

## **Chapter 1- the United Nations Convention against Corruption (UNCAC) and the private sector**

### **1 (a) Description of practices and measures taken by Algeria to promote business integrity and to encourage the reporting of corruption in the private sector in line with the United Nations Convention against Corruption.**

During the last decade, many measures have been taken by the Algerian authorities to promote business integrity and to encourage the reporting of corruption in the private sector in line with the United Nations Convention against Corruption. The most important one (measure) is the elaboration of the 06-01 law on preventing and combating corruption published on February the 20<sup>th</sup> 2006, where many offences of corruption have been incriminated according to this law.

- Prevent bribery of national public officials, bribery of foreign public officials and officials of public of international organizations, and bribery in the private sector: articles 25 to 29 from part 04 of the previous law.
- Prevent trading in influence: article 32 from part 04 of the previous law.
- Prevent conflicts of interest: article 34 from part 04 of the previous law.
- Prevent embezzlement of property in the private sector: article 41 from part 04 of the previous law.

### **1 (b) Challenges encountered in developing and enforcing the previous measures**

Challenges encountered during the development and the enforcement of the measures taken by the Algerian authorities to promote business integrity and reporting of corruption can be summarized as follow:

- Promote private sector transparency.
- Promote cooperation between national authorities and private entities.
- Promote the development of standards and procedures to safeguard the integrity of companies,
- Ensure that companies have sufficient internal auditing and Controls to.... in prevention and detecting acts of corruption. Introduce or strengthen the liability of legal persons.
- Promote public-private communication, cooperation and partnership (example. With business associations, networks, individual companies, small and medium-sized enterprises).

### **1 (c) Description of the steps taken by the Algerian government to overcome the previous challenges:**

In order to prevent corruption offences, a national strategy project have been initiated by the Algerian authorities during this last year. This strategy include different measures to promote transparency in the private sector, promote cooperation between national authorities and private entities, to encourage the development of standards and procedures to safeguard the integrity of companies, and to encourage communication, cooperation and partnership between the public the private sectors.

## **Chapter 2- Engaging the private sector**

### **2 (a) Description of practices and measures taken in Algeria to promote integrity through anti-corruption programs in the private sector:**

The most important measures taken by the Algerian authorities to promote business integrity are:

- Encouragement of the private sector to establish anticorruption policies, procedures and/or programs.
- Providing training and guidance, and the development of models anticorruption and programs and policies for companies to use and adapt.
- Providing different and appropriate reporting channels to report corruption offences.

### **2(b) Description of practices and measures used to encouraging transparency, public reporting and/or public participation through the Algerian anti-corruption program (both for the public and private sectors).**

It is important to mention that different measures are used to encourage transparency, public reporting and/or public participation through the Algerian anti-corruption program. These measures can be summarized in the following:

- Raising awareness of business integrity: in this context, the Algerian law 04-02 dated on June 23th 2004, regarding the rules applicable to commercial practices, have been established.
- Promote training and education on anticorruption in the private sector: many seminars and scientific events on the subject are organized each year, with the participation of the private sector.

### **2(c) the impact of the measures described above (2(a) and 2(b))?**

The impact of the measures taken in Algeria to promote integrity through anti-corruption programs in the private sector and to encouraging transparency, public reporting and/or public participation in the Algerian anti-corruption programs are currently being assessed.

**2(b) challenges encountered in implementing the measures above (2(a) and 2(b)) are:**

The most important challenges encountered in implementing the measures described in question (2(a) and 2(b)) are related to the non cooperation of the private sector in Algeria with the measures taken by the authorities to promote integrity through anti- corruption programs.

**Chapter 3- using sanction and incentives**

**Part A: sanctions**

**3(a) description of practices and examples of sanctions used in Algeria to strengthen business integrity and to reduce corruption in the private sector:**

- **Monetary sanctions** for legal persons (companies) liable for the participation in an offence of corruption: in this context it is important to mention that the Algerian law 06-01, previously mentioned, stipulates different monetary sanctions for all crimes of corruption.
- **Incarceration or other criminal sanctions** of natural persons (individuals) who have committed an offence of corruption acting on behalf of a company: it is important to mention that the Algerian law 06-01, previously mentioned, stipulates different penal sanctions for all crimes of corruption.
- **Confiscation of proceeds of corruption** for both companies and individuals who acted on their behalf: according to its article 51, the Algerian law 06-01, previously mentioned, stipulates the confiscation of proceeds of corruption for both companies and individuals who acted on their behalf for all crimes of corruption.
- **Means to communicate and enforce anticorruption contractual provisions:** "The forfeiture and confiscation of **equivalent** value", stipulated in article 16 of the Algerian penal code, is one of the most important procedure used in Algeria to enforce anticorruption contractual provisions.
- **Suspension and/or debarment for contractual partners from government process;** partners (individual or companies) involved in corruption offences are tested in the national register of fraudsters in order to prevent their access to the government process.

**3(b) Main challenge faced in Algeria in enforcing the previous sanctions is:**

- The non cooperation of certain countries for confiscation and recovery of criminal assets.

**3(c) the steps taken by the Algerian authorities to overcome the previous challenge are:**

- The creation of a special agency to reinforce the international cooperation and recover criminal assets of corruption.
- The ratification of different bilateral conventions for cooperation between Algeria and other countries.

**Part B: incentives**

**3(d) description of practices and examples of incentives used to strengthen business integrity and/or reduce corruption in the private sector in Algeria.**

Penalty mitigation - encourages self-reporting of offences- credits companies preventing efforts:

The Algerian law stipulated the encouragement of self reporting of offences through the protection of reporters according to article 45 (from part 04) of the law 06-01, previously mentioned.

Also the article 49 of the same law (06-01) stipulated the exemption or the reduction of penalties for any person reporting corruption offence to the authorities before the beginning of any judicial proceedings.

- Regarding the procurement preference (rewards good practices through procurement preference), and the preferential access to benefits (rewards good practice with preferential access to government benefits and/or services), it is important to mention that in addition to the creation of competitiveness between different companies to access to public projects, the Algerian law stipulated the association of a " certificate of good execution » of the previous projects conducted by any enterprise to allow its access to the public projects.

**3 (e) The main impact of the previous incentives:**

- The impact of the previous incentives does not assessed yet, however, it is known that such kind of incentives strengthen business integrity and reduce corruption.

**Part C: additional measures**

**3 (f) description of practices and examples of any other additional measures used to strengthen the business integrity and/or reduce corruption in the private sector in Algeria.**

- **Integrity pacts** (written agreement between government agencies and companies to strengthen integrity in the public procurement): different programs and activities are initiated by the Algerian Authority for transparency and prevention against corruption to strength business integrity through the elaboration and publications of standards for professional ethics.
- **Public sector** reform (civil service and/or regulatory reforms that reduce the opportunities of corruption): in this context, many process of modernization has been initiated during the last few years in Algeria to allow the digitization of many sectors. In this regard, the National Agency for the Promotion of Foreign Trade (ALGEX) has allocated a new **private space** within its website "**Business Information Center: Dar AL-Masdar**" as main point to receive and respond to the requests of economic operators that are related to:
  - Export opportunities and export procedures such as: customs and banking procedures, logistics, statistics,
  - Salons and exhibitions organized in Algeria and abroad,
  - Register in order to benefit from the agency's services in counseling and guidance,
  - Register in the digital platform "ALGERIA EXPORTERS", a database for foreign operators who are seeking for Algerian products destined for export and which meet the international norms and standards.
- **Public education** (activities that raise public awareness of corruption and its harmful effects): many acts and programs of awareness-raising are organized each year in Algeria using the Media in order to notify the public and private sectors about the harmful effects of corruption.

### **Additional information**

As additional information, it is important to mention that a national strategy to prevent and combat corruption, have been developed in Algeria during the last few years, where the promotion of integrity in the private sector, is one of the main purposes of this strategy.

In addition to elaboration of periodic (annual) reports regarding the extent of the public and private companies to the provisions this strategy, the Algerian higher authority for transparency, prevention and combating corruption, develops, updates end ensuring the implementation of this strategy.