

Using a risk based approach to prevent corruption in Customs

- The „Risk Atlas“ in Germany -

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Customs – High risk for corruption

- Share of revenues collected by Customs as a percentage of total revenues:
 - Croatia: ~ 18 %
 - Serbia: ~ 44,5 %
 - Germany: ~ 43,6 % (in African Countries up to 70 % or higher!)
- Customs administrations are therefore particularly exposed to corruption
- Johann Wolfgang von Goethe already said: "If you sit at Customs without becoming rich, you are a fool!"



Legal framework for preventing and combating corruption

- **Provisions of criminal law**
- **Provisions of civil service law**
- **Federal Government Directive** concerning the prevention of corruption from 1998 – revised in 2004
- **Service regulations** on corruption

Main content of the Directive

- **Identification and analysis** of areas of work especially at risk from corruption (risk mapping)
- Ensuring greater **scrutiny** (four-eyes principle) and **transparency** of administrative action
- Careful **selection of staff** and limitation of the duration of deployment on principle (e.g. **staff and duty rotation**)
- Appointment of a **contact person for corruption prevention** matters
- **Awareness** creation and briefing of staff, e.g. in the context of basic and advanced training
- Exercise of consistent administrative and task-related **supervision**
- Emphasis on supervisors' function as **role model** and their **duty of care** towards staff



Drawing up a risk atlas

First step

- Determining the areas with an abstract risk of corruption

Second step

- Concrete identification of the vulnerable core processes and activities in the fields of abstract risks
- Collecting information on the safeguard mechanisms already installed

Third step

- Evaluation of the safeguards created with regard to corruption prevention
- Identification of the concrete risk

Criteria to establish the corruption risk

- **Frequent outside contacts** – also in the course of checking and supervisory activities
- **Management of large budgets, awarding of public contracts or subsidies**, including the awarding of grants or other funding
- **Imposing of conditions, granting of concessions**, approvals, permits, and the like, setting and levying of fees
- **Processing of transactions and operations using internal information** not intended for third parties

Risk atlas (example)

Area	Processing of excise duty
Activity	Granting, amending and revoking permits and approvals
Existing safeguards	Task-related supervision by the superior Subsequent review by the audit service in the company
Risk evaluation	Concrete, special corruption risk exists because large sums are involved, there is frequent contact with the same external third parties, and there are major material advantages for third parties. The safeguards that have been implemented do not constitute sufficient protection.
Further „to dos“	<ul style="list-style-type: none">➤ Audit of the implementation of concrete safeguards, e.g. limitation of the duration of deployment (rotation)➤ Principle of greater scrutiny (four-eyes-principle)

Internal audit

- **Auditing the implementation** and impact of the safeguards as outlined in the risk atlas
- **Auditing the internal audit system** of the administration (e.g. administrative and task-related supervision) according to an annual audit plan
- **Supporting** the unit management in carrying out administrative and task-related supervision
- **Detecting** breaches of the law, and
- **Advising** the authority director

External audit

- **Annual report** by the Federal Ministry of the Interior to Parliament on the implementation of the Directive in the federal administrations
- **Audit by the Federal Court of Audit** in the field of corruption prevention e.g.
 - Implementation of preventive measures (such as risk atlas, rotation or principle of counter-checking)
 - Work of the contact person for corruption prevention matters
 - Basic and advanced training in corruption prevention
 - Compliance with the provisions regarding procurement of articles which Customs requires for its work (official vehicles, IT, etc.)

Summary

- Risk mapping is a valuable tool in the fight against corruption
- Helps already preventing corruption instead of being limited to the prosecution of cases
- Purpose is to analyse
 - the different working areas with regard to their abstract and concrete risk for corruption
 - which safeguards are already in place, if these are sufficient or further safeguards need to be installed
- Led to the successful defense and prosecution of attempts of bribery through economic operators

Thank you for your attention!
Any questions?

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