	4	0	2	0	0	5	0	0
DSPO Ljubljana	13	0	4	10	10	48	20	0
DSPO Maribor	5	2	1	9	13	76	7	2
DSPO Murska Sobota	4	0	1	12	13	22	1	0
DSPO Nova	2	0	0	3	3	107	3	0

Gorica								
DSPO Novo mesto	1	0	0	0	00	5	1	0
DSPO Ptuj	7	0	0	0	0	0	0	0
DSPO Slovenj Gradec	0	0	0	0	5	2	3	0
Specialised Department	0	0	0	0	0	0	0	0
SSPO	0	3	0	7	36	3	2	0
Supreme SPO	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>71</b>	<b>7</b>	<b>19</b>	<b>59</b>	<b>91</b>	<b>289</b>	<b>37</b>	<b>3</b>

Furthermore, as mentioned above, the Deputy State Prosecutor General issued a special call to Heads of all District State Prosecutor`s Offices and to Head of SSPO regarding prosecution of foreign bribery cases in which all prosecutors were addressed to actively use the instruments of mutual legal assistance, with emphasis on engaging the EUROJUST representative and the contact points within the European Judicial Network (hereinafter EJN). The Office of the State Prosecutor General strongly supports all international activities and tends towards cooperation with foreign countries in all procedures where needed.

The Office of State Prosecutor General, Training and Expert Supervision department with cooperation with Judicial Training Centre of the Ministry of Justice organised a workshop on mutual legal assistance, where participants were acquainted with the internet (web) pages of EJN and how to use them when working on a request. This workshop also provided guidance on writing requests for mutual legal assistance. The workshop was held in June 2015.

192 prosecutors and senior legal advisers attended training concerning practical aspects of mutual legal assistance, which was held on 1 December 2015. This training provided detailed presentation of the procedures of mutual legal assistance and practical advices on how to act in concrete cases. Since the information system of the Office of the State Prosecutor General does not provide statistics of MLA requests in domestic corruption cases, the latter will be collected manually and provide to the Working Group at the meeting in June 2016.

In the currently on-going foreign bribery case MLA requests were sent to Romania and the USA with which cooperation took place also within the OECD WGB meetings.

Ministry of Justice has also been proactive regarding this recommendation as follows:

- In case No. 55601-1285/2015 – Romania – the Ministry of Justice asked the Ministry of Justice of Romania on 4 September 2015, and Specialised State Prosecutor`s Office received an answer on 21 October 2015;
- In case No. 5601-1839/2015 – United States of America – the Ministry of Justice asked the Secretary of Justice of the USA on 10 November 2014, and Specialised State Prosecutor`s Office received an answer on 3 June 2015;
- In case No. 56010-29/2015 on extradition – Albanian request regarding the alleged crime of corruption of an Albanian public official under the Albanian Criminal Code, the Slovenian court ordered detention, however Albania cancelled an international arrest-warrant on 8 July 2015.

[Empty box]

**If no action has been taken to implement recommendation 5(i), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 5(ii):**

5. With respect to mutual legal assistance (MLA), the Working Group recommends that Slovenia maintain statistics on incoming and outgoing MLA and extradition requests, including on the types of offence involved and the time required to execute requests. [Convention Article 9]

**Action taken as of the date of the follow-up report to implement this recommendation:**

Ministry of Justice has an information system, which enables records of incoming and outgoing documents, including electronic, in the way that all documents are scanned and electronically available in the information system.

Till the end of the year 2015 the Ministry of Justice did not have an information system which would enable processing of statistical data on MLA for the specific criminal offence or specific investigative measure since only general information for the annual statistics were collected. Therefore for that period of time the Ministry was only able to provide an approximate number on the incoming and outgoing MLA requests. A manually operated records system enabled overview over the number of received and made extradition requests, including data on criminal offences that are the basis for extradition request, relevant country of cooperation, information on the outcome of the procedure (granted, refused) and timeliness of response.

From 1 January 2016 the Ministry of Justice runs a new system of records, which enables processing of statistical data regarding mutual legal assistance requests on the basis of criteria such as number of requests made, received, processed, granted, or refused, types of request, relevant country, relevant criminal offence and timeliness of response.

All MLA and extradition requests are dealt by the Ministry of Justice in accordance with the principles of efficiency and rapidity of procedure and are transmitted either to the competent Slovene or foreign authority as soon as possible, usually no longer than in a day or two. The extradition cases are dealt with as a priority as well, since in most cases extradition detention is ordered. Consequently, the extradition documentation is sent to competent judicial authorities the same day as the Ministry receives it or the day after at the latest. With the same urgency requests for the extradition and decisions of the Minister of Justice on the extradition are transmitted or issued – consequently if the translation is not required and there is no need for the acquisition of additional information, requests and decisions are transmitted or issued in a term of 1-2 days.

In the context of the MLA within the EU such cooperation is performed directly with prosecutors or courts, who register such cases by themselves. For non-EU countries MLA is conducted according to conditions of different legal instruments either centrally or directly. Since MLA is mostly decentralised also the statistics are not centralised.

### **Additional information provided on 6/7/2016**

The database systems differ to certain extent, as the two institutions are separate bodies. However the contents of the MLA requests are prescribed by the relevant legislation.

In Slovenia every prosecutor is independent and works on the case independently. The situation is the same with MLA when a prosecutor asks or receives MLA.

In majority of cases prosecutors receive or send the requests directly and not via Department of International Cooperation at the Supreme State Prosecutor's Office. These activities are noted in the registers at district state prosecutions offices as one of the activities concerning the concrete case. According to Paragraph 3 Article 209 of the State Prosecutorial Rules they have the duty to notify Prosecutor General if it concerns the matters of joint interest. The prosecution offices report once a year regarding such activities for the purpose drafting joint annual report of prosecution service.

The Department of International Cooperation at the Supreme State Prosecutor's Office holds a register, prescribed by the State Prosecutorial Rules, namely Tu-15, International cooperation. In this register it is possible to mark MLA if not registered elsewhere, usually in special register "Ktr" if the requests for MLA are sent directly to Supreme State Prosecutors' Office and are related to district prosecution offices or if foreign bodies try to find the relevant jurisdiction of the competent prosecution office. In this register also cooperation with international organizations, visits abroad, visits from abroad, attendance at international conferences and joint investigation teams are noted.

This system does not contain information on MLA requests in the EU that are directly handled by prosecutors.

The database has following data fields: designation of incoming/outgoing requests, designation of sending bodies (also a designation if it is a body that is not competent for sending the request), designations of dates when the request was received at the Ministry of Justice, analyses of requests (what types of actions are required), designation of type of criminal offence, designation of the state of cooperation, dates of solving the requests, names/designations of appropriate bodies to solve them and usually the description of actual reaction time of the Ministry of Justice concerning each request.

**If no action has been taken to implement recommendation 5(ii), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

### ***Recommendations for ensuring effective prevention, detection and reporting of foreign bribery***

#### **Text of recommendation 6:**

6. Regarding money laundering, the Working Group recommends that Slovenia raise awareness of foreign bribery as a predicate offence to money laundering and develop foreign bribery-related anti-money laundering measures, such as typologies and training on the laundering of bribes

and the proceeds of bribery, for OMLP officials, as well as for reporting entities and relevant professionals. [Convention Article 7 and 2009 Recommendation, III.i.]

**Action taken as of the date of the follow-up report to implement this recommendation:**

In the period from 2014 to 2016 Office for Money Laundering Prevention (OMLP) officials attended several events aiming at raising awareness of corruption including foreign bribery as a predicate offence of money laundering. In 2015 OMLP officials participated at two international conferences on corruption-related money laundering and several trainings and seminars at national level. The conferences, organised by Council of Europe, aimed to discuss developing trends and typologies in combating corruption and money laundering, challenging new international standards on anti-corruption, anti-money laundering and counteracting money laundering stemming from corruption. The themes were inter alia related to transparency of political funding, effective prevention of corruption among judges, whistle blower protection, experiences from investigation of corruption cases and role of FIUs in combating corruption.

With regard to domestic awareness-raising events OMLP officials attended three workshops and one seminar in 2015. Workshops were organised by the Ministry of the Interior and co-funded by the Prevention of and Fight against Crime Programme of the EU. Although the workshops were targeted on fraud against EU budget the workshops were partially dedicated to the themes related to corruption and foreign bribery in respect to fraud against EU budget. In 2015 OMLP officials also attended the seminar organised by the Ministry of Public Administration where the Convention on Combating Bribery of Foreign Public Officials in International Transactions was presented.

In 2016 the OMLP officials were present on two events related to fight against corruption. At the first training organised by the Ministry of Public Administration the Integrity and Prevention of Corruption Act was presented to the public officials. The most comprehensive and important awareness-raising training was organised in 2016 by the Ministry of Justice which specifically aimed at foreign bribery. Both, domestic and foreign experts with international experiences on investigation and prosecution of foreign bribery were invited to discuss practical experiences on fight on cross-border corruption. Three OMLP employees took part in training.

With regard to the awareness-raising it should be mentioned that OMLP officials were speakers and also participants at the training seminar for banking sector which focused on corruption related criminal offences and money laundering. We would also like to point out that the awareness - raising activity for the obliged entities is one of the important duties of the OMLP. This activity is regularly performed by informing obliged entities on money laundering typologies and trends. From 2014 until now the representatives of the OMLP participated as speakers in 21 trainings related to the awareness raising in particular for the obliged entities from banking and capital market sector.

**If no action has been taken to implement recommendation 6, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

Ministry of Justice would like to inform that the Judicial Training Centre of the Republic of Slovenia



plans to organise a special training for judges and state prosecutors on the topic of Money Laundering in September 2017. A seminar will be co-organised by the Bank of Slovenia (the central bank) and the World Bank Group.

**Text of recommendation 7a:**

7. Regarding accounting and auditing, corporate compliance, internal controls and ethics, the Working Group recommends that Slovenia ensure that false accounting cases are vigorously investigated and effectively prosecuted, where appropriate, and that sanctions imposed in practice for false accounting offences are effective, proportionate and dissuasive; [Convention Article 8]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The below table represents the number of criminal charges, indictments and judgements in cases under Article 235 of Criminal Code. In past years the number of indictments and judgements has been increasing, except in 2015 and partly in 2014. Statistical data for 2015 shows a decline of criminal charges, indictments and judgments in general, not only in cases under Article 235. Percentage of convictions (except in 2013) is stable and is between 42 and 48 %.

Year	Criminal Charges	Indictment	Judgements	Convictions	Parentage of Convictions
2011	424	141	148	44	30%
2012	459	179	181	85	47%
2013	424	199	241	158	66%
2014	461	143	230	97	42%
2015	373	157	165	79	48%

The following table shows sentences imposed in cases under Article 235 of Criminal Code. The sum of all sentences does not always correspond to the number of convictions (see previous Table) as the court can impose more than one sentence per perpetrator.

Year	Fine	Suspended Sentence	Imprisonment	Total	Percentage of Fines
2011	1	34	7	42	2%
2012	9	60	16	85	11%
2013	10	126	29	165	6%
2014	9	66	22	97	9%
2015	6	56	18	80	8%

The Slovenian Police is a body operating within the Ministry of the Interior. The police carries out its tasks on three levels: the national, regional, and local level. It is organised in three parts, i.e. the General Police Directorate, the Police Directorate, and the Police Station.

The internal organisational units of the General Police Directorate:

- Service of the Director General of the Police
- Uniformed Police Directorate
- Criminal Police Directorate
- National Forensic Laboratory
- Police Specialities Directorate
- Police Academy
- IT and Telecommunications Office,

They strategically direct, plan, organise, and supervise the field of work for the entire police, they perform police tasks, they monitor, study, and draft analyses, reports, and other compliant proposals for decision-making, and they draft statutory regulations and instruments in the field of police work.

The Criminal Police Directorate is the organisational unit of the General Police Directorate organisational unit, which also deals with economic crime.

The organisational unit of the Police that deals with economic crime is the Criminal Police Directorate. On a national level, the two divisions of the Criminal Police Directorate that are dealing with economic crime are the Economic Crime Division (on a strategic level) and the National Bureau of Investigation (investigation), which employ criminal inspectors and investigators with a very broad educational structure, mainly lawyers and economists. Many employees hold master's degrees in law and economics, some of them also passed the national bar exam. Furthermore, the experts include two auditors, a forensic accountant, and tax experts.

It should be pointed out, however, that police officers on all three organisational levels of the Police, i.e. the national, regional, and local, are involved in discovering and investigating economic and corruption crime, which includes the discovery and investigation of offences in the field of bribery of foreign public officials in international business transactions.

In order to improve the effectiveness of the investigation level of crimes in the field of accounting and auditing, European funds were obtained through the Internal Security Fund – Police Cooperation, risks and crises (ISF Police), by means of which a project titled Training for Acquiring Specific Expert Knowledge from External Institutions will be financed (to be carried out in October 2016). Multiple specific trainings in forensic accounting, internal auditing, and assessment of company value are planned within this project, i.e. for the purpose of enabling the Criminal Police to successfully combat the most complex forms of modern crime for which a very high level of investigator qualification, including knowledge in various fields of the operation of the Criminal Police, is required.

The Police makes intense efforts to successfully prosecute economic crime, especially offences related to the misuse of public funds. An agreement on mutual cooperation was concluded between the Police and the Budget Supervision Office with the purpose of providing more effective and successful investigation in criminal offences pursuant to the tasks included in the 2013 Police Annual Plan dated 19 December 2013. This agreement mainly relates to the discovery and investigation of illegal use of public funds by direct and indirect users of the national budget and the budgets of local communities, and of illegal use of European funds intended for programmes and projects co-funded by European funds. The agreement primarily deals with the exchange of data, i.e. the detected irregularities in the use of public funds, suspicions of criminal offences relating to the use of public funds, modalities of criminal offences or other

irregularities related to the use of public funds, new forms of illegal use of public funds, and other data that the signatories deem necessary for performing their tasks.

The Budget Supervision Office of the Republic of Slovenia is the central authority for supervising the implementation of the Public Finance Act and the regulations governing the use of funds within the national budget. It is responsible for developing, coordinating, and verifying the financial management, internal controls, and internal auditing of direct and indirect users of the national and the municipal budgets. As the coordination point for the cooperation with the European Anti-Fraud Office, it coordinates activities in the field of protection of the EU's financial interests, processes irregularities, and submits reports on such irregularities to the European Commission.

Agency for Public Oversight (the Agency) oversees the quality of auditing in Slovenia. In case the Agency detected any false accounting through its inspection of an audit file, it would notify competent authority (Bank of Slovenia, Securities Market Agency or Insurance supervision Agency) or can also file a criminal complaint.

**Additional information provided on 6/7/2016**

The below table shows information on sanctions imposed on legal and natural persons convicted under Article 235 of Criminal Code. The table shows the minimum and the maximum imposed sanction for each year.

Year		Imprisonment	Suspended sentence	Fine
2011	MIN.	6months	2 months	NA
	MAX.	9 months	5 months	NA
2012	MIN.	3 months	2 months	1.410 EUR
	MAX.	5 months	7 months	2.985 EUR
2013	MIN.	2 months	2 months	850 EUR
	MAX.	6 months	7 months	3.000 EUR
2014	MIN.	3 months	2 years	166,67 EUR
	MAX.	10 months	2 months	20.000 EUR
2015	MIN.	7 months	1 year and 3 months	525 EUR
	MAX.	8 months	2 months	2.000 EUR

**Additional information provided on 6/15/2016**

The statistics provided in Phase 3 evaluation of Slovenia 2 year written follow-up report shows the number of criminal offences that were committed by perpetrators who were found guilty and not the number of convicted persons. The number of convicted persons has been added in the below tables.

As it is seen from the data under “the number of convicted legal persons” in the answer to the question 8, the statistics provided at the time of Phase 3 is correct and is not in conflict with recent answers to the recommendations.

- the number of legal persons convicted under Article 235 and the fines imposed (including the amount):

The below table shows the number of legal persons convicted under Article 235.

Year	The Number of Convicted LP	Fine	Forfeiture of Assets of LP	Suspended Sentence	Data not Available
2012	2	1			2
2013	8	4	1	3	
2014	3	2		2	
2015	3			4	

The below list contains information on the amount of all imposed fines.

Year	Type of Person	Imposed Sanction	EUR
2012	LEGAL PERSON	FINE	500
2013	LEGAL PERSON	FINE	10000
2013	LEGAL PERSON	FINE	10000
2013	LEGAL PERSON	FINE	3000
2013	LEGAL PERSON	FINE	50000
2014	LEGAL PERSON	FINE	20000
2014	LEGAL PERSON	FINE	20000

- the number of natural persons convicted under Article 235, and the sanctions imposed, including the amount of the fines imposed on natural persons, and whether a sentence of imprisonment, or a suspended sentence, was imposed in addition to a fine.

Statistics on sanction imposed on natural persons:

Year	Number of Convicted NP	Data not Available	Fine	Confiscation of Objects	Suspended Sentence	Imprisonment
2011	44	30			34	7
2012	83	19	8	1	60	16
2013	147		6		123	29
2014	94		7		64	22
2015	77		6		52	18

A list of the amount of imposed fines:

Year	Type of Person	Imposed Sentence	EUR
2012	NATURAL PERSON	FINE	2985.92
2012	NATURAL PERSON	FINE	1500.00
2012	NATURAL PERSON	FINE	1160.00
2012	NATURAL PERSON	FINE	916.50
2012	NATURAL PERSON	FINE	2000.00
2012	NATURAL PERSON	FINE	988.50

2012	NATURAL PERSON	FINE	1410.00
2012	NATURAL PERSON	FINE	1000.00
2013	NATURAL PERSON	FINE	3000.00
2013	NATURAL PERSON	FINE	3000.00
2013	NATURAL PERSON	FINE	1000.00
2013	NATURAL PERSON	FINE	850.00
2013	NATURAL PERSON	FINE	25000.00
2013	NATURAL PERSON	FINE	3500.00
2014	NATURAL PERSON	FINE	3000.00
2014	NATURAL PERSON	FINE	600.00
2014	NATURAL PERSON	FINE	4533.33
2014	NATURAL PERSON	FINE	8000.00
2014	NATURAL PERSON	FINE	16200.00
2014	NATURAL PERSON	FINE	957.00
2014	NATURAL PERSON	FINE	1160.00
2015	NATURAL PERSON	FINE	525.00
2015	NATURAL PERSON	FINE	2000.00
2015	NATURAL PERSON	FINE	1014.00
2015	NATURAL PERSON	FINE	1014.00
2015	NATURAL PERSON	FINE	300.00
2015	NATURAL PERSON	FINE	1000.00

Fine was imposed 5 times in addition to imprisonment or suspended sentence.

**If no action has been taken to implement recommendation 7(a), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

The current legislative framework has been in force since 2008 and is expected to be amended by the end of this year. The main change will be an increase of the Agency's direct responsibilities (e.g. for Public Interest Entity auditors - the Agency will be the only institution that will be able to conduct inspections, whereas for the non-PIE auditors, the Agency will be able to delegate the tasks if it will decide to do so at its discretion).

The Act will give power to competent authorities not only to sanction audit firm but also an administrative or management body of a public-interest entity.

Directive 2006/43/EC, Article 30a:

“(1) Member States shall provide for competent authorities to have the power to take and/or impose at least the following administrative measures and sanctions for breaches of the provisions of this Directive and, where applicable, of Regulation (EU) No 537/2014:

...

(e) a temporary prohibition, of up to three years' duration, banning a member of an audit firm or a member of an administrative or management body of a public-interest entity from exercising functions in audit firms or public-interest entities;”

**Text of recommendation 7b:**

7. Regarding accounting and auditing, corporate compliance, internal controls and ethics, the Working Group recommends that Slovenia consider whether the external auditing requirements on companies which escape the threshold and which export or have operations abroad are adequate; [Convention Article 8; 2009 Recommendation III.v. and X.B.i.]

**Action taken as of the date of the follow-up report to implement this recommendation:**

Following the adoption of the Act amending the Companies Act in 2015 it is required for small companies which do not fall under the provisions on obligatory auditing and which measure their tangible fixed assets at the revalued amounts or their financial instruments for which the price is not identifiable on the regulated markets, including derivative financial instruments, and investment real property at the fair value to conduct the review of financial statements undertaken by the auditor.

In addition the Act strengthened the provisions on Internal audit division with the aim of assigning it the proper position in the companies, especially vis-à-vis the Supervisory board. The Internal audit division is for example required to submit the annual report to the Management board, Supervisory board and to the auditor of the financial statements. The Supervisory board also gives consent to the appointment, dismissal and remuneration of the Head of the Internal audit division as well as to the Act governing the purpose, the importance and the functioning of the Internal audit division.

The Slovenian Institute of Auditors and Agency for Public Oversight of Auditing are of opinion that external auditing requirements on companies are adequate and comparable to other EU countries. Auditing requirements at the EU level are determined in Accounting directive which is implemented by the Companies Act.

**Additional information provided on 6/7/2016**

According to Companies Act the annual reports of large and medium sized companies and the annual reports of small companies whose securities are traded on a regulated market shall be examined by an auditor in accordance with the method and under the terms and conditions laid down by the Audit Act. So those companies are required to undergo external audit. In current legislation there is no special requirement for smaller companies that export or have operations abroad.

According to Art. 57 in connection with the Art. 55 of the Slovenian Companies Act, the obligation of annual report audit is determined only for large and medium-sized companies, which for two consecutive years exceed at least two of the following criteria:

1. The number of employees exceeds 50,
2. Net sales revenues in excess of EUR 8.000 000 EUR

3. The value of the assets exceeds 4. 000 000 EUR.

In any case, large companies are:

- companies whose securities are traded on a regulated securities market or a credit institution or insurance company (a public interest entity);
- stock Exchange
- companies that are obligated to prepare a consolidated annual report.

In accordance with the above mentioned paragraph, the obligation of annual report audit bound also double partnership (A limited partnership in which the sole general partner is a partnership in which there are no personally liable partners, or where all general partners are such partnerships).

**If no action has been taken to implement recommendation 7(b), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 7c:**

7. Regarding accounting and auditing, corporate compliance, internal controls and ethics, the Working Group recommends that Slovenia take appropriate steps to raise awareness specifically on the foreign bribery offence among auditors, and ensure that the profession benefits from regular training, including specific methods for detecting foreign bribery; [Convention Article 8; 2009 Recommendation III.i.]

**Action taken as of the date of the follow-up report to implement this recommendation:**

In 2015, the Slovenian Institute of Auditors organised a seminar for external and internal auditors with topic "Criminal Offences in the economy".

**If no action has been taken to implement recommendation 7(c), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

In 2016, the Slovenian institute of auditors strengthened cooperation with the Commission for the Prevention of Corruption, and the Institute invited the Commission's staff as lecturers on training for auditors on corruption in banks and public procurement procedures. The training will take place in end May 2016.

**Text of recommendation 7d:**

7. Regarding accounting and auditing, corporate compliance, internal controls and ethics, the Working Group recommends that Slovenia take steps to ensure that the auditors who report reasonably and in good faith suspicions of foreign bribery are protected from legal or other retaliatory action, and that they are made aware that such protections exist; [2009 Recommendation III.iv. and X.B.v.]

**Action taken as of the date of the follow-up report to implement this recommendation:**

No action was taken

**If no action has been taken to implement recommendation 7(d), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

The recommendation 7 (d) will be imposed into national legislation with the amendment of the existing Auditing Act (Published in the Official Gazette of the Republic of Slovenia No 65/2008), which is under preparation and will be adopted by the Parliament presumably in June 2016.

**Text of recommendation 7e:**

7. Regarding accounting and auditing, corporate compliance, internal controls and ethics, the Working Group recommends that Slovenia raise awareness of internal controls, ethics and compliance measures to specifically prevent foreign bribery, including among small and medium-sized enterprises and state-owned enterprises. This should include promoting the OECD Good Practice Guidance on Internal Controls, Ethics and Compliance in Annex II of the 2009 Anti-Bribery Recommendation. [2009 Recommendation Annex II]

**Action taken as of the date of the follow-up report to implement this recommendation:**

In March 2016 the Commission for the Prevention of Corruption carried out training for small and medium businesses enterprises in cooperation with The Chamber of Craft and Small Business of Slovenia. The training was incorporated in a priority scheduled Chamber's event focused on the issues of cross-border business transactions. At the event, 10 representatives of small and medium export oriented business enterprises were present. The Chamber and the Commission shared the opinion that in order to reach a larger number of business representatives such trainings should become a somewhat common feature of the Chamber's events. Similar trainings will therefore be performed also in the future within Chamber's events focused on export-related topics.

The Commission is also in the process of organising training for Slovene companies in cooperation with



the Chamber of Commerce and Industry of Slovenia. As it was the case with the Chamber of Craft, in order to reach as many entrepreneurs as possible, such training will be organized under the auspices of another Chamber's topic-related event. The down side of such an arrangement is that the Commission has little influence on the timeframe of such an event. On the other hand it is without a doubt that for the time being, this way the turnout at the event will be far larger than at a separate event dedicated exclusively to foreign bribery.

The Commission is also organising training on corruption risks and foreign bribery for members of management and supervisory bodies of state owned enterprises in cooperation with the Slovene Sovereign Holding (hereinafter: SSH). The training will be organized as part of SSH's regular training events in 2017 as the 2016 training schedule has already been filled. A final agreement with the SSH on the details of such cooperation will be reached in June 2016.

The Commission is aware that in order to transfer the information on foreign bribery to the business community efficiently, the message should be tailored to its needs and way of thinking. This principle is therefore applied to the design of the training, while the Commission also designed a special information brochure on foreign bribery for the business community. This information material strives to add a more practical value to the information and by this achieving a longer memorability of the topics presented.

**If no action has been taken to implement recommendation 7(e), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 8:**

8. Regarding tax measures to combat bribery of foreign public officials, the Working Group recommends that Slovenia promptly train tax officials on issues related specifically to the detection of foreign bribery. [2009 Tax Recommendation]

**Action taken as of the date of the follow-up report to implement this recommendation:**

After the merger of the Tax and Customs Administrations (1 August 2014) the Financial Administration of the Republic of Slovenia prepared bases and materials for performing exams, which shall be passed by authorised officials for conducting their authorisations. The field of bribing foreign officials is also included as a topic of the general exam for performing tasks of the Financial Administration of the RS. Inclusion of this topic in connection with bribing of foreign public officials into the training system of the Slovene Financial Administration provides knowledge about this topic for all employees. Qualifications (also from this field) are checked in tests, passing of which is a precondition for the work at the Slovene Financial Administration.

Employees of the Slovene Financial Administration (especially financial investigators and inspectors) also participate in periodic training events, where the topic in connection with bribing foreign public officials is considered. In December 2014 the Slovene Financial Administration organised a training event on corruption, where topics from the field of bribing foreign public officials were also considered. 115 financial investigators and inspectors, who are the most exposed to detection of corruption risks at their

work, participated in the training. In March 2016 25 financial investigators participated in the training event dealing exclusively with bribing foreign public officials, organised by the Judicial Training Centre of the Ministry of Justice.

**Additional information provided on 6/7/2016**

One of the tasks of the Investigation Division, which has 65 inspectors, who work at the General Financial Office, is the field of corruption. In December 2014 training was organised for this purpose; a short reminder note has been also prepared for inspectors and materials have been collected for training purposes in this field. Members of the division participate in specialised investigation groups, which have been established in compliance with provisions of the Criminal Procedure Act. The Financial Administration cooperates with the Commission for the Prevention of Corruption in financial investigation cases with corruption risk present. At its work the division has already dealt with corruption suspicion cases within the state, but it has not considered cases from the field of bribing foreign officials yet.

**If no action has been taken to implement recommendation 8, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 9a:**

9. Regarding awareness-raising, the Working Group recommends that Slovenia ensure that measures for the prevention, detection and awareness-raising of foreign bribery are included in all national anti-corruption strategies, and that the CPC is provided with sufficient resources and political support to effectively prioritize, coordinate and implement these measures; [2009 Recommendation III.i, Annex I.A and D]

**Action taken as of the date of the follow-up report to implement this recommendation:**

As already stated above, the Office of State Prosecutor General, Training and Expert Supervision Department in cooperation with Judicial Training Centre of the Ministry of Justice organised various trainings, seminars and workshops where the Convention and the application of the Convention were explained in detail by both international and domestic experts, including by an expert from OECD. Also the special call mentioned above was issued and sent from The Office of State Prosecutor General to all heads of District State Prosecutors Offices and to the head of the SSPO, in which prosecutors were reminded of Convention and to act, investigate and be proactive in foreign bribery cases.

The Government of the Republic of Slovenia adopted, by means of Decision no. 23101-1/2014/35 of 8 January 2015, the Programme of Anti-Corruption Measures of the Government of the Republic of Slovenia for the Period 2015-2016 – Zero Tolerance for Corruption (hereinafter: the 2015-2016 Government Programme).

Some of the measures in the Programme include:

- Centralization of public procurement procedures in the health sector;

- Adoption of the Code of Ethics for functionaries in state administration;
- Establishment of the uniform national Risk Register (risks for corruption and other business risks);
- Improving transparency of the use of public finance (upgrading the application Supervisor);
- Publication of the public contracts;
- Wide use of e-auction with respect to public procurements;
- Implementation of the EU public procurements legislation;
- Actions in the field of the foreign bribery;
- Preparation of the draft amendments to the Integrity and Prevention of Corruption Law.

In addition to the 2015–2016 Government Programme, two documents of major importance have been adopted this year, which also provide for some action to strengthen integrity and prevent corruption, namely:

- Strategy for Development of Public Administration 2015–2020 (adopted by the Government of the Republic of Slovenia, April 2015);<sup>19</sup>
- National Reform Programme 2015–2016 (April 2015).<sup>20</sup>

At its 50<sup>th</sup> session on 28 August 2015, the Government of the Republic of Slovenia adopted its First Interim Report on the Implementation of the 2015-2016 Government Programme. At its 76<sup>th</sup> session on 25 February 2016, the Government of the Republic of Slovenia adopted the Second Interim Report on the implementation of the Programme 2015–2016 (status of the implementation of anti-corruption measures and tasks by sectors as of December 2015). A summary of main measures taken and tasks performed, with an emphasis on the period from July to December 2015 is as follows:

- In 2015, the Police continued to prioritise economic crime, in particular the detection and investigation of criminal offences in banking transactions. From 1 January 2013 to 31 December 2015, 227 suspected criminal offences were reported in the banking sector; most of those suspected of abusing their position or trust in business activities;
- In July 2015, the amendments to the Criminal Code were adopted with considerable political consensus. The most important amendment is the provision on longer prison sentences for complex corruption offences against the economy and official duty that pose a serious threat to society;
- In December 2015, the Code of Ethics for Government and Ministry Officials<sup>21</sup> was adopted by

<sup>19</sup>

[http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA\\_UPRAVA/Kakovost/Strategija\\_razvoja\\_JU\\_2015-2020/Strategija\\_razvoja\\_ANG\\_final\\_web.pdf](http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/JAVNA_UPRAVA/Kakovost/Strategija_razvoja_JU_2015-2020/Strategija_razvoja_ANG_final_web.pdf)

<sup>20</sup>

[http://www.vlada.si/en/media\\_room/government\\_press\\_releases/press\\_release/article/government\\_adopts\\_national\\_reform\\_programme\\_20152016\\_52764/](http://www.vlada.si/en/media_room/government_press_releases/press_release/article/government_adopts_national_reform_programme_20152016_52764/)

the Government of the Republic of Slovenia; It takes into consideration the integrity and corruption prevention requirements of the legislation in force and combines, in the form of standards, the desired and expected behaviour and conduct of government and ministry officials in terms of the universally accepted values of the contemporary Slovenian society. It is based on similar codes for officials in other countries and the codes of other professions and professional associations in Slovenia.

- In December 2015, the National Assembly of the Republic of Slovenia adopted the Act Amending the Act Defining the Measures of the Republic of Slovenia to Strengthen the Stability of Banks thus adopting the amendments to the legal basis for the functioning of the Bank Asset Management Company (BAMC) proposed by the Government;
- Since February 2015, the financial reports of the organisers of election campaigns (i.e. for the last 2014 local elections) and the annual financial reports of political parties have been posted on the website of the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES), which makes the funding of election campaigns and political parties, and public procurement procedures more transparent.
- Transparency has also been increased in public procurement with the introduction of mandatory e-auctions for ministries, their bodies and government services, and further increased with the updated Public Procurement Portal, where all public procurement contracts, concessions and public private partnerships awarded after 25 May 2015 can be inspected.
- In relation to the area of combating bribery of foreign public officials in international business transactions, the January 2015 Programme of Government Measures for Combating Corruption 2015-2016, emphasized that the activities in this area need to be strengthened. The Ministry of Foreign Affairs (MFA) already introduced integrity measures in the framework of employees training for working in Slovenian diplomatic and consular missions. Slovenian missions were informed about obligations imposed by the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, aiming at raising the awareness of the Slovenian diplomats and consular officials in contact with firms operating abroad. In November 2015, the MFA and the Commission jointly organized a special training on integrity and corruption prevention for all employees of the Ministry. The programme was published at the MFA's intranet site.

The Commission for the Prevention of Corruption is currently provided with sufficient resources to effectively prioritize, coordinate and implement measures in the field of anti-corruption, including the area of foreign bribery.

Regarding the 2015-2016 Government Programme mentioned above, the Commission already carried out some of the tasks and will carry out additional measures by the end of the year.

Namely, the Commission already established the uniform Integrity Risk Register, which will be upgraded to support also management for other business risks (referred to in the third indent above).. The Integrity Risk Register is an online application that all the public sector entities employ in managing corruption risks defined in their integrity plans. Every public sector entity reports detected risks and planned measures to the Commission using this tool. Data on risks and measures submitted is analysed by the Commission's staff and the results of these analyses are then used as input for policy makers (legislation) as well as grounds for research and guidance of Commission's investigative and preventive activities.

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<sup>21</sup> [http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/SOJ/2015/Eticni\\_kodeks-final\\_10122015.doc](http://www.mju.gov.si/fileadmin/mju.gov.si/pageuploads/SOJ/2015/Eticni_kodeks-final_10122015.doc)

The Commission also began a project of updating the Supervisor online application. Supervisor is an online application that provides information to users on business transactions of the public sector bodies. Update will provide even more information on financial transactions of the public sector and state owned enterprises, making public spending even more transparent and more useful to investigators as a tool.

#### **Additional information provided on 6/7/2016**

The Commission for the Prevention of Corruption currently has sufficient resources to carry out its tasks. For salaries the budget amounts to 1,310,359.00 EUR; in first 6 months of 2016 the Commission spent 578,987.17 EUR. Remaining funds will suffice for the rest of the year and enable the Commission to employ new employees (currently one recruitment procedure for Integrity and Prevention Officer is on-going).

In the area of material costs the budget amounts to 355,010.00 EUR. In first 6 months of 2016 the Commission spent 155,767.21 EUR. Remaining funds suffice for all planned activities in 2016.

In the area of investments the budget amounts to 37,800.00 EUR. In first 6 months of 2016 the Commission spent 1,661.13 EUR. Remaining funds of 36,138.87 EUR suffice for all planned investments in 2016.

In previous years the Commission did not use all of the allocated funds and returned remaining funds to the central budget. In 2014 the Commission returned 214,265.00 EUR (out of that 162,868.00 for salaries) and in 2015 185,400.00 EUR (out of that 154,000.00 for salaries).

Just recently the Assistant Head and the Head of Investigation and Oversight Bureau were appointed, concluding a 5 months' gap in an official bureau's leadership after the last Head left the Commission. It is expected that due to this the Bureau's efficiency will further improve, which should also result in finalizing certain pending systemic analyses and diminishing the backlog of unresolved cases.

The 2015-16 Anti-Corruption Action Plan specifically addresses the foreign bribery among the prevention corruption measures concerning the public administration:

*In the area of combating the bribery of foreign public officials in international business transactions, in 1997, the OECD adopted a Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which came into force in 1999. The 2013 report of the international anti-corruption organisation Transparency International on the implementation of this Convention shows that Slovenia was ranked among the 21 countries that did not adopt any (or adopted very few) measures to combat the bribery of foreign public officials. The ranking is the result of inadequate or insufficiently effective implementation of the legislation on corruption and integrity, which has been rated positively in terms of an evaluation of the legislative framework. Activities in this area need to be strengthened. The Ministry of Foreign Affairs has already presented some sets of integrity and anti-corruption measures in the framework of the preparations of employees for work in diplomatic and consular missions. Slovenia's consular and diplomatic missions abroad have been sent the information on the obligations imposed by the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, i.e. the obligation to raise the awareness of Slovenian public employees in diplomatic and consular missions who have contacts with Slovenian companies operating in the accreditation market or otherwise obtain information on the operation of Slovenian companies in transactions with foreign public employees. The Ministry of Foreign Affairs will continue these activities.*

*Institutions responsible: The Ministry of Foreign Affairs.*

*Deadline for implementation: End of 2016.*

The Integrity Risk Register requires input of all identified risks, including risk of foreign bribery, if it is identified. However since the Integrity Risk Register is used by the public sector entities that do not perform business abroad, chances they would identify such risks are slim, except for the Ministry of Foreign Affairs and the Ministry of Economic Development and Technology. State owned enterprises such as state owned banks that might be exposed to the risk of foreign bribery have their own risk/compliance management tools and do not use Integrity Risk Register.

However, the foundation for the input to the Integrity Risk Register lies within the integrity plans (risk management tool of individual public and state bodies), where the public bodies in effect go through the process of identification and management of risks for corruption and other non-ethical conduct. The CPC regularly oversees the contents of the Integrity Risk Register and can perform on-site visits with a public sector body in order to train and assist it in managing its integrity plans (can propose which risks should be considered in order to better manage the integrity of the body). In the near future the Commission will perform such on-site visit and assistance to the Ministry of Finance. Recent activities in the field of foreign bribery prevention showed that also the Ministry of Foreign Affairs and the Ministry of Economic Development and Technology could benefit from such action. Further steps in this direction will be considered.

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The chapters of the Strategy for Development of Public Administration 2015–2020 summarise the assessment of the situation, objectives in individual fields, key measures to attain the objectives, and development leaders who will implement individual activities and projects.

The basic objectives of the Strategy will be focused on the quality and efficiency, transparency and responsibility of public administration. Additional measures and activities will help us achieve a higher level of professionalism, innovation and responsibility of civil servants. Decisions and activities will be based on the expected benefits for users together with their needs. Internal supervisory mechanism will be additionally strengthened to limit the risk of corruption and intentionally stimulate the transparency of operation. The leading principle of the operation of public administration will be aimed at strengthening of basic values with special emphasis on the rule of law, fairness, cooperation and consensus orientation. The risk of corruption will be limited by numerous additional activities. Special attention will be paid to training and the implementation of international guidelines. A uniform national risk register for the entire public sector will be set up. Systematic and thorough risk management will be reinforced by reformed classification of high-risk jobs, systematic supervision mechanisms and sanctions in cases of potential violations.

The objective of the renewal and modernization of public administration in Slovenia is for it to operate with an excellence of a professional public civil service, more efficiently and professionally and in accordance with the principles of good management and values such as law and the rule of law, professionalism, transparency, integrity and corruption prevention, responsiveness and user-orientation, ethics, fairness, responsibility, etc. The aforementioned objectives will be attained especially by:

- simplifying the civil servant system, and by ensuring fair, unbiased and professional competence-based employment procedure of suitably professionally competent civil servants;
- more precisely defining the duties of civil servants to attain the objectives and options of employers in cases of the non-fulfilment of duties by civil servants, including the option of transfers;

- more precisely defining the responsibilities and competences of most senior officials;
- facilitating vertical and horizontal mobility of civil servants which will facilitate better performance and responsiveness of public administration; enhancing integrity and preventing corruption in public administration based on the comparative legal arrangement and EU recommendations, by adopting and unifying ethical codes, and introducing the system of mandatory rotation of employees (e.g. every five years) regarding jobs or work processes or specifications (e.g. contract managers) with a higher risk of corruption assessment, which will be separately determined and marked in job classification. The jobs include the jobs or tasks with a risk of corruption or conflict of interest (e.g. public procurement, contract managers, etc.);
- establishing more efficient supervision over the implementation of the provisions of the civil servant and wage legislation;
- establishing more efficient supervision over the implementation of the provisions of the civil servant and salaries in public sector legislation.

These objectives of the Strategy (transparency, integrity and corruption prevention etc.) address all Slovenian public servants, also when they interact with foreign public officials. The Strategy thus addresses and contributes to the attainment of similar goals as those of the relevant OECD Convention on combating bribery of foreign public officials.

**If no action has been taken to implement recommendation 9(a), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 9b:**

9. Regarding awareness-raising, the Working Group recommends that Slovenia take measures to raise awareness of the Convention and the foreign bribery offence within the public administration, judiciary and other law enforcement authorities; [2009 Recommendation III.i and Annex I.A]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The Judicial Training Centre of the Republic of Slovenia organised the following training for judges and prosecutors<sup>22</sup> on the subject of ethics and integrity:

In 2014:

- The lecture on Ethical standards and judicial decision-making within the School of bankruptcy

<sup>22</sup>

List of all trainings is available online:  
[http://www.mp.gov.si/si/izobrazevanje\\_v\\_pravosodju\\_cip/izobrazevanja\\_v\\_sloveniji/izobrazevanja\\_za\\_sodnike\\_drzavne\\_tozilce\\_in\\_drzavne\\_pravobranilce/](http://www.mp.gov.si/si/izobrazevanje_v_pravosodju_cip/izobrazevanja_v_sloveniji/izobrazevanja_za_sodnike_drzavne_tozilce_in_drzavne_pravobranilce/)

law (April 2014);

- The lecture on Ethical standards and judicial decisions in the context of Minor-offences school for judges (November 2014).

In 2015:

- The lecture on Integrity and Risk Factors in courts in the context of Professional training for the managerial function (November 2015);
- The lecture on Personality, ethical and legal requirement of independence of judges and prosecutors in the context of Professional training for the managerial function (November 2015).

In 2016:

- The lecture on “Why ethics?” In the context of the School of Insolvency law for judges (March 2016).

See also the answers to Recommendations 2b, 4d and 6.

Every year the Ministry of Public Administration organises at least three specialized training courses (occasionally with the cooperation of the Commission) on integrity and prevention of corruption for all the public officials. Foreign bribery is also included in the training courses as one of the modules.

In November 2015, the Ministry of Foreign Affairs in cooperation with the Commission for the Prevention of Corruption organised a training course on the integrity and the prevention of corruption for all the employees of the Ministry. Training is an integral part of the adopted measures to reduce risks that are associated with business operations with other entities and that may stem from a lack of knowledge. The provisions of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions were presented in a separate module of this course.

In line with the Strategy for Development of Public Administration 2015–2020<sup>23</sup> (See chapter 6.4.3. *Zero Tolerance for Integrity Violation in the Public Sector* ), the Ministry of Public Administration planned to take additional efforts in the field of awareness raising in the following five years (in the scope of the project in the new EU financial perspective), namely systematic training of employees in the wider public sector in the field of integrity and corruption prevention with the emphasis on activities with increased risk of corruption such as public procurement procedures. One of the planned modules includes also foreign bribery.

The Commission for the Prevention of Corruption offers trainings to all public sector entities at no charge. Trainings include also foreign bribery.

The Commission carried out several awareness raising activities, mostly in form of trainings and workshops in 2015 and 2016. Below please find some of them:

- Presentation of the OECD Convention and obligations of the Republic of Slovenia to the Police (April 2015)
- Training on anti-corruption, including the OECD Convention for employees of the Ministry of Foreign Affairs (including future diplomats) (November 2015)
- Representative of the Commission was a panellist in a round table discussion on Economic Diplomacy (in cooperation with the Ministry of Foreign Affairs (April 2015)

<sup>23</sup> [http://www.mju.gov.si/en/media\\_room/news/article/12447/6505/f8a4e708f6a12207f76793a3071c25a8/](http://www.mju.gov.si/en/media_room/news/article/12447/6505/f8a4e708f6a12207f76793a3071c25a8/) .



- Training on anti-corruption, including the OECD Convention, for the employees of the General Police Directorate (March 2015)
- Training on anti-corruption, including the OECD Convention, for the Military attachés (in cooperation with the Ministry of Defence) (March 2016)
- Training and Workshop on OECD Convention and obligations of the Republic of Slovenia for the employees of the Ministry of Economic Development and Technology (March 2016)
- Training and Workshop on OECD Convention and obligations of the Republic of Slovenia for the employees of the Ministry of Foreign Affairs (March 2016)

The Commission is in the process of arranging training for the Slovene Sovereign Holding's employees. It is expected that the details on the training will be agreed upon at the upcoming meeting in June 2016.

The Commission will also perform a training on foreign bribery and corruption indicators for the employees of the Slovene Export and Development Bank-SID Bank (for more information on this topic please see 11b).

The Commission and the Ministry of Foreign Affairs agreed to develop trainings on anti-corruption, including foreign bribery as a regular training for future diplomats. Training is foreseen as integral part of already existing training before diplomats are sent to missions abroad.

Further, the Commission is in the process of finalizing new information materials on foreign bribery and the Convention for public officials and businesses. The Commission created two publications, one in form of a leaflet for the public officials and the other in a form of a business card holder and a matching leaflet, with information specific to the target groups mentioned. Leaflets for public officials will be distributed to the relevant ministries, including the Ministry of Economic Development and Technology, Ministry of Foreign Affairs and its diplomatic network, the employees of the Slovene Sovereign Holding and Slovene Export Development Bank (SID Bank) while it will also be disbursed at all training events for public sector employees.

The leaflet for businesses will be disbursed through the diplomatic network, chambers of commerce and at training events intended for the small and medium businesses and state owned enterprises.

The new communication tools aim at raising awareness on foreign bribery specifically in the areas of detection and reporting.

#### **Additional information provided on 6/7/2016**

The trainings sessions for judges and prosecutors on ethics and integrity addressed several aspects of the issue, among them the attention is also given to foreign bribery, although not necessarily as a separate topics.

In March 2016 there were two seminars organised:

- Seminar on Bribery of Foreign Public Officials in International Business Transactions (21 March 2016 in Brdo pri Kranju). Judges did attend the seminar. (For details see the Reply).
- The lecture on "Why ethics?" In the context of the School of Insolvency law for judges (March 2016). The lecture was attended by judges and court experts from civil and commercial courts,

including insolvency law judges.

**If no action has been taken to implement recommendation 9(b), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 9c:**

9. Regarding awareness-raising, the Working Group recommends that Slovenia urge relevant public agencies that interact with Slovenian companies operating abroad, including the Ministry of Foreign Affairs, to provide guidance about risks of and measures to prevent foreign bribery to Slovenian companies operating abroad; [2009 Recommendation III.i and Annex I.A]

**Action taken as of the date of the follow-up report to implement this recommendation:**

SPIRIT Slovenia - Public Agency for Entrepreneurship, Internationalization, Foreign Investments and Technology published data on various countries<sup>24</sup> including general guidance on performing business in them on its web portal "Izvozno okno" (Export window). Data includes alerts on possible corruption and guidelines on avoidance of problems (e.g. hiring a local legal advisor etc.).

Ministry of Economic Development and Technology is a national contact point for The OECD Guidelines for Multinational Enterprises. The Ministry published guidelines online<sup>25</sup>.

The Ministry of Foreign Affairs (MFA) organised several seminars/training courses at which representatives of the Commission for Prevention of Corruption presented the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the recommendations for public officials in this regard. The meetings focused on specific areas of work covered by the MFA and its diplomatic missions and consular posts in order to educate participants about these issues by using concrete examples and dilemmas.

In January 2015, within the framework of its 19th Meeting of Slovenian Diplomats, the annual conference of ambassadors and heads of missions of the Republic of Slovenia, the MFA held a panel discussion titled 'Integrity and Prevention of Corruption – OECD Convention on the Prohibition of Bribery of Foreign Public Officials', with a special emphasis on the OECD Anti-Bribery Convention, which was presented by the Commission. On this occasion, the staff of the Slovenian diplomatic missions and consular posts was also given relevant recommendations. The OECD Anti-Bribery Convention was also presented at the Annual Consultation of Economic Advisers in April 2015, which was attended by twenty-two economic advisers working at Slovenian diplomatic missions and consular posts. Furthermore, in May 2015, the

<sup>24</sup> [http://www.izvoznookno.si/Dokumenti/Drzave\\_9293.aspx](http://www.izvoznookno.si/Dokumenti/Drzave_9293.aspx)

<sup>25</sup>

[http://www.mgrt.gov.si/si/delovna\\_podrocja/turizem\\_in\\_internacionalizacija/sektor\\_za\\_internacionalizacijo/internacionalizacija/sodelovanje\\_z\\_oecd/nacionalna\\_kontaktna\\_tocka\\_nkt\\_za\\_izvajanje\\_smernic\\_za\\_vec\\_nacionalne\\_druzbe/](http://www.mgrt.gov.si/si/delovna_podrocja/turizem_in_internacionalizacija/sektor_za_internacionalizacijo/internacionalizacija/sodelovanje_z_oecd/nacionalna_kontaktna_tocka_nkt_za_izvajanje_smernic_za_vec_nacionalne_druzbe/)

Ministry of Public Administration and the Commission held a seminar titled 'Institutions of the Integrity and Prevention of Corruption Act and the Convention on Combating Bribery of Foreign Public Officials in International Business Transaction'. The seminar was intended primarily for public officials dealing with international development and cooperation and participating in evaluation committees, as well for representatives of non-governmental and civil society organisations. In November 2015, the MFA and the Commission held a training course on integrity and the prevention of corruption for MFA employees, including the presentation of the OECD Anti-Bribery Convention and a case study. A seminar on integrity and prevention of corruption, tax havens and terrorism financing was organised in April 2016 jointly by the MFA, the Commission and the Office for Money-Laundering Prevention, intended primarily for public officials working in the MFA economic diplomacy and development cooperation departments.

Training is an integral part of measures to reduce potential risks associated with dealing with other entities or the lack of proper knowledge. Seminars and training courses are aimed at raising awareness among employees who work in various fields and are exposed to greater risks of corrupt, unlawful or unethical practices. The MFA also regularly updates its intranet with information regarding the OECD Anti-Bribery Convention and other matters of integrity and the prevention of corruption, including the MFA Integrity Plan, which is available to all its employees.

In terms of raising awareness with the Slovene business abroad, Slovene diplomatic missions and consular posts abroad will be provided with the Commission's information materials on foreign bribery for Slovene businesses with the aim to distribute them to the Slovene business encounters.

**If no action has been taken to implement recommendation 9(c), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 9d:**

9. Regarding awareness-raising, the Working Group recommends that Slovenia take more active measures to raise awareness specifically on the foreign bribery offence among Slovenian business associations and companies, including small and medium-sized enterprises and state-owned enterprises. [2009 Recommendation III.i, III.v., X.C and Annex II]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The Commission organised training on OECD Convention and foreign bribery for small and medium businesses enterprises in cooperation with the Chamber of Craft and Small Business of Slovenia, it is also in the process of arranging a similar presentation with the Slovenian Chamber of Commerce. Further, in 2017 training on this topic will also be provided to the representative of state-owned enterprises under the auspices of the training programme of the Slovene Sovereign Holding.

Additionally, the Commission designed information materials targeting specifically the representatives of the Slovene businesses.

For more in-depth information on all the above listed activities please see 7e and 9b.

**If no action has been taken to implement recommendation 9(d), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 10a:**

10. With respect to the reporting of foreign bribery, the Working Group urge Slovenia to remind public officials, including those working with overseas development aid and within the Ministry of Foreign Affairs, of their obligation to report instances of foreign bribery, and issue clear instructions to be followed on how to recognise indications of foreign bribery and on the concrete steps to be taken if suspicions or indications of foreign bribery should arise, including reporting the matter as appropriate to Slovenian law enforcement authorities; [2009 Recommendation XI.i. and XI.ii]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The Commission for the Prevention of Corruption included a special emphasis on how to efficiently address the need for clear and concise rules of procedure for reporting on detected suspicions of foreign bribery cases, notwithstanding whistleblower protection in its training module on foreign bribery, which was already held with the Ministry of Economic Development and Technology. Similarly, in May 2016 a meeting is planned between the MFA and the Commission on this topic in order to assist the MFA in establishing such procedures within its organization. This emphasis will remain an integral part of the Commission's foreign bribery training also in all further trainings of public officials.

**Additional information provided on 6/7/2016**

The note issued by the MFA (mentioned in previous reports to the WGB (December 2014 and June 2015)) relative to a proactive enforcement of the Convention with a set of instructions destined to all diplomatic missions was internally circulated on 5 December 2014 under no. ZGB140574.

**If no action has been taken to implement recommendation 10(a), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 10b:**

10. With respect to the reporting of foreign bribery, the Working Group recommends that Slovenia raise awareness within both the public and private sectors of the whistleblower protections afforded under the Integrity and Prevention of Corruption Act and the Slovene Sovereign Holdings

Act, for those who report suspicions of foreign bribery; [2009 Recommendation IX]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The Commission for the Prevention of Corruption always includes information on whistleblower protection afforded under the Integrity and Prevention of Corruption Act and Slovene Sovereign Holdings Act in its trainings for both public and private sector entities. The information on whistleblower protection is also included in information materials on foreign bribery prepared by the Commission for public officials and businesses (for more on materials please see 7e and 9b).

Special emphasis is always given to the fact that every employee is required to take measures for protection of whistleblowers immediately upon coming in contact with information on foreign bribery. In Commission's trainings a special emphasis is also made on the need for a clear and simple referral mechanism for reporting on suspicions of foreign bribery.

**If no action has been taken to implement recommendation 10(b), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 10c:**

10. With respect to the reporting of foreign bribery, the Working Group recommends that Slovenia take concrete steps to ensure that reports of suspected acts of foreign bribery made in good faith and on reasonable grounds are, in practice, handled efficiently and afforded the protections guaranteed by the law. [2009 Recommendation IX.iii.]

**Action taken as of the date of the follow-up report to implement this recommendation:**

The state prosecutor's offices' procedure on handling all reports of any suspected criminal activities is prescribed in State Prosecutorial Rules. Public prosecutors deal with injured party, informers and other parties within their jurisdiction. During working hours parties and their representatives have access to state prosecution offices, where criminal charges can be submitted.

For each submitted criminal charge, there must be a written record. The informer who files a written charge or communicates the charge by phone is entitled to request a certificate on the registering of the charge.

After the criminal charge (or any report suspecting criminal offence) is submitted, state prosecutors and the Police must verify if grounds exist for prosecution

The Police processes all criminal reports received in connection with the bribery of foreign public officials in international business transactions pursuant to the applicable legislation (Criminal Procedure Act and Police Tasks and Powers Act). If grounds exist for suspicion that a criminal offence liable to public

prosecution has been committed, the Police shall be bound to take steps necessary for discovering the offender, making sure that the offender or their accomplice do not go into hiding or flee, detecting and preserving traces of crime or objects of value as evidence, and collecting all information that may be useful for the successful conducting of criminal proceedings (Article 148 of Criminal Procedure Act).

Pursuant to Article 145 of the Criminal Procedure Act, all state agencies and organisations having public authority shall be bound to report criminal offences liable to public prosecution about which they have been informed of or which were brought to their notice in some other way, including criminal offences related to the bribery of foreign public officials in international business transactions. In submitting crime reports, the agencies and organisations mentioned in the preceding paragraph shall indicate evidence known to them and shall undertake steps to preserve traces of the crime, objects on which or by means of which the crime was committed and other items of evidence.

Furthermore, anyone who comes in contact with a criminal report related to the bribery of foreign public officials in international business transactions may report such criminal offence liable to public prosecution in accordance with Article 146 of the Criminal Procedure Act.

Criminal offences, including the bribery of foreign public officials in international business transactions, may be reported to the Slovenian Police in various ways, including:

- In writing or verbally to the Police
- By calling the Police phone number 080-1200 anonymously
- Anonymous electronic report of corruption

The most common sources for obtaining information are:

- Persons filing criminal reports (sources, informants, co-workers etc.)
- Diplomatic network of member states
- Development agencies and banks (in the Republic of Slovenia: the Slovenian Export and Development Bank)
- Accountants
- Auditors (general, forensic)
- Companies, sole traders
- Other national authorities that may come in contact with a criminal offence related to the bribery of foreign public officials in international business transactions (Office for Money Laundering Prevention of the Republic of Slovenia, Financial Administration of the Republic of Slovenia, Commission for the Prevention of Corruption etc.)
- Media
- Information provided by other states
- Police activities

The Commission for the Prevention of Corruption has an internal procedure for processing cases defined

in CPC Rules of Procedure. The IPCA and the Rules of Procedure define how to handle the case file and how to protect the whistleblower (the reporting person regardless of the circumstances in which the report is filed) that reported suspicion in good faith. There are several tools at its disposal:

- Protection of identity (assignment of a pseudonym) (5 cases in 2014, 2 cases in 2015),
- Commission may demand from the employer to stop retaliatory measures (0 cases in 2014 and 2015)
- Commission may perform a test of good faith of the reporting person (0 cases in 2014 and 2015)
- Commission may protect the public official (0 cases in 2014 and 2015)
- Commission may request the official to be transferred to other work post to avoid further retaliatory measures (0 cases in 2014 and 2015)
- Commission may prohibit attempts to identify the reporting person (0 cases in 2014 and 2015)
- Commission may carry out misdemeanour procedure in case of report that was not given in good faith (0 cases in 2014 and 2015).

As a general rule, the Commission protects the identity of all whistleblowers and will not reveal their identity without their consent, not even to the law enforcement agencies.

The Commission also includes the topic of the need of whistleblower protection and clear and simple reporting mechanisms in its trainings (for more information please see 10b).

**Additional information provided on 6/7/2016**

In practice the Commission for the Prevention of Corruption carries out measures provided by the IPCA. Commission receives complaints on alleged corrupt acts via e-mail, phone, fax, mail or in person. All reports are handled equally, irrespective of whether the report was made anonymously or not. The Commission safeguards the information on the reporting person (whistleblower) and does not reveal this information without his/her consent, not even to other law-enforcement agencies. In case when whistleblower feels threatened and requests his/her report to be anonymized, the Commission assigns him/her a pseudonym. Information on the identity of the whistleblower is stored in a sealed envelope in a steel safe in a room where special security measures are in place. The whistleblower’s identity is only known to the investigator handling the case. In practice this procedure was used in a max. of 14 case within a single year, in 2015 it was applied in 2 cases.

If the media or anyone else is trying to establish the identity of the whistleblower, the Commission can issue an order to stop such activities. If they do not seize, the Commission carries out a misdemeanour procedure and fines the perpetrators. So far, the Commission issued such orders in two cases and whistleblowers were not identified.

<b>Action</b>	<b>2014</b>	<b>2015</b>
Protection of identity (pseudonym)	5	2
Request to stop retaliatory measures	/	/
Test of good faith of the whistleblower	/	1

Protection of the official	/	/
Help determining the causal link	/	1
Transfer	/	/
Misdemeanor procedure due to attempt to identify the whistleblower	/	/
Misdemeanor procedure due to lack of good faith of the whistleblower	/	/

**If no action has been taken to implement recommendation 10(c), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 11a:**

11. Regarding public advantages, the Working Group recommends that Slovenia (i) maintain centralised statistics on the number of candidates and tenderers excluded from public procurement based on prior criminal convictions, including for foreign bribery; and (ii) issue guidance to its contracting authorities to ensure that rules on exclusion from public procurement due to foreign bribery is effectively implemented in practice or ways to verify non-EU conviction records; [2009 Recommendation XI]

**Action taken as of the date of the follow-up report to implement this recommendation in relation to:**

(i) maintain centralised statistics on the number of candidates and tenderers excluded from public procurement based on prior criminal convictions, including for foreign bribery; and

Please see below under (ii)

**Additional information provided on 6/15/2016**

The relevant statistical data is collected centrally by the Ministry of Public Administration on the basis of Article 3 of the relevant rules – “Pravilnik o spremembah in dopolnitvah Pravilnika o vrstah podatkov o oddanih javnih naročilih v preteklem letu” (Official Gazette of the RS, No. 3/15)<sup>26</sup>, adopted on the basis of the Public Procurement Law.

In the consolidated version of "Pravilnik", see point 4.c of Para 1, Article 3<sup>27</sup>.

<sup>26</sup> <http://www.uradni-list.si/1/objava.jsp?sop=2015-01-0075>

<sup>27</sup> <http://www.pisrs.si/Pis.web/pregledPredpisa?id=PRAV12340>



The data has been gathered by the Ministry of Public Administration directly from the electronic portal, where public procurements must be published, from 1 January 2015 on. The data will be included in the Annual Report for 2015. Slovenia has therefore established the central evidence of exclusions, which enables the relevant authorities to evaluate the effectiveness of the exclusion mechanism.

In line with the information above, the Ministry of Public Administration believes, the recommendation 11a (i) has been implemented. The Ministry plans to publish guidance (ii) in the following months.

(ii) Issue guidance to its contracting authorities to ensure that rules on exclusion from public procurement due to foreign bribery is effectively implemented in practice or ways to verify non-EU conviction records.

On 1 April 2016, a new Public Procurement Act (Official Gazette, no. 91/15; hereinafter: ZJN-3) entered into force, which transposes Directive 2014/24/EU and Directive 2014/25/EU and repeals Slovenian Public Procurement Act (Official Gazette, no. 12/13 – official consolidated text, 19/14 in 90/14 – ZDU-11; hereinafter: ZJN-2) and Act Regulating Public Procurement in Water, Energy, Transport and Postal Services (Official Gazette, no. (Official Gazette no. 72/11 – official consolidated text, 43/12 – Constitutional Court Decision, 90/12, 19/14 in 90/14 – ZDU-11); hereinafter: ZJNVETPS). According to the old and the new public procurement legislation exclusion of candidates and tenderers convicted for certain criminal actions, including foreign bribery, is mandatory for contracting authorities (Article 75, Paragraph 1). Additionally, the new Public Procurement Act determines that in case of criminal convictions the appropriate means of proof is an extract of judicial official records in Slovenia, other EU Member State, and country of origin or county of headquarters (Article 77, Paragraph 3a) or an equivalent document issued by relevant judicial or administrative authority. Ministry of Public Administration will issue guidance for contracting authorities and entities to ensure these exclusion grounds are implemented fully and correctly. The Ministry of Public Administration developed (and is continuing to further develop) an application “eDossier”<sup>28</sup>, which enables contracting authorities and entities to verify Slovenian official records, including records of criminal convictions, electronically. Statistical data on the number of candidates and tenderers excluded from public procurement based on prior criminal convictions, including for foreign bribery, is collected from the contract award notices sent for publication to the national public procurement platform. The data will also be included in the annual national report on Slovenian public procurement, which is prepared by the Ministry of Public Administration.

**If no action has been taken to implement recommendation 11(a), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Text of recommendation 11b:**

11. Regarding public advantages, the Working Group recommends that the Slovene Export Development Bank promptly provide foreign bribery-specific training to its staff to better detect, report and mitigate the risk of foreign bribery. [2009 Recommendation XII; 2006 Export Credit Recommendation]

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<sup>28</sup> <http://ejn.gov.si/e-dosje>

**Action taken as of the date of the follow-up report to implement this recommendation:**

The Commission for the Prevention of Corruption and the Slovene Export Development Bank (SID Bank) are preparing a special training for Bank's employees, which will take place on June 1 2016. Training will cover foreign bribery, the Convention as well as corruption indicators, whistleblower protection, reporting of corruption and risk management. The training is intended for all the employees of the Bank.

In terms of establishing mechanisms of reporting suspicions on foreign bribery within the bank, the latter already has a clear and simple system of reporting on non-ethical conduct in place, the Commission will thus most probably suggest to employ the same reporting system for reports of suspicions of foreign bribery (as an alternative to reporting them directly to the Slovenian law enforcement bodies or the Commission).

**Additional information provided on 6/7/2016**

The Commission for the Prevention of Corruption carried out the training for the employees of the Slovene Export Development Bank (SID Bank) on 1 June 2016. The Commission's staff presented corruption risks identified in the business sector and particularly in banks as well as the risks of foreign bribery, the indicators and examples of international foreign bribery cases notwithstanding the OECD Convention. The training also included a discussion of cases of possible foreign bribery incidents detected by the SID Bank employees.

**If no action has been taken to implement recommendation 11(b), please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:**

**Enforcement activity (requested on page 59 of the Phase 3 report)**

Slovenia should provide detailed information on foreign bribery-related enforcement actions as foreseen in its Phase 3 report. In particular, Slovenia should provide updated information on the following:

**I. Foreign bribery Allegations where no Investigation has been Opened**

Please provide information on the status of *Case #2 – Pharmaceuticals Case* (para. 13 of the Phase 3 report).

In this case the following actions were taken:

In June 2014, during the Phase 3 evaluation Slovenian prosecution received a lawsuit, which was brought in action by the U.S. Securities and Exchange Commission before the U.S. court against an American company. From the information in the lawsuit a suspicion existed that employees of a Slovenian company bribed doctors and pharmacists in Romania in order to prescribe products their company was selling.

The case was assigned to SSPO and was registered as a priority case. Inquiries were sent via EUROJUST to Romania asking for information from judicial authorities regarding possible criminal allegations relating to this case as the bribing was supposed to have taken place in Romania. We received a response from EUROJUST that no such case against the company has been registered in Romania and that the names of the suspects are needed in order to receive more information. State prosecutor's office instructed the Police to gather information via Interpol from the Romanian Police but during a course of a few months it was established that they were not able to provide the information required and stated that an MLA request should be sent via Ministry of Justice. In September 2015 the MLA request was sent to Romania. The National Anti-Corruption Directorate replied promptly and executed the MLA request in October 2015. In the documents received no connection to Slovenia or to a Slovenian company was found.

During the time of gathering information from Romania, an MLA request was sent to the United States with a request for information from their case that had connection to Slovenia. In the course of obtaining the information from the United States we had to resolve some issues regarding dual criminality but we did that successfully and in June 2015 we received the disk with all the data that concerned their case in the United States. Because of the large amount of data, the analysis took quite a long time. But after it was completed, the analysis showed no suspicion of foreign bribery related to Slovenia.

In March 2016 Police provided a report. The prosecutor in charge studied the report, asked the Police for supplementation and sent some additional requests to Romania. Romanian authorities replied promptly and sent additional information on 9 May 2016. The materials will be translated and given to the Police for analysis.

#### **Additional information provided on 6/15/2016**

No police action was taken in Slovenia. Even with what was received from Romania and USA the standard of proof for a house search has not been met. The materials received from the Romanian authorities have not been translated yet and the Police still haven't supplemented the report.

## **II. On-Going Foreign Bribery Cases**

Please provide information on the status of *Case #3 – Construction Case* and *Case #4 – Public Works Case* (pages 14 and 15 of the Phase 3 report).

Construction case was closed with a report in December 2014 in part which concerns foreign bribery, due to the fact that no relevant evidence was gathered about the allegations after all possible options were exhausted. In the part of the case that concerns abuse of position or trust in business the case is at the trial stage.

#### **Additional information provided on 6/15/2016**

There haven't been any new findings since the last follow-up report. The Criminal Police investigated the case but couldn't gather evidence about the bribery of public officials of other State Party to the Convention. As mentioned in the previous follow-up report the investigation began based on information that Slovenian Export Credit Bank became aware of. It has to be stressed that the representatives of Slovenian Export Credit Bank didn't know who, when and where started this information.

Construction case was closed with a report in December 2014 in part which concerns foreign bribery,

due to the fact that no relevant evidence was gathered about the allegations after all possible options were exhausted. In the part of the case which concerns abuse of position or trust in business the case is at the trial stage.

In the public works case no elements of criminal offence of bribery were detected, neither in Slovenia nor in the other country involved. The state prosecutor determined that no elements of criminal offence of bribery were noticed. As already mentioned no elements of criminal offence were noticed in other State Party, the case was closed without prosecution.

### **III. New Foreign Bribery Cases**

Please indicate whether Slovenia has detected any new foreign bribery cases since its Phase 3 evaluation.

In 2016, during an extensive investigation that involved corruption in Slovenian public health system that is currently in the phase of judicial investigation, a possibility of a foreign bribery case regarding bribes given by a Slovenian company to doctors in a non-OECD member state has been detected. At the moment there has not been sufficient evidence gathered to officially open a criminal investigation but possibilities of international police cooperation are being considered to gather additional information.

#### **Additional information provided on 6/15/2016**

This case is still in the very early phase of investigation therefore more information cannot be provided. Third country involved is Montenegro, natural and legal persons are involved.

## **PART II: FOLLOW-UP BY THE WORKING GROUP**

### **Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:
  - (a) The application of article 262 of the Criminal Code (and article 242 in the case of employees of foreign SOEs) to ensure that all bribes to a foreign public official to obtain any use of the official's position – regardless of whether or not it falls within the official's authorised competence – constitute the basis for a foreign bribery offence.

### **With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

There has been no new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:
- (b) The application of the conditions laid down under Article 11(1) of the Liability of Legal Persons for Criminal Offences Act.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

There has been no new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:
- (c) The liability of parent companies which use foreign subsidiaries to commit acts of foreign bribery.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

There has been no new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:
- (d) The application in practice of freezing and confiscation measures in on-going and future foreign bribery cases, including for legal persons.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

In the absence of foreign bribery cases we cannot report our actions of the application of freezing and confiscation measures in practice, but the legal framework is provided and both legal and natural persons can be subjected to these measures also in foreign bribery cases.

As the foreign bribery cases fall within the jurisdiction of SSPO the data is provided for this prosecution office:

1. The provisional securing of the confiscation of proceeds

In 2013 in 27 cases the ruling of the provisional securing of the request for the confiscation of proceeds was ordered against 90 persons (61 natural and 29 legal persons) in the total amount of 256.234.516,67 EUR.

In 2014 in 36 cases the ruling of the provisional securing of the request for the confiscation of proceeds was ordered against 98 persons (57 natural and 41 legal persons) in the total amount of 187.950.612,30 EUR.

In 2015 in 34 cases the ruling of the provisional securing of the request for the confiscation of proceeds was ordered against 102 persons (56 natural and 46 legal persons) in the total amount of 184.476.630,94 EUR.

The provisional securing of the request for the confiscation of proceeds was ordered in cases that involved following criminal offences (listed according to their frequency): Abuse of Position or Trust in Business Activity (Article 240 of Criminal Code (KZ-1)), Money Laundering (Article 245 of KZ-1), Tax Evasion (Article 249 of KZ-1), Unlawful Manufacture and Trade of Narcotic Drugs, Illicit Substances in Sport and Precursors to Manufacture Narcotic Drugs (Article 186 of KZ-1), Trafficking in Human Beings (Article 113 of KZ-1), Exploitation through Prostitution (175 of KZ-1) and Defrauding Creditors (227 of KZ-1).

2. Confiscation of proceeds in SSPO cases

In 2015 after the termination of criminal procedure on first instance the proceeds were confiscated against 27 natural persons or they were obliged to pay the amount which corresponded to confiscation of proceeds. The total amount was 3.369.226,64 EUR. In 2015, 20 rulings on confiscation of proceeds became final.

Confiscation of proceeds was ordered mainly in following criminal offences: Abuse of Position or Trust in Business Activity (Article 240 of KZ-1), Money Laundering (Article 245 of KZ-1), Unlawful Manufacture and Trade of Narcotic Drugs, Illicit Substances in Sport and Precursors to Manufacture Narcotic Drugs (Article 186 of KZ-1).

In domestic corruption cases in 2015 the court convicted 11 natural persons and two legal persons (in SSPO cases), 10 natural persons and two legal persons were imposed a fine as an accessory sentence (besides the principle sentence) in total of 33.516,00 EUR. Confiscation of 800 EUR of proceeds was ordered for one natural person. The ruling is final. Also the rulings for eight natural and two legal persons are final.

The data for 2015 indicates a total number (all criminal cases, not only SSPO cases) of 83 final judgments on confiscation of proceeds. In 2014 there were 338 such final judgements. Exact data of final judgements on confiscation of proceeds only in domestic corruption cases will be provided to you by the Working Group meeting in June 2016.

3. The proceedings on the basis of the Forfeiture of Assets of Illegal Origin Act in SSPO cases

In 2013 financial investigation was ordered and extended against 51 persons, as well as temporary security of the permanent forfeiture of assets of illegal origin was ordered against 10 both natural and legal persons in total amount of 7.170.944,65 EUR. Prosecutors also proposed temporary forfeiture of assets of illegal origin against 3 natural persons. In 2013 temporary forfeiture was ordered against one person but for the other two the temporary forfeiture was ordered in following year 2014.

In 2013 the first civil lawsuits were filed on the basis of the Forfeiture of assets of Illegal Origin Act. Three lawsuits were brought against five natural and two legal persons in total amount of 3.719.514,41 EUR.

In 2014, financial investigation was ordered and extended against 14 both natural and legal persons, as well temporary security of the permanent forfeiture of assets of illegal origin was ordered against seven natural persons in total amount of 6.120.898,16 EUR. Temporary forfeiture of assets of illegal origin was ordered against two persons. Two civil lawsuits were brought against six natural and two legal persons in total amount of 8.837.714,00 EUR.

In 2014 the first civil procedure ended and the court issued a ruling in which the assets of accused party were forfeited in total amount of 309.559,77 EUR. This lawsuit was brought against an accused of criminal offence under Article 186 of KZ-1 (Unlawful Manufacture and Trade of Narcotic Drugs, Illicit Substances in Sport and Precursors to Manufacture Narcotic Drugs). The judgment is final.

In 2015 financial investigation was ordered and extended against 15 both natural and legal persons, as well temporary security of the permanent forfeiture of assets of illegal origin was ordered against three natural persons in total amount of 1.582.867,08 EUR. One temporary security was ordered in a domestic corruption case, the amount of secured assets in the corruption case was 837.309,87 EUR. Also four civil lawsuits were brought against 15 natural persons in total amount of 5.983.352,84 EUR.

In 2015 one judgement in which assets of 1.688.609,56 EUR have been forfeited against 3 persons was pronounced. The lawsuit was brought against a suspect of listed criminal offence under Article 254 of Criminal Code (KZ-1 - Tax Evasion) and under Article 113 of KZ-1 (Trafficking in Human Beings). In this case the judgment is not yet final.

The data in general shows that Slovenian system of forfeiture and confiscation measures is in place and that it will be efficient also in a foreign bribery case.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:

(e) The level of resources available to National Bureau of Investigation, the Special State

Prosecutor's Office and the CPC, to support the effective prevention, detection, investigation and prosecution of foreign bribery.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

In 2014, SSPO had the budget of 2.357.814 EUR, in 2015 2.936.635 EUR and in 2016 2.983.665 EUR. As it can be seen from this data, the budget has been increasing in the past years as a result of the increase in human resources.

The table below shows an overview of the financial resources of the Criminal Police Directorate and the National Bureau of Investigation in the period of 2013–2017.

<b>Overview Of Financial Resources Of The Criminal Police Office (UKP) And The National Bureau Of Investigation (NPU) From 2013 To 2017 – Material Costs And Investments (EUR)</b>					
<i>Year/unit</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>Crim. Police Office., w/o NPU</i>	2,744,118	3,295,214	3,155,975	8,961,000	4,300,000
<i>NPU</i>	420,289	453,496	483,636	470,000	470,000
<b><i>Total, Crim. Police Office</i></b>	<b>3,164,407</b>	<b>3,748,710</b>	<b>3,639,611</b>	<b>9,431,000</b>	<b>4,770,000</b>

<b>Salaries at the National Bureau of Investigation (EUR)</b>					
<i>Year/unit</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
<i>NPU</i>	3,080,107	3,046,686	3,190,943	3,636,197	4,131,924

The data for the period of 2013–2017 shows the use of funds, while data for 2016 and 2017 was also added, referring to the adopted budget.

For convenience and to show the ratio between financial resources, the table below also shows human resources/number of criminal investigators in the Republic of Slovenia.

Data from the MFERAC<sup>29</sup> system as at 31<sup>st</sup> March 2016:

		<b>Classified jobs</b>	<b>Jobs taken</b>
<b>UKP</b>	w/o NPU	233	199
<b>NPU</b>		83	75
<b>Celje</b>	Crim. Police Division	127	105
<b>Koper</b>	Crim. Police Division	97	91
<b>Kranj</b>	Crim. Police Division	61	50
<b>Ljubljana</b>	Crim. Police Division	223	185
<b>Maribor</b>	Crim. Police Division	123	105
<b>Murska Sobota</b>	Crim. Police Division	50	48
<b>Nova Gorica</b>	Crim. Police Division	35	31

<sup>29</sup> Book keeping software of Slovene public administration



<b>Novo mesto</b>	Crim. Police Division	79	83
	<b>Total:</b>	<b>1111</b>	<b>972</b>

Currently, the Commission for the Prevention of Corruption has sufficient financial and human resources available to carry out its tasks, including tasks in the field of foreign bribery. Below please find relevant staff and financial data.

In December 2013 the Commission employed 40 persons, in December 2014 36 persons and by 1 December 2015, 41 persons. It is true that in its 2014 Report, the Commission specifically pointed to the lack of human resources. Meanwhile, the situation has improved and is now comparable to the human resources situation of the Commission from December 2013. In February 2016, a new Senior Public Relations Officer joined the Commission and in March the Commission appointed the acting Head of the Investigation and Oversight Bureau.

### Commission's Staff Data

	31 Dec 2010			31 Dec 2011			31 Dec 2012			31 Dec 2013			31 Dec 2014			31 Dec 2015			22 Feb 2016		
	OFFICE	SNAP	CIP	OFFICE	SNAP	CIP	OFFICE	SNAP	CIP	OFFICE	SNAP	CIP	OFFICE	SNAP	CIP	OFFICE	SNAP	CIP	OFFICE	SNAP	CIP
<b>PhD</b>	1	1	0	1	1	0	1	1	0	1	1	0	0	1	0	0	1	0	0	1	0
<b>MSc</b>	2	0	2	3	1	1	3	1	1	2	1	1	1	1	1	1	1	0	1	1	0
<b>University degree (Bologna II)</b>	4	5	3	5	11	5	5	13	4	6	12	4	5	10	5	8	11	6	9	11	6
- Law	1	2	1	0	6	4	0	7	4	0	8	4	1	6	4	4	8	2	4*	8	2
- Economics	1	2	0	1	3	0	1	3	0	1	2	0	1	2	1	0	1	2	0	1	2
- Communication Science	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0
- Journalism	0	0	0	2	0	0	2	0	0	2	0	0	1	0	0	2	0	0	2*	0	0
- Political Science	0	0	1	0	1	0	0	1	0	0	0	0	0	0	0	0	0	1	1	0	1
- Security Studies	0	0	1	0	0	1	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0
- Administrative organizer	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0
- Informatics	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
- Public Administration (masters)	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0
- Teacher of English Language	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1
<b>Professional college (Bologna I)</b>	0	2	1	1	2	0	1	2	0	1	2	0	2	2	0	2	2	0	2	2	0
- Security Studies	0	1	1	1	2	0	1	2	0	1	2	0	1	2	0	1	2	0	1	2	0
- Economics	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Informatics	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	1	0	0
<b>High school</b>	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	2	0	0	2	0	0
<b>Technical school</b>	4	0	0	4	0	0	4	0	0	4	0	0	2	0	0	3	0	0	3	0	0
<b>Vocational school</b>	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0

**Total:** 12 8 6 15 15 6 15 17 5 16 16 5 12 14 6 17 15 6 18 15 6

OFFICE: In addition to Financial Services, Human Resources and Legal Support (10 persons), the Office also includes Intelligence and Information Security Service (2 persons), 2 Public Relations Officers and 1 International Cooperation Officer. Two persons are also working on Asset Declaration Supervision.

SNAP: Department for Investigation and Supervision

CIP: Centre for Integrity and Prevention

\* One person on maternity leave

Notwithstanding the implementation of the Government's policies related to balancing of public finances and the reduction of expenditure of all budget users, the allocation of sufficient financial resources has always remained one of the Government's priorities. It should be pointed out that the Commission's annual budget has been continually increasing over the last years. In 2014, the Commission's budget amounted to 1.559.422 EUR; in 2015 to 1.604.272 EUR; in 2016 to 1.703.169 EUR and in 2017 the budget is to amount to 1.716.340 EUR.

### Commission's Budget, 2013-2017

	2013	2013 (rebalancing)	2013 (final plan)	2013 (realisation)
<b>CPC Budget</b>	<b>1.643.617,00</b>	<b>1.799.558,00</b>	<b>1.716.719,00</b>	<b>1.648.411,00</b>
Salaries	1.118.640,00	1.240.007,00	1.210.107,00	1.202.405,00
Material Expenses	485.977,00	442.050,00	409.350,00	396.631,00
Investments and investment maintenance	39.000,00	20.000,00	15.700,00	15.362,00
Donations	0,00	97.501,00	80.405,00	32.886,00

The budget category labelled salaries was not fully used due to 2 persons on maternity leave.

	2014	2014 (rebalancing 1)	2014 (rebalancing 2)	2014 (final plan)	2014 (realisation)
<b>CPC Budget</b>	<b>1.627.547,00</b>	<b>1.666.475,00</b>	<b>1.559.422,00</b>	<b>1.569.221,00</b>	<b>1.495.156,00</b>
Salaries	1.118.640,00	1.241.236,00	1.155.236,00	1.22.368,00	1.119.432,00
Material Expenses	468.907,00	413.239,00	370.439,00	364.095,00	345.620,00
Investments and investment maintenance	40.000,00	10.000,00	32.748,00	32.748,00	30.104,00
Donations	0,00	2.000,00	1.000,00	48.520,00	0,00

The budget category labelled salaries was not fully used due to 2 persons on maternity leave. Partly, the difference is a consequence of fluctuation of employees.

	2015	2015 (rebalancing)	2015 (final plan)	2015 (realisation)
<b>CPC Budget</b>	<b>1.626.500,00</b>	<b>1.604.272,00</b>	<b>1.425.456,00</b>	<b>1.416.692,00</b>
Salaries	1.227.842,00	1.243.418,00	1.089.384,00	1.086.378,00
Material Expenses	388.658,00	345.854,00	315.730,00	315.730,00
Investments and investment maintenance	10.000,00	15.000,00	13.758,00	13.754,00
Donations	0,00		5.093,00	831,00

The budget category labelled salaries was not fully used due to 2 persons on maternity leave. Partly, the difference is a consequence of fluctuation of employees.

	2016	2016 (final plan)	2016 (realisation in Jan)
<b>CPC Budget</b>	<b>1.703.169,00</b>	<b>1.708.922,00</b>	<b>119.530,00</b>
Salaries	1.310.359,00	1.310.359,00	98.734,00
Material Expenses	355.010,00	355.010,00	20.796,00
Investments and investment maintenance	37.800,00	37.800,00	0,00
Donations	0,00	4.263,00	0,00

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:

- (f) The impact of the recent budgetary constraints confronting the Slovenian judiciary on the speed of judicial proceedings.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

The speed of judicial proceedings has slightly improved, in September 2015 30 new state prosecutors were appointed. We believe the results of the increase in human resources will be seen in a one year's time.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:

- (g) The application of territorial and nationality jurisdiction for foreign bribery, especially with regard to legal persons and the ability for Slovenia to exercise jurisdiction over parent companies for acts of foreign bribery committed abroad by its subsidiaries.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

There was no new case law, legislative, administrative, doctrinal or other relevant developments since the

adoption of the report.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:
- (h) The time limitations imposed on prosecutors and investigative judges (and extensions thereof) to ensure that they do not impede the effective investigation and prosecution of foreign bribery.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

Please see the general direction of the system described in answer under Recommendation 4b.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:
- (i) Whether the money laundering offence can be effectively enforced where the predicate offence is foreign bribery, regardless of where the bribery occurred.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

As already stated in previous report Slovenia adopted an “all-crimes” approach to money laundering which includes foreign bribery as a predicate offence. Criminal Code stipulates that the Code applies to anyone who commits a criminal offence abroad and has to be prosecuted regardless of where the offence was committed.

Since the adoption of last report there were no money laundering cases investigated or prosecuted where the predicate offence is foreign bribery. Although no such cases were identified it can be confirmed on the basis of final convictions for criminal offence of money laundering that the national system of detection, prosecution and judgment is effective. So far 56 final convictions for money laundering were passed among them 47 cases were passed in the period from 2013 until now. The structure of the predicate offences committed demonstrates that almost in the 25 money laundering convictions predicate offences are related to the criminal offences of economic crime such as abuse of position and trust in business activity, fraud, tax crime, business fraud and also abuse of authorities or rights. Out of that 25 convictions where the predicate offence is related to the economic crime 14 are started on the basis of suspicious

transaction report disclosed to the OMLP by obliged entities stipulated in the anti-money laundering act. Although there are no foreign bribery or other corruption crime identified as predicate offence in money laundering convictions it can be concluded from the above that there is a national legislation in place that allows Slovenian authorities to precede money laundering cases regardless of the type of predicate offence including foreign bribery if reported or otherwise detected.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:
- (j) The adequacy of resources available to the Office of Money Laundering Prevention to ensure it can effectively detect money laundering cases predicated on foreign bribery.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

The resources available to the Office for Money Laundering Prevention are adequate since the annual budget of the OMLP increased from 566.000 EUR in 2013 to 732.000 EUR in 2016 and the number of staff increased from 16 in 2013 to 19 in 2016.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:
- (k) The impact of the Audit Act on auditor independence, and whether independence has been supported or compromised in practice.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

On EU level directive 2014/56/EU and Regulation (EU) No 537/2014 have been accepted. Regulation will be in force on 17 June 2016, Directive will be implemented with the new Auditing Act at the end of 2016.

The Slovenian Institute of Auditors has not identified any violation of audit independence by external auditors or audit firms.

The Agency for Public Oversight Of Auditing has noted breaches of Independence since its incorporation

and had acted upon them by issuing measures of supervision. There were however, only a few such instances as the audit profession is heavily regulated by the Agency (and the Institute).

The national Audit Act is very strict regarding independence of auditors as it imposes very strict limitations upon the services that auditors and audit firms can provide to their audit clients.

The current legislation (for example) mandates audit partners' rotation and is very strict on the (other) services provided by the auditors.

As mentioned, the legislation is currently undergoing an overhaul as a consequence of the new EU Regulation and Directive and will become even stricter with regards to the Auditors' independence, especially for the Auditors of Public Interest Entities (PIEs), imposing maximum fee percentages to avoid Audit firms' dependence on important clients, expanding the transparency of auditors' work through additional reporting requirements, ensuring a single (public independent) regulator for PIE auditors, etc.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:

- (l) The application of the non-tax deductibility of bribes, particularly whether Slovenian law enforcement authorities promptly inform the Tax Directorate of convictions related to foreign bribery and whether tax returns are re-examined to determine whether bribes have been deducted.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

At the moment the Financial Administration of the Republic of Slovenia is still not receiving judgments of conviction from the field of corruption. Upon initiative of the Slovene Financial Administration coordination is in progress with the Ministry of Justice and the Supreme Court of the Republic of Slovenia for establishing the system for regular submission of this type of judgments of conviction from courts to the Financial Administration of the RS, which would be able to conduct appropriate tax supervision procedures on this basis.

**Text of issue for follow-up:**

12. The Working Group will follow up the issues below as case law and practice develops:

- (m) The treatment of incoming MLA requests and in particular, if such requests trigger the opening of foreign bribery investigations in Slovenia.

**With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:**

All MLA request are treated with great diligence and as a priority. From all MLA request received, none was related to foreign bribery and none triggered the opening of foreign bribery investigation in Slovenia.

