



SUMMARY OF NATIONAL PROGRESS

1. Please provide a high-level summary of the most significant Anti-Corruption measures or initiatives that your country has introduced or implemented since the last progress report. (maximum 1 paragraph).

The 2013 Progress Report can be accessed at http://en.g20russia.ru/docs/g20_russia/materials.html

Canada tabled the fifteenth report to Parliament on the Implementation of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the Enforcement of the Corruption of Foreign Public Officials Act (CFPOA) in October 2014 (<http://www.international.gc.ca/trade-agreements-accords-commerciaux/topics-domaines/other-autre/corruption.aspx?lang=eng>).

On August 15, 2013, Mr. Nazir Karigar was convicted by the Ontario Superior Court of agreeing with others to offer bribes to Indian government officials contrary to paragraph 3(1)(b) of the CFPOA to facilitate the execution of a multi-million dollar contract for the supply of a security system by Cryptometrics, a Canadian high-tech firm. On May 23, 2014, Mr. Karigar was sentenced to three years' imprisonment. This conviction marks the first time that an individual has been convicted under the CFPOA, and the first time that a matter has gone to trial under the CFPOA.

In December 2013, the Government launched public consultations on a number of corporate governance issues including beneficial ownership and improving corporate record keeping. The consultation concluded on May 15, 2014 and stakeholders submissions are available on-line at:

http://www.ic.gc.ca/eic/site/cilp-pdci.nsf/eng/h_cl00022.html

UNITED NATIONS CONVENTION AGAINST CORRUPTION (UNCAC)

2. Has your country ratified the UNCAC?

YES NO

If no, is there a process underway to ratify the Convention?

3. Since the last progress report, has your country proposed or implemented any changes to its legislation to comply with the UNCAC?

YES NO

If yes, please provide details.

4. Has your country begun the UNCAC peer review process as a country under review?

YES NO

If yes, please indicate what stage of review your country has completed and the date.

Canada completed its onsite review in October 2013. The Executive Summary of the Report was published in February. The finalization of the Canada's report is pending.

The Executive Summary is available on the Canada's UNCAC country profile webpage:

<https://www.unodc.org/unodc/treaties/CAC/country-profile/profiles/CAN.html>

5. If yes, has your country made use of any of the UNCAC peer review voluntary options, or committed to do so (if the review is not already started)?

- | | | | |
|---------------------------------|-----------------------------------------|-----------------------------|--------------------------------------------------------|
| a. Publication of full report | YES <input type="checkbox"/> | NO <input type="checkbox"/> | COMMITTED TO DO SO <input checked="" type="checkbox"/> |
| b. Involvement of civil society | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | COMMITTED TO DO SO <input type="checkbox"/> |
| c. Involvement of business | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | COMMITTED TO DO SO <input type="checkbox"/> |
| d. Allowing country visits | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> | COMMITTED TO DO SO <input type="checkbox"/> |

If yes, please provide details (e.g., Web link for published report, how and when civil society / business was engaged during the review process, date of country visit)

The country visit took place on 21-24 October 2013 in Ottawa, Canada. Civil society and business representatives participated directly in the onsite visit and submitted reports to the review team.

6. Has your country taken steps to respond to recommendations identified in its UNCAC peer review report?

YES YES TO SOME NO NOT YET RECEIVED THE REPORT

If yes, please indicate what steps your country has taken / is taking.

Although Canada has not yet received the final report, the recommendations highlighted in the Executive Summary call upon Canada to continue on-going activities that implement UNCAC. Canada will continue to do so.

7. If you have responded to all or some of the recommendations, have you made those responses publicly available?

YES NO NOT YET

See response to question 6.

8. Has your country taken measures to promote, facilitate and support technical assistance in the prevention of and fight against corruption?

If yes, please provide a short overview indicating in which regions and topics you have provided technical assistance.

Canada's international assistance programs integrate governance considerations, including anti-corruption, in the analysis, design, implementation, and monitoring of programs and projects.

This assistance is in the form of long-term strengthening of government institutions in developing countries, including Supreme Audit Institutions, parliaments, legislatures and anti-corruption institutions, reforming public administration and the judiciary, and enhancing the quality of public financial management.

Foreign Affairs, Trade and Development Canada (DFATD) works with developing countries to build anti-corruption reforms through support to oversight and audit institutions and functions. For example, we recently helped increase parliamentary budget oversight capacity and accountability and created more transparent national budget processes in 7 African parliaments.

DFATD also works to reduce opportunities for corruption by building more transparent and efficient systems for public financial and economic management. In Benin, we recently helped to modernize public administration to achieve more effective collection and management of corporate and personal income taxes. In the Caribbean, we are helping to create responsive tax and customs departments and greater public financial management (budget preparation and treasury execution) that ensures stewardship over revenues and control over expenditures.

DFATD builds anti-corruption reforms through rule of law to prevent judicial corruption and corrupt policing. For example, we recently supported the government of Ukraine in developing a national anti-corruption strategy and built the capacity of the Ministry of Justice.

DFATD continues to reinforce the capacity of national institutions to implement transparent and democratic elections to prevent political corruption. For example, in Pakistan, we are funding a project that seeks to strengthen the Election Commission and to improve the legal framework that supports the electoral process.

Decentralization offers the prospect of increased accountability to citizens and taxpayers through the greater accessibility of decision-making. In Tanzania, we support the Public Service Reform Program and the Ethics Secretariat through partnership with the Institute of Public Administration Canada (IPAC). The purpose of this investment is to reduce the risks of conflicts of interest and grand corruption among Tanzania's political leaders and civil servants.

Civil society organizations and independent media have a crucial role to play in the effective fight against corruption and can be a stimulus to the participation of citizens in public spaces. DFATD supports greater freedom of the media and recently supported programs such as Strengthening Freedom in Ukrainian Media that aimed at addressing corruption through legislative and regulatory reform, the expanded use of the public access to information law and the promotion of ethical and professional standards among journalists.

Victims and witnesses of corruption are key actors who can potentially expose corruption which can result in improved and more inclusive governance. When efficient, whistleblowing mechanisms and legislation have the potential of opening a space for them to come forward and speak out, and for

authorities to have the obligation of publicly responding to their testimony and changing inappropriate behaviours. In most of its humanitarian projects, DFATD includes a witness protection mechanism that allows victims of corruption to denounce the activities that lead to inequalities and human rights violations. These mechanisms are especially focused towards the most affected and vulnerable population such as women, children and youth.

DFATD is engaged in anti-corruption reforms through partnership with other donors and in joint donor funding mechanisms to prevent conflict and corruption, and to enable citizens to hold their governments accountable. We also support international initiatives such as the UN Global Compact, the world's largest corporate citizenship initiative. This initiative contributes to the fight against corruption by providing a platform for learning and dialogue, by offering guidance to companies and by promoting responsible investment and best business practices in developing countries.

DFATD has worked in partnership with other donors and international organizations on policy and donor coordination, research, information exchange to help shape policies and positions on issues of corruption and anti-corruption reform. Examples of this involvement include the broad work with the OECD/DAC and the G20 Anti-Corruption working group.

BRIBERY

Note - questions relating to implementation of the *G20 Principles on the Enforcement of the Foreign Bribery Offence* endorsed by Leaders in 2013 and the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions* are included in a separate questionnaire. The questions below concern other aspects of bribery not covered by this set of principles.

9. Has your country criminalized the domestic offer or payment of bribes (active bribery)?

YES NO

10. Has your country criminalized the domestic solicitation or acceptance of bribes (passive bribery)?

YES NO

11. If no, is your country taking steps to criminalize active and/or passive bribery?

YES NO

If yes, please provide details.

n/a

12. Has your country instituted measures to discourage the solicitation of bribes?

YES NO

If yes, please provide details.

Solicitation of a bribe in Canada is a criminal offence. Allegations of solicitation within Canada would be addressed through the criminal justice system.

The *Conflict of Interest Act* (COIA) applies to Public office holders and members of Parliament. Section 16 of the COIA states that, “No public office holder shall personally solicit funds from any person or organization if it would place the public office holder in a conflict of interest.”

The Policy on Conflict of Interest and Post – employment (Appendix B, section 2.4) applies to Public servants in the core public administration and prohibits public servants from solicitation of gifts, hospitality or benefits etc. A public servant who breaches the policy can be disciplined, up to and including termination of employment.

13. Does your country provide support for/work with business in resisting solicitation?

YES NO

If yes, please provide details.

The RCMP’s International Anti-corruption groups are actively involved in providing outreach presentations to business communities across the country. Proactive work is also being done with various universities to promote awareness and partner in some course programs to develop anti-corruption presentation material aimed at students as well as small and medium commercial enterprises. As these initiatives progress they will provide a further strategy and tool to prevent and detect corruption in international business transactions.

14. Has your country instituted measures to discourage facilitation payments?

YES NO

If yes, please provide details.

Under the *Fighting Foreign Corruption Act*, which received Royal Assent on 19 June 2013, the CFPOA was amended to provide for the removal of the facilitation payment exception on a day to be fixed by order of the Governor in Council. Time has been afforded for the conduct of outreach with the business community to raise awareness and to provide an opportunity for it to adjust its internal practices and policies. Our outreach remains ongoing.

ANTI-MONEY LAUNDERING

15. Since the 2013 progress report, has your country taken any measures to implement the revised FATF standards on anti-money laundering?

YES NO

If yes, please provide details.

The basis for the AML/CFT preventive legislation in relation to financial institutions and designated non-financial businesses and professions (DNFBPs) in Canada is the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA)(<http://laws-lois.justice.gc.ca/eng/acts/P->

24.501/).

The Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations (PCMLTFR) (<http://laws-lois.justice.gc.ca/eng/regulations/SOR-2002-184/index.html>) implement parts of this Act.

On January 31, 2013, amendments to the PCMLTFR entered into Canadian law. The amendments came in force on February 1, 2014 and include:

- Clarifying that customer due diligence is required in all cases where financial institutions have a suspicion of money laundering and terrorist financing;
- Clarifying obligations regarding beneficial ownership identification;
- Collecting information on the purpose and intended nature of the business relationship;
- Ongoing due diligence;
- Enhanced measures in higher risk scenarios;

In addition, Canada is currently working on a broader risk assessment. On June 18, 2013, Canada published its Action Plan on Transparency of Corporations and Trusts in support of the G-8 countries' commitment to demonstrate leadership in improving their respective regimes to prevent the illegal use of corporations and trusts. Canada's G-8 Action Plan commits to developing a new money laundering and terrorist financing risk assessment framework and conducting a formal assessment of these risks domestically to better inform the development and implementation of effective policies and operational approaches to mitigate risks.

Canada has already begun working towards the commitments set out in the Action Plan. An interdepartmental Risk Assessment Working Group led by the Department of Finance has been established, the Terms of Reference were approved in spring 2013 and work is proceeding on track.

16. Since the last progress report, have changes to your country's anti-money laundering legislation been proposed or implemented?

YES NO

If yes, please provide details.

See description in question 15 regarding amendments to the PCMLTFR.

In Budget 2014, Canada announced that, as part of Canada's Action Plan on Transparency of Corporations and Trusts, the Government will consider options to further improve corporate transparency, taking into account the results of Industry Canada's consultations on corporate transparency issues in the context of the Canada Business Corporations Act. The Government also committed to consider the option of an explicit ban on bearer instruments.

Budget 2014 also announced that the Government would introduce legislative amendments and regulations to strengthen Canada's anti-money laundering and anti-terrorist financing regime and improve Canada's compliance with international standards, while minimizing the compliance burden. Following the Budget announcement, a package of almost 40 legislative amendments to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) was tabled through the Economic Action Plan 2014 Act, No. 1.

These amendments fall into the following themes:

- Closing gaps in Canada's regime, which would make various new types of entities subject to the requirements of the Act including online casinos, foreign money services businesses and businesses that deal in virtual currencies (such as Bitcoin);
- Strengthening customer due diligence standards, including with respect to politically exposed domestic persons, heads of international organizations, and designated family members and close associates of politically exposed foreign persons, politically exposed domestic persons and heads of international organizations.
- Improving compliance, monitoring and enforcement efforts;
- Strengthening information sharing across the regime, which would expand requirements for financial conglomerates to coordinate their AML/ATF programs across affiliates, and would also expand the type of information that the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) can disclose to law enforcement and other partners and enhance its ability to disclose to federal partners on threats to the security of Canada; and
- Bringing Part 1.1 of the Act into force, which would allow the Minister and the government to take counter-measures against foreign states and foreign entities that are of high money laundering or terrorist financing risk.

The bill was enacted on June 19th, 2014. In general, amendments that were internal to Government came into force immediately and those that have an impact on the private sector will come into force in June 2015 or when enacting regulations are introduced.

The Government also recognizes that some improvements are required to increase the effectiveness of its financial sanctions regime and reduce the burden on the private sector, in particular the burden on smaller businesses. The Government, led by Foreign Affairs, Trade and Development Canada, will therefore adopt new administrative measures and propose legislative and/or regulatory amendments as necessary to improve the effectiveness of its targeted financial sanctions regime. This will help ensure that Canada remains a leader in safeguarding the integrity of the international financial system, as well as the safety and security of Canadians.

<http://www.budget.gc.ca/2014/docs/plan/ch3-2-eng.html>

DENIAL OF ENTRY

17. Have any changes to your country's legislation, regulations or powers to deny entry to foreign officials charged with or convicted of corruption offences been proposed/implemented since the last progress report?

YES NO

If yes, please provide details.

The *Faster Removal of Foreign Criminals Act* received Royal Assent in June 2013. The Act includes a new ministerial authority to refuse temporary resident status to foreign nationals on the basis of public policy considerations. This new authority came into force in August 2013, followed by the enactment of supporting regulatory amendments in November 2013. Guidelines outlining the types of behaviours and activities that may lead the Minister of Citizenship and Immigration to exercise this authority are available on Citizenship and Immigration Canada's website (<http://www.cic.gc.ca/english/department/media/backgrounders/2012/2012-10-24.asp>). The guidelines include, for example, a foreign national who promotes or glorifies terrorist violence, a

senior official of a government against which Canada has imposed sanctions, or a corrupt foreign official listed in regulations to the Freezing Assets of Corrupt Foreign Officials Act.

If no, is such legislation under consideration?

YES NO

If yes, please provide details.

n/a

INTERNATIONAL COOPERATION

18. Is your country's administration of mutual legal assistance consistent with the G20 High Level Principles?

YES NO

If your country's approach is not yet consistent, are you taking steps to implement the Principles?

YES NO

If yes, please provide details.

n/a

19. Are you aware of your country having used one or more of the G20 country Guides to Mutual Legal Assistance?

If yes, please provide details.

Canada led the development of the Roma/Lyon Group's step-by-step guide on requesting mutual legal assistance in criminal matters (http://www.coe.int/t/dghl/standardsetting/pc-oc/PCOC_documents/8_MLA%20step-by-step_CN152011_CRP.6_eV1182196.pdf) which served as the basis for the G20 Guide to Mutual Legal Assistance. Canada has used the text included in both guides to provide basic information to countries seeking information on requesting MLA from Canada. Canada has also used some of the Guides in seeking MLA from G20 countries.

20. Are you aware of non-G20 members having used the G20 Guide to Mutual Legal Assistance to request mutual assistance from your country?

If yes, please provide details.

Canada routinely distributes its portion of the MLA Guide to MLA partners during bilateral consultations in order to assist them in drafting their requests to Canada.

21. Have any changes to your country's legislation related to international cooperation been proposed since the last progress report?

YES NO

If yes, please provide details.

Legislative amendments are currently being considered by Canada's Parliament that would give the legal basis to obtain preservation orders in response to an MLA request, with respect to Internet Service Provider Records.

22. Has your country either used UNCAC, or stated that it will allow the use of UNCAC, as the treaty basis for mutual legal assistance (MLA) and/or extradition?

- | | | |
|-------------------------------------------------------|-----------------------------------------|----------------------------------------|
| a. Has used as the treaty basis for MLA | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| b. Will allow use as the treaty basis for MLA | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| c. Has used as the treaty basis for extradition | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |
| d. Will allow use as the treaty basis for extradition | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |

23. Do domestic authorities in your country cooperate and share information with the integrity offices of international organizations?

- | | |
|--------------------------------------------|-------------------------------------|
| a. Cooperate and share information | <input checked="" type="checkbox"/> |
| b. Could cooperate, but has not been asked | <input type="checkbox"/> |
| c. Cannot cooperate | <input type="checkbox"/> |

If you cannot cooperate, please provide details.

The RCMP will work with the integrity offices of international organizations. The World Bank is one example where there has been cooperation and information sharing.

24. Has your country designated an appropriate authority responsible for mutual legal assistance and law enforcement requests relating to asset recovery (a point of contact)?

YES NO

If yes, to which organizations:

- | | |
|-----------------------------------------|-------------------------------------|
| a. UNODC | <input checked="" type="checkbox"/> |
| b. StAR/Interpol Focal Point Initiative | <input checked="" type="checkbox"/> |
| c. Camden Asset Recovery Network | <input checked="" type="checkbox"/> |
| d. Other(s) | <input checked="" type="checkbox"/> |

If yes to 'Other(s)', please provide details.

All contacts are available online in Canada's guide on Asset Recovery:

<https://star.worldbank.org/star/sites/star/files/Canada%E2%80%99s-Asset-Recovery-Tools-A-Practical-Guide.pdf>

a. **Contact on Freezing Assets of Corrupt Government Officials**

In Canada, requests to freeze the assets of corrupt government officials must be made to the Canadian Department of Foreign Affairs and International Trade through the following contact point:

Criminal, Security and Diplomatic Law Division
Legal Affairs Bureau
Department of Foreign Affairs and International Trade Canada
Lester B Pearson, Tower C
125 Sussex Drive
Ottawa, ON, K1A 0G2, Canada
Telephone: + 1-343-203-2542

Email: freeze-gel@international.gc.ca

b. **Contact on Requests for Mutual Legal Assistance**

All requests for mutual legal assistance in criminal matters, including those seeking the restraint, seizure, forfeiture/confiscation and sharing of criminal proceeds are submitted to the Canadian Central Authority, the International Assistance Group at the Department of Justice Canada. The contact information is provided below:

International Assistance Group
Litigation Branch, Criminal Law Division
Department of Justice Canada
284 Wellington Street, 2nd Floor
Ottawa, ON, K1A 0H8
Telephone: + 011 44 613-957-4832
After hours number: + 011 44 613-851-7891
Fax: + 011 44 613-957-8412
Email: cdncentralauthority@justice.gc.ca

In addition, Canada has a liaison official in Brussels to facilitate the processing of mutual legal assistance requests from countries in Europe, and a liaison official in Paris to assist in the processing of requests to and from France. Their contact information is as follows:

Counsellor of International Criminal Operations
Canadian Mission to the European Union
Avenue de Tervuren 2
1040 Brussels, Belgium
Telephone: + 32 (0)2 741 07 71
Fax: + 32 (0)2 741 06 29

c. **Contact on Asset Sharing**

Requests to share forfeited criminal proceeds are made to the Canadian Department of Justice. The contact point is as follows:

Elaine Krivel, Q.C.

General Counsel
Department of Justice Canada
130 King Street West, # 3400
Toronto, Ontario M5X 1K6
Canada
Tel: 416-973-9648
Fax: 416-973-4328
E-mail: elaine.krivel@justice.gc.ca

ASSET RECOVERY

25. Does your country have legislation allowing for asset recovery by foreign authorities or is such legislation proposed?

YES NO

If yes, please provide details.

The Seized Property Management Act, provides that the Attorney General of Canada, with the approval of the Governor in Council, may enter into a reciprocal asset sharing agreement with the government of a foreign state in order to return assets to the foreign state. Sections 3 & 4 of the *Forfeited Property Sharing Regulations*, which apply to such agreements, further provide that no sharing under the *Seized Property Management Act* and these *Forfeited Property Sharing Regulations* shall take place with the government of a foreign state unless the government of that foreign state has entered into an agreement pursuant to section 11 of the *Seized Property Management Act*. In turn, the agreement with the government of a foreign state, shall:

- provide that sharing will be between the Government of Canada and the government of that foreign state;
- provide that the sharing of the proceeds of disposition of property in Canada and the sharing of fines in Canada will be in accordance with the Regulations;
- provide that there will be no conditions in respect of the use of any moneys received under the agreement; and
- state the title of the official to whom the amount of any share is to be paid and sent or provide that a central authority will designate to whom the amount of any share is to be paid and sent.

In accordance with article 57(4) of the *United Nations Convention against Corruption*, Canada shares property with the requesting state in manner that recognizes deductions for reasonable expenses incurred in investigations, prosecutions and judicial proceedings leading to the return or disposition of confiscated property. To this end, the *Forfeited Property Sharing Regulations* provide that Canada shall return or dispose of confiscated property using percentage based asset sharing formulae that recognize the value of Canada's contributions towards achieving the return or disposition of the property against the value of the property itself. This is done on a diminishing value basis such that the value of Canada's contribution that may be deducted from the value of the property can be 90% for predominant contributions, 50% for significant contributions and 10% for minimal contributions.

26. Has your country established a specialist/dedicated unit for the recovery of the proceeds of corruption?

YES NO

If yes, please provide the name of the specialist unit and contact details.

27. Does your country publish or otherwise make publicly available details of amounts frozen, seized, recovered or returned?

YES NO

If yes, please provide details.

28. Is your country providing technical assistance to developing countries aimed at helping the recovery and return of proceeds of corruption?

YES NO

If yes, please provide details.

Canada is an active contributor to the Action Plan on Asset Recovery providing expert technical advice on effective strategies for mutual legal assistance and investigations.

TRANSPARENCY OF LEGAL ENTITIES

29. Does your country have transparency requirements for legal persons, including companies, bodies corporate, foundations and partnerships?

YES NO

If yes, please provide details.

The Canada Business Corporations Act (CBCA) (<http://laws-lois.justice.gc.ca/eng/acts/C-44/INDEX.HTML>) requires corporations to prepare and maintain corporate records including adequate accounting records. These documents are generally accessible to shareholders, creditors and the Director appointed under the Act and if the corporation is a distributing corporation, other persons in accordance with the CBCA. The Act also requires directors to place annual financial statements before shareholders at every annual meeting.

Company formation is registered with a public regulatory body (Corporations Canada) upon incorporation. Basic corporate information is searchable through a public website.

Information on beneficial owners is governed by securities law and may be available to law

enforcement.

As part of the consultation on the CBCA, stakeholders commented on corporate transparency measures such as the availability of beneficial ownership information to competent authorities and provisions on corporate records and audits to combat bribery in international transactions. The consultation concluded on May 15, 2014 and stakeholder submissions are available on-line at: http://www.ic.gc.ca/eic/site/cilp-pdci.nsf/eng/h_cl00022.html

Partnership law is regulated by the provinces.

30. Does your country require that the beneficial ownership and company formation of all legal persons organized for profit be reported by the legal person?

YES NO

If yes, to whom is it reported?

The CBCA requires corporations to maintain a register recoding the issued registered securities and the information pertaining to security holders. The Act does not require the collection of beneficial ownership information for all legal persons. As part of the ongoing consultation on the CBCA, we are seeking stakeholder comments on whether, and how, the availability of beneficial ownership information to competent authorities, the existence of bearer shares and the disclosure of nominee shareholder information should, and could, be addressed in the CBCA.

31. If yes, is this information available to the public?

YES NO

32. If this information is not available to the public, is it available to law enforcement?

YES NO

WHISTLE BLOWER PROTECTION

33. Does your country have legislation to protect whistleblowers:

a. In the public sector YES NO

b. In the private sector YES NO

34. Have changes to whistle blower protection legislation been proposed or implemented since the last monitoring report?

YES NO

If yes, please provide details.

Since the last progress report, has your country implemented any measures to protect journalists reporting incidents of corruption?

YES NO

If yes, please provide details

PROCUREMENT

35. Does your country publish online any of the following?

a. Procurement laws and policies including any legislation defining the use of exceptions YES NO

b. Selection and evaluation criteria YES NO

c. Awards of contracts and modifications of contracts YES NO

Please provide details.

Laws & Policies

- 1) The *Financial Administration Act* (FAA) provides Treasury Board, a Ministerial Committee which serves as the Management Board of Government, with regulatory and policy authority regarding entry into contract [section 41(1)] and general administration [section 7(a)] respectively.
- 2) The *Government Contracts Regulations* have been enacted pursuant to Section 41(1) of the *Financial Administration Act*. Under the regulations, contracting authorities must solicit bids with four narrow exceptions. In 2011, the regulations were amended to deem terms, to be expressly stated in contracts, that increase administrative transparency, oversight and accountability.
- 3) Canada's federal government procurements are subject to international and domestic trade agreements and Comprehensive Land Claim Agreements, all of which are legal obligations.
- 4) The *Canadian International Trade Tribunal Act* (section 30.11) provides the Canadian International Trade Tribunal with the authority to review bid challenges for contracts covered by the trade agreements and to establish regulations for procurement inquiry, which are known as the *Canadian International Trade Tribunal Procurement Inquiry Regulations*.
- 5) The Department of Public Works and Government Services Act and the Procurement Ombudsman Regulations mandate the Office of the Procurement Ombudsman to improve fairness, openness and transparency in federal procurement. The Ombudsman has the authority to review the procurement practices of departments and to recommend improvements; to review complaints regarding transactions not covered by the trade agreements, which means the award of goods contracts below \$25,000 and services below \$100,000; to review complaints with respect to contract administration; and to ensure an alternative dispute resolution process is provided.

The Treasury Board Contracting Policy is the major policy instrument devoted exclusively to federal government procurement. It governs procurement for the departments and agencies of the Government of Canada and is issued pursuant to sections 7 and 41(1) of the

Financial Administration Act. In addition to articulating the contracting policy per se, this procurement framework instrument alerts procurement practitioners to all other statutory or policy instruments which may affect procurement in whole or in part; for example, the Official Languages Act, the Competition Act and the Access to Information Act.

Selection and evaluation criteria

The Government of Canada publishes tender notices online for free and does not require registration. Interested parties can search or browse the latest tenders using the online search tools. Bid solicitation documents that are available online contain the selection and evaluation criteria. The link is: <https://buyandsell.gc.ca/procurement-data/tenders>.

Awards of contracts and modifications of contracts

The Government of Canada publishes information about contracts awarded and amendments as follows:

Information about all contracts awarded / amended by federal departments and agencies, including Public Works and Government Services Canada (PWGSC), valued at over \$10,000, is available quarterly through the Treasury Board Secretariat (TBS) proactive disclosure website <http://www.tbs-sct.gc.ca/pd-dp/gr-rg/index-eng.asp> ;

Information about contracts and amendments awarded by PWGSC is also available at the at PWGSC's BuyandSell.gc.ca <https://buyandsell.gc.ca/procurement-data/contract-history>;

Notices of all trade agreement covered federal planned procurements and contract awards are published on the Government Electronic Tendering System (GETS) which is hosted at https://buyandsell.gc.ca/procurement-data/search/site?f%5B0%5D=sm_facet_procurement_data%3Adata_data_tender_award

36. Since the last progress report, have any new initiatives to promote public procurement transparency and integrity been proposed or implemented?

If yes, please provide details.

Additional enhancements were made to Public Works and Government Services (PWGSC)'s Integrity Framework to further strengthen the integrity of its procurement and real property transactions. Following consultations with other government departments and agencies as well as industry stakeholders, the following changes were announced on March 1, 2014:

- 1) Expansion of the list of offences that would render suppliers ineligible to do business with the Department;
- 2) Debarment of suppliers who receive foreign convictions similar to the Canadian offences listed in the Integrity Framework;
- 3) Expansion of debarment conditions to include guilty pleas with conditional or absolute discharge;
- 4) Requirement for all contractors to extend the same terms and conditions to subcontractors; and
- 5) Introduction of a 10 year-fixed debarment period.

37. Are there regulations and procedures for public procurement officials to govern conflicts of interest?

YES NO

If yes, please provide details.

The *Values and Ethics Code for the Public Sector* outlines the values and expected behaviours that guide public servants in all activities related to their professional duties.

The Treasury Board *Policy on Conflict of Interest and Post-Employment* applies to the core public administration. The objectives are to:

- ensure that, in situations of real, apparent or potential conflict of interest and situations where there is a conflict of duties, decisions are made in a manner which upholds the public interest;
- facilitate ethical decision-making within organizations and by public servants to resolve conflicts between private and public interests; and
- establish measures to help public servants prevent, manage and resolve conflict of interest and post-employment situations that could impair either the integrity of the public service or the public's perception of its integrity.

Public Works and Government Services' (PWGSC) Code of Conduct contains a Statement on Conflict of Interest and Post-Employment whose purpose is to enhance and maintain public confidence in the integrity of employees of PWGSC. It informs employees of their roles and responsibilities, the public service values and the measures required to comply with the Values and Ethics Code for the Public Sector and additional measures that PWGSC has put in place. It also attempts to minimize the possibility of conflicts of interest arising between the private interests and the public service duties of employees, and provides for their resolution should they arise.

Public Works and Government Services (PWGSC)'s Code of Conduct for Procurement applies to suppliers and to PWGSC staff, and outlines what is acceptable conduct when contracting with the government. The code helps ensure that the department conducts its business to the highest ethical standards—standards that Canadian citizens expect the government to uphold and protect.

38. Are companies that have been found to be involved in corrupt contracting practices excluded from future participation in public tenders?

YES NO

If yes, please provide details.

The *Criminal Code of Canada* precludes suppliers from receiving a contract if they have been convicted of frauds against the government under the Criminal Code; frauds under the Financial Administration Act. Also those that make payment of a contingency fee to a person to whom the Lobbying Act are also precluded from receiving a public contract.

The Department of Public Works and Government Services Canada (PWGSC – Canada’s common services organization for procurement) has strengthened further the integrity of its procurement and real property transactions. Suppliers convicted, or have plead guilty but received absolute or conditional discharges in Canada or abroad in the past 10 years, of listed offences are precluded from doing business with the department. The list of offences are:

- Money laundering;
- Participation in activities of criminal organizations;
- Income tax/excise tax evasion;
- Bribing of a foreign public official;
- Offences in relation to drugs;
- extortion;
- bribery of judicial officers;
- bribery of officers;
- secret commissions;
- criminal breach of contract;
- fraudulent manipulation of stock exchange transactions;
- prohibited insider trading;
- forgery and other offences resembling forgery; and
- falsification of books and documents.

39. If yes, is the debarment list of International Financial Institutions taken into account?

YES NO

40. Are the names of companies excluded from future participation in public tenders made publicly available?

YES NO

If yes, please provide details.

DISCLOSURE BY PUBLIC OFFICIALS

41. Does your country require disclosure by public officials of:

- | | | |
|--------------------------|-----------------------------------------|----------------------------------------|
| a. Income | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |
| b. Assets | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| c. Conflicts of interest | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| d. Gifts | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| e. Other | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |

If yes, please provide details.

Public office holders' requirements are contained in the Conflict of Interest Act

<http://laws-lois.justice.gc.ca/eng/acts/C-36.65/>

Requirements for public servants in the core public administration are outlined in Appendix A of the Values and Ethics Code for the Public Service

http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb_851/vec-cve01-eng.asp#Toc46202826

Requirements for public servants in the organizations of the larger public sector are contained in each organization's code of conduct.

PUBLIC OFFICIALS' IMMUNITIES

42. Does your country provide immunities from prosecution to individuals holding public offices for corruption related offences?

- | | | |
|-----------------------------------------------------|-----------------------------------------|----------------------------------------|
| a. All public office holders | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |
| b. Certain public office holders | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |
| c. No immunities available to public office holders | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| d. While in office | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |
| e. Permanently | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |

If yes, which public office holders are immune and if immunity is limited, please explain.

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EDUCATIONAL INITIATIVES

43. Is your country involved in any of the following international anti-corruption educational initiatives?

International Anti-Corruption Academy YES NO

UNODC Anti-Corruption Academic Initiative YES NO

Other international anti-corruption educational initiative(s) YES NO

If yes, please provide details.

44. Does your country provide anti-corruption educational/training programs for officials, including public office holders?

YES NO

If yes, please provide details.

The Canada School of Public Service provides on line and classroom training, as well as ad-hoc armchair discussions, in values and ethics for public servants. Their main website is at <http://www.csps-efpc.gc.ca/index-eng.aspx>

The school offers 16 classroom courses and four online courses. A listing of those courses is at <http://www.csps-efpc.gc.ca/sch/index-eng.aspx?strSearch=values%20and%20ethics>

The Office of the Conflict of Interest and Ethics Commissioner is responsible for education and awareness for public office holders. Their website is at <http://ciec-ccie.gc.ca/Default.aspx?pid=1&lang=en&wb48617274=434A0F0E>

45. Does your country or business associations in your country promote anti-corruption training for the private sector?

YES NO

If yes, please provide details.

In the past year, Export Development Canada (EDC) has been working with select Canadian exporters in the transactional environment to strengthen their corporate governance so that they can anticipate and respond to CSR risks as they arise. Specifically, in 2013, EDC engaged with some of its long-term customers at the most senior levels on corruption issues. Through this dialogue, EDC worked with these customers to provide feedback on the strength of their anti-corruption policies. EDC also provided its expertise on how to set the proper 'tone at the top', how to encourage companies to make improvements in their corporate governance and how to educate employees about Canada's *Corruption of Foreign Public Officials Act* (CFPOA). In addition, EDC officials made a number of presentations to raise awareness among its customers of the CFPOA.

EDC's online tools are more generally available to business associations and companies looking to raise their knowledge about the CFPOA and anti-corruption compliance.

46. Has your country disseminated G20 products and documents developed by the group with relevant domestic authorities?

YES NO

If yes, please provide details.

Relevant authorities within the Federal government are consulted on the development of G20 products and documents and finalized products are provided to them. Federal government officials have also called attention to ongoing work of the G20 Anti -Corruption Working Group in meetings with their provincial and territorial counterparts.

JUDICIARY

47. Has your country taken any measures to promote and disseminate the Bangalore Principles for Judicial Integrity?

If yes, please provide details

The values and principles adopted in the Bangalore Principles are reflected in the Ethical Principles for Judges, first published in 1998 and endorsed by the Canadian Judicial Council (composed of the Chief Justices and Associate Chief Justices of Canada's superior courts). In fact, the Ethical Principles for Judges was one of the codes to which the Judicial Integrity Group referred when drafting the Bangalore Principles, and has been expressly adopted by the judiciary of many of the lower courts in all Canadian provinces and territories for guidance in relation to matters of judicial integrity.

48. Has your country taken other measures to promote the accountability and independence of the Judiciary?

If yes, please provide details

Various organizations and processes have been established in Canada to recognize and promote the constitutionally-protected principle of judicial independence as well as judicial accountability. Of key importance is the Canadian Judicial Council (CJC), which was created by the Parliament of Canada in 1971 through amendments to the Judges Act. The objectives of the CJC are to promote efficiency, uniformity, and accountability, and to improve the quality of judicial service for all federally-appointed judges. The most important aspect of the CJC mandate which promotes judicial accountability is its responsibility for reviewing and investigating complaints regarding the conduct of federally-appointed judges made by any member of the public or Attorney General. After investigating a complaint, the CJC can make recommendations, including that a judge be removed from office. (See https://www.cjc-ccm.gc.ca/english/about_en.asp?selMenu=about_conduct_en.asp for further information regarding the complaints process.)

The CJC provides ethical guidance to judges through the Ethical Principles for Judges (https://www.cjc-ccm.gc.ca/cmslib/general/news_pub_judicialconduct_Principles_en.pdf), first published in 1998, framed by statements of principle and commentary on topics such as judicial independence, integrity, diligence, equality, and impartiality. The Ethical Principles for Judges have been adopted in several other provincial and territorial jurisdictions across Canada, all of which also

have developed mechanisms to receive and review complaints regarding the conduct of judges of their respective courts. Links to provincial and territorial judicial councils, including information on complaints processes, are provided on the CJC website (https://www.cjc-ccm.gc.ca/english/conduct_en.asp?selMenu=conduct_resources_en.asp).

In terms of promoting judicial independence, the Office of the Commissioner for Federal Judicial Affairs (OCFJA: <http://www.fja.gc.ca/>) was established under the Judges Act in 1978 to provide federally-appointed judges with administrative services at arm’s length from the Department of Justice, one of the main litigators before the courts. Main areas of responsibility for the OCFJA include administering salaries and benefits for judges of Canadian superior courts, managing judicial advisory committees that evaluate candidates for judicial appointment, and preparing a budget and providing services and staff to the CJC. The OCFJA also acts as the secretariat which supports the Minister of Justice through the Federal Judicial Appointments process.

In terms of the constitutional requirement of financial security in support of judicial independence, the Judicial Compensation and Benefits Commission (http://www.quadcom.gc.ca/pg_JcJc_QC_01-eng.php) is a process created through the Judges Act that is mandated to review and make recommendations to the Minister of Justice regarding the compensation and benefits of federally-appointed judges. The Commission promotes judicial independence by creating an important institutional filter between the executive and the judiciary that examines, at least every four years, the adequacy of the salaries and other amounts payable to federally-appointed judges, and inquires into the adequacy of judges’ benefits generally.

All judicial education in Canada is developed and controlled by the judiciary, although funded by Government and parliamentary appropriations. The National Judicial Institute (NJI: <http://www.nji-inm.ca/nji/inm/accueil-home.cfm>) offers judicial education for all Canadian judges through “judge-led and judging-focused” programs in areas of substantive law, skills training, and social context issues. The NJI provides opportunities for both newly-appointed judges as well as experienced judges.

SECTOR-SPECIFIC TRANSPARENCY INITIATIVES

49. Is your country supporting or implementing any sector-specific initiatives?

Extractive Industries Transparency Initiative (EITI)		
Implementing	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Support	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Construction Sector Transparency Initiative (CoST)		
Implementing	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Support	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Other (specify below)		
Implementing	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Support	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Please provide details on other sectoral initiatives supported by your country, or domestic measures taken in relation to specific sectors.

On June 12, 2013, in the lead up to the G8 Leaders Summit, Prime Minister Harper announced the Government of Canada’s commitment to establish new mandatory reporting standards for Canadian extractive companies with a view to enhancing transparency on the payments they make

to governments. The new Canadian legislation, expected to come into force in June 2015, would require all oil, gas and mining companies publicly-listed in Canada, or privately held here, to publish annual reports of all payments made to all levels of government both domestically and abroad, including Aboriginal entities, of \$100,000 and over on a project-level basis.

The Government of Canada announced at the 2013 G8 Leaders' Summit its commitment to establish mandatory reporting standards by 2015 for extractive company payments made to all levels of government at home and abroad. The establishment of these standards will help to raise global standards of transparency in the extractive sector to deter corruption. The proposed Canadian standards would require extractive publicly-listed and medium and large companies (i.e., those that engaged in the commercial development of oil, natural gas, and minerals) subject to Canadian law to publish annual reports of payments of \$100,000 and over on a project-level basis.

50. Does your government have integrity pacts with the business sector?

YES NO

If yes, please provide details.

Although Public Works and Government Services Canada (PWGSC) does not make use of integrity pacts, it does take a number of steps to verify the integrity of contractors and subcontractors.

By bidding on a contract, bidders are required to certify that neither they, nor members of their Board of Directors or affiliates have any convictions or have plead guilty and received an absolute or conditional discharge of any of the Canadian or similar foreign offences listed in PWGSC's Integrity Framework in the past 10 years. PWGSC then verifies the eligibility of these bidders to determine if they are in compliance with the Integrity Framework.

The Government of Canada has contracts with prime contractors only, Public Works and Government Services Canada (PWGSC) is including a clause in all its contracts that requires subcontractors to be bound by the same terms and conditions as the prime contractor. PWGSC is taking steps to ensure that through its prime contractors, it is not indirectly doing business with a subcontractor that has been convicted or been conditionally/absolutely discharged of one of the offences listed in the integrity provisions.

FISCAL AND BUDGET TRANSPARENCY

51. Has your country taken steps to implement the IMF Good Practices in Fiscal Transparency?

YES NO

If yes, please provide details.

The IMF's 2002 assessment of Canada's fiscal transparency practices relative to this code indicated that Canada meets the requirements of the IMF *Code of Good Practices in Fiscal Transparency*, and in a number of cases represents best practice.

52. Has your country taken steps to implement the OECD Best Practices on Budget Transparency?

YES NO

If yes, please provide details.

Canada follows many of the best practices outlined in the OECD Best Practices on Budget Transparency, including standards prescribed for budget reporting, monthly reporting, the mid-year report, year-end report and long-term report. Canada also adheres to many of the recommendations for specific disclosures as well as integrity, control and accountability. A 2013 study in the OECD Journal of Budgeting indicates that the Canadian federal government has consistently occupied a medium position in the adoption of good budgeting practices.

Thank you for your time in completing this questionnaire.