

Danish National Statement

Presented at the 18th International Anti-Corruption Conference (IACC)

22 October 2018

The Danish government is committed to an ambitious follow-up to the Sustainable Development Goals in the national as well as international setting. Denmark is convinced that attaining SDG 16.5 and other corruption-related goals is key to the efforts to achieve all of the SDGs. This statement thus has concrete commitments that aim at ensuring that Denmark acts with highest standards of transparency, accountability, inclusiveness and integrity both at home and abroad. In line with the Danish Action Plan for the SDGs the goal is to maintain Denmark's position among the least corrupt countries in the world.

In an international context, Denmark stands as an open society - known for safeguarding democracy and having an efficient and effective public sector. All of which constitute a strong integrity system against corruption. Denmark is committed to closing any loopholes that may run counter to maintaining and strengthening this position. A new framework for anti-money laundering is currently under preparation, an ambitious reform for reducing bureaucracy in the public sector has been adopted, a comprehensive tax reform has been initiated and a number of codes of conduct and guidelines have been developed.

Denmark is participating in the Open Government Partnership (OGP), which serves to promote transparent and inclusive governance in the participating countries. Denmark's third and current national action plan is for 2017-2019. The drafting of Denmark's fourth will begin in 2019.

Transparency, Accountability, Inclusiveness and Integrity in the Public Sector

-A code of conduct entitled "Good Conduct in the Public Sector" along with the publication "Seven Key Duties for Civil Servants in Central Government" have been distributed to all public servants. The purpose of these publications is to clarify basic duties and responsibilities for public sector employees. The **Agency for Modernisation** has published e-learning programmes and provides attendance-courses regarding these various codes of conduct and guidelines. The e-learning courses are available in the Danish intergovernmental e-learning platform Campus. **Danish Regions** have further adopted guidelines to promote stronger independence between employees in the health sector and the pharmaceutical industry at regional level.

-The **Danish Agency for Digitisation** is currently implementing a major digitisation strategy which sets the course for Danish public sector digitisation efforts. An expected outcome of this reform is *inter*

alia to improve transparency, coherence and quality of basic data by standardising data formats, increasing data quality and providing data on a single shared platform. The last basic data in the current basic data programme will be available on the shared platform in Q2 2019. The Danish Agency for Digitisation has committed itself to further improvements and expansions of the basic data programme to ensure still more transparency and benefits for the many users of basic data in Denmark.

- The Danish Government has committed itself to the development of an open data platform, which will ease the release of and use of data. This will be underpinned by a number of awareness raising activities to promote the publication and use of public data. This is done through the **Open Data DK** project that will focus on the public administration at local and regional level.

- Over the past ten years, regional governments have invested in digital solutions for their healthcare systems. The **Ministry of Health** is committed to ensuring that data and information are further strengthened to ensure confidentiality of personally sensitive information and a high level of security in the digital infrastructure. This includes ensuring increased transparency and access for citizens to their own health data and giving citizens access to log information to see who from the hospitals that have accessed his/hers patient data and check for suspicions of unlawful access of data.

-Denmark is committed to international cooperation and exchange of information to improve the transparency, accountability, inclusiveness and integrity in the public sector. Denmark is a member of the Open Government Partnership as well as a member of a working group on Public Ethics under the auspices of the Council of Europe. The working group exchanges experiences and will elaborate handbooks dealing with public ethics.

Taxation

-The Danish Government is committed to international cooperation in taxation matters and to implementing OECD recommendations on Base Erosion and Profit Shifting (BEPS). Denmark will continue to participate in the exchange of CRS information and country-by-country reports between tax administrations. Denmark also supports the EU proposal on public country-by-country reporting and the EU list of non-cooperative jurisdictions in taxation matters.

-The **Ministry of Taxation** is committed to reforming the tax administration with the goal of increasing trust and establishing clear accountability. Resources will be allocated to strengthening the capacity of the tax administration, including recruitment of additional staff.

-To combat national and international tax evasion and organized economic crime, a new expert control unit has been established. The expert unit will continually develop effective detection prevention and control strategies to combat tax evasion and tax fraud. To ensure the integrity and credibility of the Tax Administration, a higher percentage of its employees' tax files will undergo annual control.

Political Party Financing

-The **Ministry for Economic Affairs and the Interior** will establish a set of guidelines regarding private contributions to political parties. These guidelines will help clarify when private contributions to political parties are subject to the existing regulation. The guidelines will be published in Q1 2019.

Sanctioning of Gross Negligent Conduct

-In 2014 rules on bankruptcy quarantine entered into force. According to the rules, a person, who has participated in the management of the debtor's business, can be deemed unsuitable for participating in the management of a business activity due to gross negligent conduct. In order to ensure, that the rules are efficient and up to date the Danish **Ministry of Justice** will complete an evaluation of these rules.

Anti-Money Laundering

-The Danish Government has adopted a strong and comprehensive package of new measures against money laundering. The Government, including but not limited to the **Ministry of Industry, Business and Financial Affairs**, will implement the 5th Anti-Money Laundering Directive from the European Union (expanding the scope of anti-money laundering legislation to cover virtual currencies) and has implemented 4th Anti-Money Laundering Directive with the Danish Anti-Money Laundering Act from June 2017. Over the coming years there will be strong focus on implementing a new National strategy for combatting money laundering and terrorist financing (September 2018). The strategy is particularly focusing on strengthening the cooperation on combatting money laundering, including increased information sharing, between national authorities and between national authorities and the private sector. The strategy is also focusing on national risk assessments; risk based supervision; increased awareness and prevention; strengthening of international cooperation; and finally the strategy is focusing on increasing the penalties for violation of the anti-money laundering legislation.

Denmark will further play a more active role in the international cooperation against money laundering in the Financial Action Task Force (FATF) as well as in the Council of Europe and the European Union. Denmark is committed to responding formally and swiftly to all recommendations from these international forums and organizations.

Beneficial Ownership Disclosure

The Danish Government led by the **Ministry of Industries, Business and Financial Affairs** will implement the provision in the Danish Companies Act, requiring information on beneficial ownership to be publicly available in the Central Business Register. Denmark will continue to promote integration of Beneficial Ownership registries at EU level through the Business Registers Interconnection System (BRIS) and promote expanding the scope of Beneficial Ownership registers to include trusts. Since 1 July 2018 it has not been possible to register a company in Denmark without registering its beneficial owners. Furthermore, if a company fails to register its beneficial owners the sanction of compulsory dissolution of a company by court can be applied.

Denmark will play an active role in international cooperation to promote Beneficial Ownership Disclosure *inter alia* by joining the Beneficial Ownership Transparency Network.

Corruption in Sport

Denmark is a strong advocate of an EU ratification of the Macolin Convention against the manipulation of sport competitions (match-fixing). Meanwhile the Sports Confederation of Denmark has been pro-active in setting up rules among the Nordic countries on mutual recognition of sanctions in relation to match-fixing and will continue to advocate for more countries to join this cooperation.

Development Cooperation

Denmark has fulfilled the UN objective of providing 0.7 per cent of its gross national income to official development assistance (ODA) since 1978 and will continue to do so. Promoting the international anti-corruption agenda is a key priority for Denmark as also reflected in Denmark's strategy for development cooperation and humanitarian action (The World 2030). Denmark will help build effective, accountable and inclusive institutions in partner countries. Denmark has supported anti-corruption initiatives and broader governance reform through its bilateral engagement and strategic sector cooperation as well as through support for multilateral partners and civil society organisations.

The Ministry of Foreign Affairs of Denmark (MFA) will continue to support anti-corruption initiatives in bilateral country programmes, e.g. by strengthening public financial management including domestic control systems, supreme audit institutions, anti-corruption agencies and ombudsman institutions. MFA will apply zero tolerance towards corruption in line with its Anti-Corruption Policy and its Code of Conduct that are applicable to all staff working in the MFA. The National Audit Office of Denmark is notified of all cases of reasonable suspicions of irregularities or misuse concerning Danish development assistance. As a main rule these notifications are also published on the MFA's webpage.

-The Government of Denmark has presented a new four-year anti-corruption programme as part of the draft Finance Act for 2019 as part of the Danish development cooperation. The programme will provide support for UN agencies, international NGOs and private sector initiatives.

-The MFA will support Danish companies and NGOs operating abroad in resisting demands of bribes and facilitation payments through the Fight Against Facilitation Payments Initiative (FAFPI) that is implemented in cooperation with the Confederation of Danish Industry. FAFPI will provide a platform for anonymously reporting incidents where demands for facilitation payments are raised. This in turn will serve as a point of departure for a dialogue with local authorities in how to address given challenges.