

ASSET DECLARATIONS IN EGYPT ILLICIT ENRICHMENT AND CONFLICTS OF INTEREST OF PUBLIC OFFICIALS

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Author: Transparency International

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ISBN: 978-3-96076-011-5

Printed on 100% recycled paper.

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INTRODUCTION

EXECUTIVE SUMMARY

Four years after unprecedented change rocked the Middle East and North Africa, many Arab governments and their citizens are finishing the chapter on revolution and writing a new one on reconstruction. Among the most important topics fuelling the call for change has been the salience of corruption among public officials, which diverts money from public programmes, has a significantly negative impact on development and has entrenched non-democratic leaders securely in power. The revelation that more than an estimated US\$160 billion¹ in public money was stolen by regime officials in Egypt, Libya, Tunisia and Yemen sounds the alarm for action to end impunity. As the region takes the first steps in building institutions for good governance, asset declaration laws are a key to promoting honest leadership, government accountability and social trust.

Asset declaration laws require public officials to declare all sources of income, as well as assets such as savings accounts and investments. Legally increasing government transparency can reveal graft and conflicts of interest, and they serve as a powerful deterrent to prevent corruption before it starts. Practical experience has shown that implementing a comprehensive asset declaration system helps deny the corrupt the fruits of their actions and, if properly enforced, can be an effective tool in strengthening integrity and accountability.

So far, countries in the Middle East and North Africa (MENA) have not met most of the standards put forth by the United Nations Conference against Corruption (UNCAC). Declaration requirements have fallen significantly short and there remains a large gap between law and practice. The MENA region continues to have the highest trend rate of growth of illicit financial flows in the world, with an average increase of 31.5 per cent every year throughout the decade ending in 2011.²

In order to facilitate greater integrity in the MENA region, Transparency International has commissioned this report as a peer-reviewed Scoping Paper examining current best practices in asset disclosure systems. Original research provides an evidence base for a comparative view of country-level systems via National Reports in Egypt, Lebanon, Libya, Morocco, Palestine, Tunisia and Yemen, as well as a Regional Report covering all the countries listed.

TRANSPARENCY INTERNATIONAL'S ROLE

Transparency International's focus on MENA is part of a global drive to end corruption and promote integrity in government. The global campaign focuses on increasing transparency via declarations of interest and assets to end impunity and make transferring the illicit gains of corrupt officials more difficult. The importance of tracking illicit enrichment and conflicts of interest is only the start of the process of establishing a standard, universal model of declaration of interests and assets. In MENA,

¹ Transparency International takes "billion" to refer to one thousand million (1,000,000,000).

² D. Kar and B. LeBlanc, *Illicit Financial Flows from Developing Countries: 2002-2011*

(Washington: Global Financial Integrity, 2013), p.10. Retrieved from

http://iff.gfintegrity.org/iff2013/Illicit_Financial_Flows_from_Developing_Countries_2002-2011-LowRes.pdf.

we focus first on advocating for the adoption and enforcement of national asset disclosure systems that are robust and legally based.

ASSET DISCLOSURE SYSTEMS IN ANTI-CORRUPTION

The disclosure of assets is increasingly being seen around the globe as a key tool in combating corruption. Although asset declarations have been utilised as an anti-corruption tool on a larger scale since the 1970s, the topic acquired renewed international focus with the passage of UNCAC, adopted by the UN General Assembly in 2003. UNCAC created an international legal basis for states to require public officials to declare their assets.

Articles 8(5) and 52(5) of UNCAC call on countries to adopt legislation that requires public officials to declare their assets. Together with the convention's provisions on international cooperation, the focus on assets created a genuine basis for governments to identify and track assets, and recover them if they are determined to have been stolen. UNCAC provided an impetus for the international donor community's global anti-corruption efforts in instituting or refining national legislation on asset declarations for politically exposed persons. Furthermore, the African Union, Arab, and inter-American conventions against corruption contain similar provisions on financial declarations by public officials (Article 7, Article 28, and Article III, respectively). The Council of Europe's Group of States against Corruption (GRECO) has been issuing recommendations on asset disclosure systems since 1999, and the Organisation for Economic Co-operation and Development (OECD) and World Bank have contributed to the ongoing process of standard setting by publishing handbooks in 2011 and 2012 (*Asset Declarations for Public Officials: A Tool to Prevent Corruption*³ and *Public Office, Private Interests: Accountability through Income and Asset Disclosure*⁴). In 2013, the Organization of American States published the *Model law on the declaration of interests, income, assets and liabilities of persons performing public functions*.⁵ The Group of 20 leading economies (G20) adopted High Level Principles on Asset Disclosure by Public Officials in Los Cabos in 2012.⁶ Finally, in October 2014, the Western Balkan countries adopted the first international standard on asset declarations.⁷

³ OECD, *Asset Declarations for Public Officials: A Tool to Prevent Corruption* (OECD Publishing, 2011). Retrieved from www.oecd.org/corruption/anti-bribery/47489446.pdf

⁴ The World Bank, *Public Office, Private Interests: Accountability through Income and Asset Disclosure* (Washington D.C.: World Bank, 2012), p.10. Retrieved from www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/03/23/000333037_20120323003424/Rendered/PDF/676270PUB0EPI0067882B09780821394526.pdf

⁵ www.oas.org/juridico/PDFs/model_law_declaration.pdf.

⁶ https://star.worldbank.org/star/sites/star/files/los_cabos_2012_high_level_principles_on_asset_disclosure.pdf

¹³ Regional School of Public Administration, *Western Balkan Recommendation on Disclosure of Finances and Interests by Public Officials*, 08-09 July, 2014. Sixth Meeting of the Ethics and Integrity Network (Danilovgrad: ReSPA, 2014). Retrieved from <http://respaweb.eu/11/library#respa-publications-and-research-18>.

10 PRINCIPLES FOR AN EFFECTIVE ASSET DISCLOSURE SYSTEM

Consistent with international standards (see previous chapter) and the Preventive Measures for governments outlined in Chapter III of the UNCAC, Transparency International identified 10 principles for an effective, legally based asset disclosure system based on its previous publications in this area:⁸

I. LEGAL BASIS AND PURPOSE

Asset declarations are an effective tool in preventing corruption as well as an instrument in facilitating the detection, investigation and possible prosecution of corruption and accumulation of illicit wealth of public officials. For this, a sound legal basis is required, and the law should make a clear statement that asset declarations serve dual purposes: to detect both illicit enrichment and conflicts of interest.

II. DECLARATION CONTENT

The information required for detecting illicit enrichment should capture all essential financial flows, including on the incoming side all sources of income, received loans and gifts; on the side of outgoing financial flows this includes immovable assets such as houses, moveable objects such as vehicles, jewellery and fine art, and financial assets such as cash, domestic and foreign bank accounts, stocks or bonds. Most of the information relevant for illicit enrichment will also reveal possible conflicts of interest: information on an outside employment will indicate generated income but also point to potential conflicts of interest; the case of financial assets, such as shares in a company, is similar. However, there are also non-financial interests such as (unremunerated) corporate board memberships, which are only relevant in the context of conflicts of interest.

III. COVERAGE OF OFFICIALS

An effective asset declaration system should cover all public officials at risk for corruption. This includes senior executive office holders (ministers, deputy ministers, commissioners, agency heads); legislators; judges at all court levels; prosecutors; and any civil servant with some decision-making power. This should include not only national-level officials but also those at the sub-national level, where local authorities are entrusted with decision-making. Additionally, the asset declaration should also cover at least members of the immediate family and/or household members, as otherwise public officials can hide illicit income and assets behind them.

IV. SUBMISSION OF DECLARATIONS

Asset declarations should be required when a person first assumes public office, to establish a baseline for any future accumulation of assets during their tenure. Regular, periodic updates should be made. The obligation to report should extend beyond the individual's tenure in post to capture deferred enrichment. As much as possible, submission of declarations should be done online. The online availability of data greatly facilitates automated analysis as well as later publication of the information.

V. VERIFICATION

An effective verification system concerns the verification of submission of declarations, as well as their formal accuracy. As for detecting illicit enrichment, it includes a financial audit. This requires

⁸ Transparency International, *Local Governance Integrity: Principles and Standards* (Berlin: Transparency International, 2015), pp.10-16.

access to state databases as well as to privately held information such as company or banking data. It will also entail on-site inspections of assets in single cases and the possibility to make enquiries of witnesses, if only for voluntary information. All declarations should be subject to submission and formal verification. Declarations subject to a financial audit should be chosen by a random sample as well as by risk criteria.

VI. OVERSIGHT BODY

An oversight body needs to be in place with sufficient resources to control declarations. This includes staff with competency on conflicts of interest as well as financial expertise in detecting hidden cash flows. The oversight body should also have access to publicly available data, or data that private individuals provide on a voluntary basis, and should have the option of (outside) inspections of assets in individual cases. The oversight body also needs up-to-date information technology to support online submission, processing and publishing of the data.

VII. COOPERATION

The oversight body cooperates with tax police and other police units, the prosecution services and financial intelligence units, so that these units can further trace down hidden cash flows, possibly with compulsory measures. Oversight bodies should also be obliged to notify other state bodies on any suspicion of a criminal, administrative or disciplinary offence. For undeclared income, the two most frequent offences are tax evasion and money laundering.

VIII. PUBLIC ACCESS

Experience shows that most successful investigations are triggered by complaints of citizens, NGOs or journalists with knowledge about the true situation of an unfaithful public official. Therefore, asset declarations should be publicly available online. Paper-based access only is too much an obstacle for research. Personal contact details, such as addresses and plate numbers of cars, can be redacted. The oversight body should also publish a regular overview of its activities and information on investigated cases.

IX. SANCTIONS

Failure to produce timely, complete and accurate declarations should at a minimum subject the filer to effective, proportionate and dissuasive sanctions. Criminal sanctions should apply to the most egregious offences – in particular, intentional errors or omissions. Should it turn out that public official was hiding a substantial amount of wealth, the sanction must include forfeiture of the hidden assets.

X. CIVIL SOCIETY

The oversight body should reach out to NGOs and the public at large, and publish regular reports containing inter alia case statistics and an analysis of trends. The internal procedures of the oversight body should be as transparent as possible to the public. Representatives of the public should have the opportunity to participate in, consult on and monitor the work of the oversight body.

ASSET DISCLOSURE IN EGYPT

LEGAL BASIS AND PURPOSE

Until today, asset disclosures are mainly based on the Law of 1975 “On Illegal Gain” (see Annex). Implementation aspects of the law are detailed in a presidential decree of the same year (for both regulations see Annex). Both regulations provide a comprehensive source regulating more or less all aspects described in the following sections. The Law is clearly focused on **one purpose** only, detecting **illicit enrichment**, leaving conflicts of interest aside. As for **conflicts of interest**, Law No. 106 of 2013 “On Preventing Conflicts of Interest of Public Officials”⁹ states that financial declarations (under Law of 1975) are to be submitted to the – to be established – Committee on Prevention of Corruption as well, apparently in the context of preventing conflicts of interest. It should be noted that conflicts of interest had been already subject of previous laws, such as Article 14 of Law No. 47 of 1978 “On Civil Servants in the Public Sector” (the law itself did not mention the concept of conflicts of interest). However, there had been no declarations so far.

The **Constitution** provides additional legal foundation to the asset declaration system, partly repeating simple legislation on a constitutional level. For the first time, the 2012 Constitution imposed non-public reporting of financial assets of several top-level officials to the Parliament (Articles 138, 158, and 88). The new Constitution of Egypt, issued in January 2014, imposed financial asset disclosure obligations on the President of the Republic (Art. 145), the Prime Minister, members of the government (Art. 166), and Members of Parliament (Art. 109). These disclosures are annual and, for the first time, public.

DECLARATION CONTENT

For detecting illicit enrichment, one assesses the lifestyle of a public official by adding up all assets he/she owns. Then, in a second step, one adds up all legal income a public official has. If the income does not match the lifestyle, there is at least a suspicion that this public official has hidden sources of income. Regularly, these would result from corrupt sources. Compared to a full picture of incoming and outgoing financial flows of a public official, Egypt’s asset disclosure system requires disclosure of the following financial items:

“Income”		“Expenditures/Lifestyle”	
Item	Declared?	Item	Declared?
Salary	No	Cash	No
Rental income	No	Bank deposits	Yes
Fees for services	No	Real estate	Yes
Interest, royalties	No	Valuable movables	Yes

⁹ Retrieved from <http://kenanaonline.com/users/lawing/posts/610597> (Arabic).

Loans received	Yes	Securities	Yes
Debts repaid to the official	No	Loans given	No
"Income for free" (Gifts, inheritances, assets sold, etc.)	No	Loans paid back by official	No
		Non-asset expenses (travel etc.)	No

There is no clear threshold in the law for what constitutes a "valuable" movable.

The above table clearly shows that the current system is **unsuited** to detect illicit enrichment. How could the respective oversight body, the Illicit Gains Authority (IGA), build a case that the **income** is insufficient for the concrete lifestyle, if most information on incoming financial flows is missing? Even if the Illicit Gains Authority would know the salary of a public official – in case it is standardised or known from the tax administration – a public official could always claim an inheritance, a gift, or a lottery win to explain his/her lifestyle. There are many cases in other countries where public officials successfully used such explanations in court. Even worse, **cash** is not covered by the Egyptian declaration. This gives public officials an easy way out: they could always claim that they had vast amounts of cash stored outside a bank account (stemming from before taking office); this "cash" they can always use as a "joker" to explain for the purchase of any luxury asset. The problem of large cash amounts is all the more virulent in the entire MENA region, as the share of the shadow economy (including the concomitant cash culture) is high.¹⁰

In addition, the lack of a declaration item "income for free" opens up a huge gap in the prevention system. There are about 8 million Egyptians living abroad. Their remittances sent home reached US\$ 18.7 billion in 2013.¹¹ This opens up an easy excuse for public officials to explain any wealth by (cash) remittances from some distant relatives working abroad.

As for **conflicts of interest**, securities – and to some extent bank deposits, real estate and valuable movables – can be a cause. For example, a judge would be in conflicts of interest if he/she had stocks from a company that was a party to one of his/her trials. However, financial interests typically causing conflicts of interest, such as gifts, and non-financial interests are missing in the declaration form. It is thus questionable, whether the Committee on Prevention of Corruption will actually be in a position to verify conflicts of interest of public officials in any meaningful way.

COVERAGE OF OFFICIALS

The Egyptian assets disclosure system covers a wide group of public officials. This includes according to the **Law of 1975**:

- "Those in charge of public authority, and all employees in the administrative body of the state" (Article 1).

¹⁰ M. R. Farzanegan/A. M. Badreldin, *Shadow Economy and Political Stability: A Blessing or a Curse?*, Study Paper, p.5 (Marburg: November 2013).

¹¹ Retrieved from www.amcham.org.eg/online_services/tas/View_Projects_Email_twitter.asp?project_id=31819; see also: [www.egypt.iom.int/Doc/IOM%20Migration%20and%20Development%20in%20Egypt%20Facts%20and%20Figures%20\(English\).pdf](http://www.egypt.iom.int/Doc/IOM%20Migration%20and%20Development%20in%20Egypt%20Facts%20and%20Figures%20(English).pdf).

- “Members of the Executive Committee of the Arab Socialist Union,¹² and members of its other leadership formations, which are determined in a decision issued by the president of the republic, and heads and members of boards of institutions belonging to it and all employees in this committee.” (Article 2)
- “Heads and members of people’s council and heads and members of local popular councils and others who have a public representative status whether being elected or appointed” as well as heads and members of boards of professional syndicates and workers unions and mayors and sheikhs (Article 3).

The Constitution adds the President of the Republic, the Prime Minister, members of the Government, and Members of Parliament to above list, even though they have been already covered by the Law of 1975.

According to Article 13 No. 6 of Law No. 174/2005 Regulating the Presidential Elections,¹³ according to which the application for presidency must include “a financial disclosure statement in accordance with the provisions of Law No. 62 of 1975 on unlawful earning”. Presidential candidates in 2012 and in 2014 have thus submitted the asset declarations to the Central Election Committee.

The system does not cover members of the **judiciary**. This is unfortunate, as members of the judiciary are at high risk of illicit enrichment in corruption prone countries, and it is thus important and standard to monitor their wealth.¹⁴ In fact, in 2013, the Illicit Gains Authority asked Egypt's State Council for information on several judges who were accused of illicit gains. The State Council responded that the Law of 1975 does not cover members of the judiciary. Therefore, the Illicit Gains Authority could not open investigations concerning alleged illicit gains by any judge.¹⁵ Apparently there are plans to include judges as well as police, according to amendments adopted by the State Council in December 2014.¹⁶ Similar is true for members of the police.

According to the Central Agency for Public Mobilization and Statistics (CAPMAS), there are **5,438,843** “persons employed in the governmental sector”.¹⁷ The number will be significantly higher, if one takes into account in particular members of elected councils.

This might generate more declaration forms than the oversight body might be able to handle in terms of verification. However, there is an additional benefit of asset declarations that is often overlooked: they “may provide key evidence in **criminal investigations** triggered by evidence from other sources. For example, allegations of bribery, including anonymous charges or press reports, may lead to an investigation that is inconclusive without additional evidence. Such supplementary evidence may be found in an asset declaration on file and accessible to prosecutors. When discrepancies exist, they may provide grounds for search warrants or other investigative measures,

¹² Note by authors: The Arab Socialist Union (ASU) was formed by former President Gamal Abdel Nasser in 1962. It was the sole political party in the country until former President Anwar Sadat changed the political system to a multi-party system. The ASU was disbanded in 1978. The fact that it is still mentioned in the Law shows how little laws have been kept up to date in Egypt.

¹³ Retrieved from www.democracy-reporting.org/files/law_regulating_the_presidential_elections.pdf.

¹⁴ Tilman Hoppe, *The case for asset declarations in the judiciary*, U4 Brief, May 2014. Retrieved from www.u4.no/publications/the-case-for-asset-declarations-in-the-judiciary-identifying-illicit-enrichment-and-conflicts-of-interests/downloadasset/3474.

¹⁵ Al Shorouk Newspaper, 22 January 2014, “*State Council decides not to investigate judges for illegal gains*”, Retrieved from www.shorouknews.com/news/view.aspx?cdate=22012014&id=1eeb0137-8323-43ab-8a1f-164d1e8a3cfb (Arabic).

¹⁶ Retrieved from Daily News Egypt, 10 December 2014, “*Mubarak’s acquittal has nothing to do with recovering funds: Justice Minister*”, www.dailynewsegypt.com/2014/12/10/mubaraks-acquittal-nothing-recovering-funds-justice-minister/.

¹⁷ Egypt Statistical Year Book 2012-2013, Retrieved from www.capmas.gov.eg/pdf/Electronic%20Static%20Book2013/english/weather/untitled1/weather.aspx.

or simply offer useful leads for further investigation.”¹⁸ In countries, where there is no central database of bank accounts, the information in asset declarations may for example help prosecutors identify bank accounts of suspects. Therefore, even if the oversight body will have only the capacity to verify a rather small sample of all declarations, the other, “dormant” declarations can be put to use once the respective public official becomes subject to a corruption investigation.

As far as **family members** are concerned, spouses and minor children are included into the declaration obligation (Article 3 Law of 1975). The asset declaration form (see Annex) states the following:

- “1. If the husband and wife are subject to the provisions of the law then each of them is obligated to submit a declaration to the party he/she belongs to about his assets and that of the spouse and minor children and the declaration should be signed by both.
2. If a spouse refrains from giving the public official the required data about the elements of the spouse’s assets, then he should write down that in his declaration and should notify the party he is submitting his declaration to and this party should order the refraining spouse to submit his/her assets declaration in two months of notifying him of that.”

The circle of public officials required to submit declarations under the 2013 Law on **Conflicts of Interest** is much narrower. It includes in particular the Prime Minister and Cabinet, governors and secretaries of all the provinces and the heads of the local units, the heads of agencies, institutions and public bodies, and deputies and assistants. There is no reason, why the circle of persons declaring conflicts of interest should be narrower than the one for illicit enrichment. The information for both purposes is about 90% the same; similarly, conflicts of interest are a risk for any public official with decision making power.

SUBMISSION OF DECLARATIONS

Under Law of 1975, officials must submit their asset declarations upon assuming office and once every **five years** thereafter. With the new Constitution, submissions became an annual requirement for the President, ministers, and for members of parliament. The large intervals of submission of 5 years for lower-level officials are problematic: it is easier for a public official to make up a lie, if he/she can invent a story within a time period going back up to 5 years, than if the rhythm of control is much tighter, such as annual. Compliance with submission obligations remains unclear at best. Experts are sceptical about any regular submission of declarations. Only on assuming office, public officials seem to largely comply with their declaration obligation as this formality is a prerequisite for appointment.

The Decree 1112 of 1975 gives precise instructions to which entity public officials need to submit their declarations: public officials submit declarations in a decentralised way to their human resource departments and similar entities in the different councils and administrative bodies. The declarations are then put into the employment dossiers or similar files until another agency, such as the IAE requests to see them.

¹⁸ Tilman Hoppe, May 2014.

Due to the **non-centralised collection**, due to the submission in **paper form**, and due to the overall weak administrative capacities to handle more than 5 million forms annually (in theory), there are no statistics available on submission compliance.

Public officials can submit declarations only in paper-form. It is interesting to note that declarations forms apparently cost 0.75 Piaster (≈ 8 € cents), according to the purchase prize printed on page 1 of the form (see Annex).

In addition to the Law of 1975, the **Law on Conflicts of Interest** in 2013 also requires submission of the asset declarations for a limited circle of senior public officials. The filing frequency is annual under this Law.

VERIFICATION

Verification of declarations should usually consist of the following four steps:

1. Submission compliance
2. Formal check
3. Plausibility of the declaration (intrinsically)
4. Financial audit

Depending on the resources, each step could be done on a different sample of declarations, with submission compliance done on all declarations, and financial audits done only on a sample of declarations which is partly selected on a random basis, and partly by risk criteria.

Step 1: In order to verify the **submission** of declarations, the oversight body needs to establish, maintain and monitor a roster within the database of all the officials who are obliged to declare their finances.¹⁹ To that extent, the oversight body needs to maintain a list of all categories of public officials that are obliged to declare their finances. It is interesting to note that in Egypt there is – in theory – a mechanism foreseen for ensuring that the oversight body knows about all public officials obliged to submit declarations:

“All parties identified by the executive regulation must present to the administration of illegal gain during January every year a list of names of the persons belonging to them who are committed to submitting asset declarations during the year and the due date of submitting and the declarations should be sent to it in a period that does not exceed two months of the submission of these declarations.” (Article 8 Law of 1975).

Interestingly, compliance with this provision is supported by a sanction foreseen a fine (see below “Sanctions”). There are no indications, though, that this provision is actually sufficiently enforced.

In addition, it would still be necessary for the oversight body to check the completeness of these lists for two reasons: An official could escape his duty of declaration by managing to avoid insertion in the list or be taken off the list; furthermore, public perception could be negative if the lists were incorrect and there was no mechanism at all at the oversight body’s disposal for verifying a sample

¹⁹ T. Hoppe/V. Kalnins, *Practitioner manual on processing and analysing income and asset declarations of public officials* (Council of Europe, January 2014). Retrieved from www.coe.int/t/DGHL/cooperation/economiccrime/corruption/Projects/EaP-CoE%20Facility/EaP_TP_default_en.asp.

of the lists.²⁰ This could be done for example by monitoring and updating the names of officials whose election or appointment and dismissal are officially published.

Step 2: The next step of verification would be a **formal check** of the declarations (are all necessary fields filled out with relevant and conclusive information?). According to local experts, declarations are filed without any formal check.

Step 3: The calculation algorithm for monitoring the **plausibility** of the declaration is as follows:²¹

Financial flows		
Period	Incoming side	Outgoing side
Beginning	Existing assets	
During	All coming in	All going out
End		Existing assets
Total incoming must = total outgoing		

If the outgoing side (= the “lifestyle”) goes beyond the means of the official (incoming financial flows), there is at least a suspicion of illicit enrichment. Usually, on the incoming side a declaration (should) include all financial flows. On the outgoing side, it cannot. There are a number of daily expenses (food, clothing, transportation, etc.) which the declaration does not catch. Therefore, the oversight body needs calculate also a lump sum for daily expenses.

Step 4: As for the **financial audit** of the declaration, the oversight body needs to establish in a first step a true picture of all balance the incoming and outgoing financial flows of a public official. To this end, the oversight body needs to compare the declared data with data available by the following sources:

- Tax authority.
- Motor vehicles registry.
- Land registry.
- Civil registry.
- Business registry.
- Register of bank accounts.
- Patents, calculating also a lump sum for daily expenses because not all expenditures are and licenses registry.
- Financial Intelligence Unit.
- Party finance databases.
- Foreign public databases.

Information from internet research, publicly available files, commercial databases, on-site visits, informal testimony, and data on banking transactions complements above sources. This way, the oversight body can look at thebe included in a declaration from the following three angles:

²⁰ Ibid.

²¹ Ibid.

1. Verifying the amount of incoming financial flow.
2. Verifying the amount of outgoing financial flow.
3. Verifying the relation of the incoming and outgoing financial flow.

The financial audit should not limit itself to comparing data of the declaration with other databases, but should aim at actively detecting undeclared cash-flows and their possible illicit origin.

In **Egypt**, there seems to be no such methodology in place (which in other countries outside the region is sometimes contained in the law itself, a decree, or an internal decision of the oversight body). Neither the Illicit Gains Authority, nor any other body, regularly verify submitted declarations, if only a randomly selected sample; they only act upon specific complaints or allegations. In such cases, the Illicit Gains Authority conducts a cross check between the declared data and the data contained in state databases (business registries and land registries – cadaster) as well as with data from private bank accounts, and by examining physical assets. However, this procedure only covers step 2 of above procedure (“Verifying the amount of outgoing financial flow”). This is also due to the fact that the content required to declare covers only the outgoing financial flow, but not the side of income (see above “Declaration Content”). Overall, the verification mechanism in place is rudimentary at best and falls well beyond international standards.

There are no **statistics** available on the number and percentage of verifications conducted, and on the outcome – apparently a reflection of the absence of any of such activities. It should also be noted that according to Article 5 of the Law of 1975, the verification of declarations by the “President of the republic and his deputies and head of the people’s council and prime minister and his deputies and those in their ranks and the ministers and their deputies and members of the higher executive committee of the Arab socialist union and people’s council members” should be conducted by five justices of the Court of Cassation every year. There is no evidence that the Court conducted these verifications. It is questionable anyways, whether lawyers would be able to perform such a highly financial task.

The supervision of **conflicts of interest** should be the obligation of a supervisor of the public official: conflicts of interest are relative to the job duties and a central oversight body cannot monitor conflicts arising in the course of daily work.²² The supervisor needs to have access to declarations in order to know about possible conflicts of interest. Any central body in charge with verifying income and asset declarations can complement the disciplinary supervisor by identifying incompatibilities which are not depending on the job duties but are visible from the declarations themselves. In this context, the Egyptian Committee on Prevention of Corruption established by the Law on Conflicts of Interest in 2013 is receiving the asset declarations in addition to the IGA. However, there is no provision in the Law explaining what the Committee should do with the declarations.

OVERSIGHT BODY

The Illicit Gains Authority (sometimes translated as “Illicit Enrichment Apparatus”) is in charge of verifying declarations and to investigate complaints in terms of illicit enrichment. According to Article 5 f. of Law of 1975, the Illicit Gains Authority consists of several commissions, assisted by an “administration of illegal gain” (Article 6). The Illicit Gains Authority has rather broad powers: the Law of 1975 entitles it “to examine the declarations and all complaints that are submitted about illegal

²² Regional School of Public Administration, *Western Balkan Recommendation on Disclosure of Finances and Interests by Public Officials*, 08-09 July, 2014. Sixth Meeting of the Ethics and Integrity Network (Danilovgrad: ReSPA, 2014). Retrieved from <http://respaweb.eu/11/library#respa-publications-and-research-18>.

gain, and examining the assets of all those who are subject to this law in case no declaration is submitted. And it is entitled for this purpose to request data and explanations and obtaining papers from specialized parties including those whose data is considered confidential or photocopies of those papers as well as having reservation on them.” (Article 9).

There is no information available as to whether the Illicit Gains Authority has sufficient **staff** with the necessary financial expertise, and provides of adequate IT-equipment. However, the reportedly rather narrow verification procedure on the one hand, and the – in theory – vast number of declarations seem to suggest otherwise. According to media reports, the Ministry of Justice had once commissioned 188 judges to help the Illicit Gains Authority with checking about one million asset declarations forms following the removal of former President Hosni Mubarak.²³ However, it is unclear whether this assignment came actually through and what its impact was. It is questionable anyways, whether lawyers would be able to perform such a highly financial task.

The **Administrative Control Authority** (ACA) has a legal mandate to investigate public sector corruption and is also authorised to examine public servants’ asset disclosures; it transfers relevant cases to the Illicit Gains Authority.²⁴ Given the vast number of asset declarations, any available help to the Illicit Gains Authority would seem to be a good idea. At the same time, the same questions with regards to sufficient capacities are valid for the Administrative Control Authority as well. In any case, it is important that the Illicit Gains Authority is always informed of relevant cases investigated by the Administrative Control Authority, otherwise there is a risk of uncoordinated investigations. In practice, the Administrative Control Authority might have currently an essential role in verifying asset declarations. Ahmed El Shalakany, former head of the Illicit Gains Authority, said once that the Authority was unable to check the asset declaration forms submitted by top former officials of the Mubarak regime because the Administrative Control Authority did not investigate into these declarations.²⁵ In this context, one should keep in mind that the Administrative Control Authority “operates like an intelligence service whose officers mostly come from the military or police, and enjoy vast powers of interrogation, search and surveillance”.²⁶

The **Committee on Prevention of Corruption** foreseen by the Law on Conflicts of Interest in 2013 will also receive asset declarations once it will have been established. However, there is no provision in the Law explaining what the Committee should do with the declarations.

It is questionable at best, whether the **division of responsibilities** among three different bodies is an efficient mechanism. Usually, such divisions lead to duplication of efforts, or one body (falsely) relying on the other: Which body will check the truthfulness of the information, or will all three do this repeating the same effort? Would the Committee on Prevention of Corruption first check with the Illicit Gains Authority on the truthfulness of the declarations, before using them to look for possible conflicts of interest?

The Illicit Gains Authority faces also the challenge of operating in a highly politicized environment, where any move is perceived as potential support of one of the political sides, and where any move depends on the support by other state bodies such as the courts. Following the overthrow of former president Hosni Mubarak, Assem El-Gohary, head of Egypt’s Illicit Gains Authority referred a number of cases with former officials to the criminal court on charges that they had illicit gains. Most

²³ Al-Ahram Foundation, 11 April 2011, “*Financial disclosure*”. Retrieved from <http://massai.ahram.org.eg/issue/Inner.aspx?ContentID=30740&typeid=5&issueid=543> (Arabic).

²⁴ Retrieved from www.business-anti-corruption.com/country-profiles/middle-east-north-africa/egypt/show-all.aspx.

²⁵ Egypt Independent, 23 February 2011, “*Judge Ahmed Shalakany former head of Illicit Gains Authority*”, Retrieved from <http://today.almasryalyoum.com/article2.aspx?ArticleID=288659> (Arabic).

²⁶ Mada Masr (newspaper), 20 May 2014, “*The Mubarak mansions – How Egyptians unknowingly paid for the ruling family’s lavish lifestyle*”, www.madamasr.com/content/mubarak-mansions.

of the officials were found not guilty due to lack of evidences. Some of them who were found guilty appealed. So far, after around four years after the fall of Mubarak, no major sentence was down against former officials.

In addition, since the fall of Mubarak, the Illicit Gains Authority had a total of four heads, some whom stayed only for a few months. This has obviously hampered the effectiveness of the Authority's work so far.

CO-OPERATION

Co-operation of the verification bodies with **other state bodies** is necessary with regards to the following other state bodies:

- Tax administration: hiding income and wealth regularly entails violations of tax offences (and other way round). The tax administration therefore needs to have a regular exchange with the Illicit Gains Authority.
- Financial intelligence units: hiding wealth is regularly a money-laundering offence. The Illicit Gains Authority should therefore be in regular exchange with the FIU on relevant cases and information. At the same time, the FIU would need to use asset declarations in order to examine suspicious financial movements related to public officials.
- Disciplinary bodies: non-submission of declarations or submission of false declarations regularly constitutes a disciplinary offence. The Illicit Gains Authority therefore needs to notify such bodies in cases of violations.
- In theory, the Notary Authority should report to the IGA any asset transfer by public officials (for example selling or acquiring real estate). There is no indication that the Notary Authority is actually fulfilling this obligation.

For all above co-operations, the oversight bodies should have standards on reporting and information exchange, possibly supported by memoranda of understanding with the respective institutions, or a joint set of guidelines. Co-operation would also profit from joint workshops and trainings on verifying asset declarations and investigating illicit enrichment with representatives of these state bodies.

At the same time, there is also a need for **internal cooperation**: the Illicit Gains Authority would need to notify the Committee on Prevention of Corruption in case it detects wrong data in a declaration, or conflicts of interest, and vice versa in the case of illicit enrichment. Similar applies to the ACA. There is no indication that the cooperation between these entities is sufficiently established.

PUBLIC ACCESS

So far, asset declarations are neither published, nor accessible upon request by ordinary citizens:

“The declarations that are stated in this law and the complaints that are submitted about an illegal gain and what is conducted about them of examination and investigation are considered as secretes, and anyone who has an affair in executing this law must not reveal them.” (Article 17 Law of 1975)

In fact, any attempt by citizens to obtain these confidential declarations would be even a crime (see next section).

It should be noted that the 2014 Constitution requires publication of the declarations of the President and of ministers, but not of Members of Parliament. However, these declarations are not yet published. So far, Egypt has not enacted a freedom of information law, which might be a tool for obtaining declarations. The 2013 Law on Conflicts of Interest does not call for declarations to be public.

Experience shows that most successful investigations are triggered by complaints of citizens, NGOs, or journalists with knowledge about the true situation of an unfaithful public official. In addition, public availability of declarations would be a strong incentive for public officials to actually comply with submission requirements, because anybody will be able to see whether they are compliant or not. Therefore, asset declarations should be information publicly available online (see Principle 8). Confidentiality of asset declarations rather occurs in totalitarian systems and is not in line with the standard of open, participatory democracies. It is of utmost importance that declarations are not public only as an image scan of the paper-version of the declaration, but as a text-file in machine readable format. Otherwise it is impossible to search for the declaration on the internet or to electronically analyse it.

A **good example** – out of many more others – is **Georgia**. Following a previous paper based system, declarations became online in February 2010. The Civil Service Bureau scanned and published more than 50,000 declarations from 1998-2010. Since 2010, all senior Georgian officials submit their asset declarations annually at <http://declaration.gov.ge/eng/> (English version of the website).²⁷ Submitted declarations appear instantly on the same website. Currently, the website hosts more than 60,000 declaration documents. In 2013, it won the “United Nations Public Service Award” in the category of “Preventing and combating corruption in public service”. It should be noted that such an online system is not a privilege of highly industrialised nations. When introducing its online system in 2010, Georgia had a GDP per capita of only US\$ 5,837 per year.²⁸ By comparison, **Egypt** in 2013 had already double that value (US\$11,085).²⁹

SANCTIONS

The Law of 1975 has a two-pronged approach for sanctions:

- Criminal offences
- Asset forfeiture

The following offences are available for public officials **submitting** declarations:

- **Illegal gain** (“Everyone who had gained for himself or for the other an illegal gain is to be punished by imprisonment and a fine that is equal to the value of the illegal gain in addition to the sentence of recovery of the gain” – Article 18)
- Failure to submit declarations in a **timely manner** (“Everyone who fails to submit asset declarations in due dates is punished by imprisonment and with a fine not less than twenty

²⁷ See also: World Bank, *Fighting Corruption in Public Services: Chronicling Georgia's Reforms* (Washington D.C.: World Bank, 2012, 108 pages). Retrieved from <http://elibrary.worldbank.org/doi/pdf/10.1596/978-0-8213-9475-5>.

²⁸ World Bank, GDP per capita. Retrieved from <http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

²⁹ World Bank, GDP per capita. Retrieved from <http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

pounds and does not exceed five hundred pounds or by one of these two penalties.” – Article 20 par. 1).

- Submission of **incorrect information** (“And anyone who had deliberately mentioned incorrect information in those declarations is to be punished with imprisonment or with a fine not less than one hundred pounds and does not exceed one thousand pounds or with one of these two penalties.” – Article 20 par. 2).

The following offences are available for public officials responsible for the **handling** of declarations:

- Failure to **identify the names** all public officials obliged to disclose (“Everyone who breeches the provisions of Article 8 is punished with a fine that does not exceed one hundred pounds.” - Article 21 par. 1; Article 8: “All parties identified by the executive regulation must present to the administration of illegal gain during January every year a list of names of the persons belonging to them who are committed to submitting asset declarations during the year and the due date of submitting and the declarations should be sent to it in a period that does not exceed two months of the submission of these declarations.”).
- Breach of **confidentiality** (“Also the breach of the provisions of Article 17 is punishable with imprisonment for a period not less than six months and with a fine not less than one hundred pounds and does not exceed five hundred pounds or with one of these two penalties.” – Article 21 par. 2; Article 17: “The declarations that are stated in this law and the complaints that are submitted about an illegal gain and what is conducted about them of examination and investigation are considered as secretes, and anyone who has an affair in executing this law must not reveal them.”)

The following offence applies to **citizens falsely reporting** violations:

- False accusation: “Everyone who made a false report about illegal gain intending to cause harm and no suit was made based on that is to be punished with imprisonment for a period not less than six months and with a fine not less than one hundred pounds and does not exceed five hundred pounds or with one of these two penalties.” – Article 22).

According to Article 18 Criminal Code of 1937,³⁰ the maximum period for **imprisonment** is three years, unless stated otherwise in the law. As for abandoning an **attempt**, the Law foresees the following:

“If a partner in a crime of illegal gain, or who committed a crime of hiding the gained funds [not contained in the Law of 1975, but in the Criminal Code], had taken the initiative to report to the public authorities about the crime of illegal gain before uncovering it or about the funds that were obtained as a result of it or had helped during its discussion and investigation in uncovering the truth then he is to be acquitted from the decided crime’s punishments, and the provision of this article does not interrupt the obligation of recovery sentence” (Article 19).

As for **asset forfeiture**, the Law of 1975 foresees it as a sanction in addition to the fine: “Everyone who had gained for himself or for the other an illegal gain is to be punished by imprisonment and a fine that is equal to the value of the illegal gain in addition to the sentence of recovery of the gain.” – Article 18 par. 1. Par. 2-4 or Article 18 regulate the details of asset forfeiture and extend it to family members as well as to anyone else who benefited from the illegal gain.

³⁰ Retrieved from www1.umn.edu/humanrts/research/Egypt/criminal-code.pdf

Compared internationally,³¹ the system of sanction is very comprehensive covering all necessary infractions. However, one shortcoming is the definition of “illegal gain” in Article 2 par. 2:

“And any increase in wealth that happens after assuming the service or the actualization of the status of the person subject to this law or his spouse or minor children when it is not proportional with their resources and *he failed to prove a legal source of it* is considered a result of exploiting the service or the status or the breeching behavior [and thus an illegal gain].” [emphasis by author]

This provision proved to be problematic in the case of a former governor. He was accused of illegal gains and an increase in his wealth by 556,000 E£ (≈ 70,000 US\$) and an additional 22,000 US\$. The Cassation Court found that Article 2 of Law of 1975 violated the presumption of innocence, as protected by Article 67 of the Egyptian constitution of 1971: the Article requires the public official “to prove a legitimate source” of his wealth. Thus, the burden of proof would shift from the public prosecution to the defendant. It should be noted that constitutional courts in other countries have decided differently on this issue;³² nonetheless, the point raised by the Cassation Court is valid in general and other courts have shared it in this context.³³ Article 2 of Law of 1975 is still in force, as only the Supreme Constitutional Court could invalidate a law due to its unconstitutionality.

If Article 2 of Law of 1975 would define illegal gain without shifting the burden of proof to the defendant, this constitutional problem would not arise. As the asset declaration should provide a written statement of the defendant what is a complete picture of his/her legal sources of wealth, there is actually no need to shift the burden of proof. For public officials obliged to declare, Article 2 par. 2 could thus read for example:

“And any increase in wealth that happens after assuming the service or the actualization of the status of the person subject to this law or his spouse or minor children when it is not proportionate with their actual legal incoming financial flows. In absence of other evidence, the legal incoming financial flows are not higher than *stated in his/her asset declaration; they may be lower if evidence shows that the incoming financial flows were overstated.. If the expenditures exceed the income of the person by more than 10% or alternatively by 1,000 € within one calendar year this is considered a disproportionate increase in wealth.*”

Apparently there are plans to amend Law 62/1975 in a way offering offenders amnesty who return illegal gains to the state.³⁴

³¹ ReSPA/Tilman Hoppe (lead author), *Comparative Study: Income and Asset Declarations in Practice* (Danilovgrad: ReSPA, 2013), chapter 1. Retrieved from www.respaweb.eu/11/library#respa-publications-and-research-18.

³² Tilman Hoppe/Council of Europe, *Opinion “On Article III of Draft Law “On Amendment of Certain Laws” and Draft Law “On Professional Integrity Testing” of the Republic of Moldova*, ECCU-BO-MD-2/2012, page 13. Retrieved from www.coe.md/images/stories/Articles/Expertises_and_reports/2013.01_eccu-bo-2_2012-moldova-th.pdf.

³³ Portuguese Constitutional Court, Decision of 4 April 2012, no. 179/12, Official Gazette 78 (Series II), of 19 April 2012, p.2206. Retrieved from [http://www.codices.coe.int/NXT/gateway.dll/CODICES/precis/eng/eur/por/por-2012-1-008?f=templates\\$fn=document-frame.htm\\$3.0](http://www.codices.coe.int/NXT/gateway.dll/CODICES/precis/eng/eur/por/por-2012-1-008?f=templates$fn=document-frame.htm$3.0) (English summary); [www.codices.coe.int/NXT/gateway.dll/CODICES/full/eur/por/por/por-2012-1-008?f=templates\\$fn=document-frame.htm\\$3.0#JD_Full_POR_POR-2012-1-008](http://www.codices.coe.int/NXT/gateway.dll/CODICES/full/eur/por/por/por-2012-1-008?f=templates$fn=document-frame.htm$3.0#JD_Full_POR_POR-2012-1-008) (Portuguese).

³⁴ Daily News Egypt, 10 December 2014, “*Mubarak’s acquittal has nothing to do with recovering funds: Justice Minister*”. Retrieved from www.dailynewsegypt.com/2014/12/10/mubaraks-acquittal-nothing-recovering-funds-justice-minister/.

CIVIL SOCIETY

So far, civil society has only a minimum role in the asset declaration process: citizen can report any suspicion they have on the illegal gain or any other violation of a public official. However, citizens have no possibility at all to look at asset declarations; at the same time, they face the legal risk of being criminally liable for false accusations (see previous chapter). There is no transparency of the asset declaration process towards the public at large, such as statistics, overview on cases and trends, and on the work of the responsible institutions. State institutions do not reach out to citizens, the media, or civil society organisations to participate in the process. Shutting civil society off the asset declaration system in such a way seriously hampers the effectiveness of the system. Other regional research has shown that successful investigations of asset declarations are most often triggered by citizens or the media.³⁵

It should be underlined that it is often (substantiated) **anonymous** complaints which trigger successful investigations into asset declarations. Potential reporting persons often face a risk of reprisal by the public official, either privately or in their official position. Banning anonymous complaints thus cuts off a substantial source of promising leads. In this context, one should keep Article 13 par. 2 United Nations Convention against Corruption (UNCAC) in mind: “

“Each State Party shall take appropriate measures to ensure that the relevant anti-corruption bodies referred to in this Convention are known to the public and shall provide access to such bodies, where appropriate, for the reporting, including **anonymously**, of any incidents that may be considered to constitute an offence established in accordance with this Convention.”

³⁵ ReSPA/Tilman Hoppe 2013: 218.

RECOMMENDATIONS

The international community and regional bodies have developed comprehensive principles and procedures to build effective asset disclosure systems, and many countries have even adopted these as law. The policies help reduce corruption by exposing illegal activity, opening the door to investigation and creating enforcement and monitoring mechanisms. As the data illustrates, Egypt has fallen behind international standards on asset declaration. The following recommendations are based on the research conducted for this report and seek to provide a set of priorities for improving the effectiveness of asset disclosure in Egypt:

Legislative reforms

Introduce a clear legal basis for conflicts of interest: The current twofold declaration system needs to be streamlined in terms of a unified coherent legal basis. The laws on illegal gains and on conflicts of interest are currently not well coordinated in terms of declaration content, submission of declarations, and an efficient and effective verification of both aspects (see further details in following recommendations). There should be only one declaration for both purposes (illicit enrichment and conflicts of interest) as otherwise the double bureaucracy would discourage public officials to comply at all.

Broaden the scope of information: Declarations need to show the fullest picture possible of incoming and outgoing financial flows during public officials' time in office, in particular salaries and fees, royalties, gifts, loans, and other incoming cash flows such as inheritances. Without information on the income of officials, no meaningful verification of the declaration is possible. Declarations also need to include information relevant for detecting conflicts of interest, such as second jobs, business relationships and memberships in relevant interest groups. Almost all information declared for illicit enrichment purposes can be used for controlling conflicts of interest, with little if any additional information required.

Broaden the coverage of officials: Members of the judiciary need to be included in the asset declaration system (under Law of 1975). The circle of persons declaring conflicts of interest should be the same as the one for illicit enrichment.

Increase the frequency of declaration: Declarations need to be filed annually for illicit enrichment purposes, at least in the case of senior public officials.

Implement a verification procedure: Countries urgently need to establish meaningful verification mechanisms. Failing this, declarations have no deterrent effect, making illicit enrichment less unattractive and severely weakening the asset declaration framework. A methodology for submission verification, formal verification, and financial audits of declarations needs to be in place based on a legal act. The oversight body should be obliged by law to verify a sample of declarations by public officials. The samples should be chosen randomly, as well as be based on specific risk criteria. Finally, a legitimate verification procedure must follow up on any substantiated anonymous complaints. Until appropriate monitoring mechanisms are in place, existing aspects of a country's asset declaration system are vulnerable to exploitation and loopholes.

Provide access to the public: Asset declaration laws mean nothing if they are not applied, which often requires the watchful oversight of engaged citizens and active civil society organisations. The

public is the most important watchdog; therefore, information should be made available through an open web portal that is centralised at each level of government. If a web portal is not available or is underutilised, the information should be widely disseminated through alternative media. Digital information should be published in widely used formats that are non-proprietary, searchable, sortable, platform-independent and machine-readable. On any of these platforms, there should be clear guidelines and explanation for the limited exemptions for non-publication or exclusions. Although the legal framework on access to information is still weak in many countries of the MENA region, there are at least policies in place that should be used to support a wider dissemination of asset declarations, limiting the waiting time between receiving and answering a query on assets.

Fully criminalise violations: The fine for intentionally providing false data should be a multitude of the possible economic enrichment, not a fraction of it; for serious cases of providing false data, imprisonment needs to be available as sanction too. Substantiated anonymous complaints should be grounds for investigations. Most importantly, a provision is necessary for criminalizing illicit enrichment and allowing forfeiture of any inexplicable wealth, including from third persons to whom such wealth has been transmitted. The offence of illicit enrichment needs to be formulated in a way that it provides a sufficient degree of detail. Any substantial difference between the declared and real finances of a public official should constitute a criminal offence and provide the basis for asset forfeiture. A respective definition in the offence could read for example:

“And any increase in wealth that happens after assuming the service or the actualization of the status of the person subject to this law or his spouse or minor children when it is not proportional with their resources as stated in his/her asset declaration. If the expenditures exceed the income of the person by more than 10% or alternatively by 10,000 € this is considered a disproportionate increase in wealth.”

Engage civil society: The oversight body should be obliged to publish regular reports containing inter alia case statistics and an analysis of trends. The internal procedures of the oversight body should be as transparent as possible to the public. Representatives of the public should have the opportunity to participate in, consult on, and monitor the work of the oversight body.

Organisational reforms

Alleviate submission of declarations: In order to allow for automated processing and verification, and thus reducing the administrative burden, declarations should gradually be submitted online in machine readable form. Declarations shall be submitted in printed form only when the technological means are not available in the workplace or at home of the public official concerned. At least senior public officials should gradually submit their declarations online. Ideally, online declarations are already prefilled with existing data from state databases such as salaries, vehicles, real estate, and other information, in order to facilitate the filling out of declarations.

Facilitate the work and cooperation of oversight bodies: The staff of the oversight bodies (Illegal Gains Authority, Administrative Control Authority, and Committee on Prevention of Corruption) needs training on verification procedures including financial analysis and conflicts of interest. Other state bodies, which usually benefit from asset declarations, such as tax administration or the unit on anti-money laundering, need to be trained as well and there should be standards on reporting and information exchange, possibly supported by memoranda of understanding with the respective institutions, or a joint set of guidelines.

Account for implementation: Law enforcement bodies need to show a track record of investigated cases and should regularly report on case statistics to the public.

ANNEX I: METHODOLOGY

The main focus of the country reviews is to compare:

- a) the existing legislative framework against the emerging **international standard**
- b) the existing legislative framework of asset disclosure with its **actual implementation**

The main sources were:

- **desk review** of the legislative and regulatory framework on the respective asset disclosure system.
- **semi-structured interviews** with up to six experts per country drawn from the public sector as well as the private sector, including civil society or academia

Experts for the semi-structured interviews were selected from the following two categories:

- **Key experts**, i.e. practitioners or ex-practitioners in the area of asset disclosure (these included officials in the agency or agencies tasked with managing asset declarations, law enforcement officials, lawyers and accountants, human resources/ministerial staff, experts from tax authorities, and any others with practical experience).
- **Informed experts**, i.e. individuals who are not experts on asset declarations but have an informed opinion on the workings of the public administration and understand how asset declarations could increase transparency and accountability (these included journalists, civil society activists and informed citizens). Interviews with this group were optional depending on the level of information obtained through official interviews.

ANNEX II: DECLARATION FORM

[unofficial translation by TI; several empty lines in the form for inserting information have been redacted in below version to save space country expert]

-1-

(Price: 75 piasters)

Asset Declaration

In enforcement of law number 62 of 1975 regarding illegal gain

Data to be written down by the party in charge of receiving the declarations

Type of declaration ³⁶

1- First declaration: date of receiving the declaration:

2- Periodic declaration: name of official who received the declaration:
.....

3- End-of-service declaration: his position:

Data on declarer

Name of declarer: name of father and grandfather: Nationality:
.....

Post or service or status:

Grade and salary when became subject to the illegal gain legislation:

Grade and salary when writing down the declaration:

Date of appointment or election: date of end of service or termination of status:
.....

Date of writing down the declaration:

Address of residence:

³⁶ Tick with ✓ / ✓ against type of declaration and the rest of data is to be filled in presence of the official receiving the declaration

Annexes:

Data on declarer³⁷

Name of declarer: name of father and grandfather: Nationality:
.....

Post or profession or activity:

Net annual income when writing down the declaration:

The specialized party in charge that he belongs to: Number of tax file:
.....

Address of main activity centre:

Address of residence:

-2-

Data on spouse³⁸

Name	Date of marriage	Profession and employer	notes
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Data on minor children

Name	Date of birth	Profession	notes
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-3-

1- Shares and stakes in companies and financial bonds,

Investment certificates and others

Name of owner ³⁹	Shares and bonds and stakes	Name of company	Annual income	Value of increase ⁴⁰	Notes
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³⁷ This data to be filled by the knowledge of the financiers who are subject to the provisions of the taxation card only

³⁸ This data should be filled whether the spouse refrained from giving the data about his/her assets/wealth or did not refrain, and in the first case it should be noted in the last cell, spouse term (*zawj in Arabic which is usually used as husband – translator*) means husband or wife depending on the case.

³⁹ Name of declarer or spouse or minor child to be mentioned

⁴⁰ To show source of increase that happened to the financial value/wealth of the declarer or spouse or minor children since appointment or election or being subject to the law or since submitting the previous declaration according to the situation

Number	value		and its type and party issued it		
	pound	piaster		pound	piaster

2- Deposits and debts of declarer and spouse and minor children⁴¹

Name of owner of deposit or debt ⁴²	Name of debtor or deposited at	type of debt or deposit	Value of debt or deposit		Interest rate	Source of increase ⁴³	Notes
			pound	piaster			

-4-

3- Agricultural lands and extensions⁴⁴

Name of owner ⁴⁵	Location of lands			Area ⁴⁶ of lands			Annual income		Source of increase ⁴⁷	notes
	governorate	Centre	district	faddan	qirat	sahem	Pound	Piaster		

⁴¹ Deposits also include saving funds at post offices and banks and at banks and current accounts in banks or any other party

⁴² Name of declarer or spouse or minor child to be mentioned

⁴³ To show source of increase that happened to the financial value/wealth of the declarer or spouse or minor children since appointment or election or being subject to the law or since submitting the previous declaration according to the situation

⁴⁴ Including cultivated and cultivable and fallow lands and including their extensions of irrigation and water discharge machineries as well as entitlements to *waqf*

⁴⁵ Name of declarer or spouse or minor child to be mentioned

⁴⁶ 1 faddan = 4200.83 m², 1 qirat = 1/24 faddan = 175.09 m², 1 sahem = 1/24 qirt = 7.29 m² (translator)

⁴⁷ To show source of increase that happened to the financial value/wealth of the declarer or spouse or minor children since appointment or election or being subject to the law or since submitting the previous declaration according to the situation

4- Other real estates⁴⁸

Name of owner ⁴⁹	Location of lands			Area ⁵⁰ of lands	Description and location of real estate	Annual income		Source of increase ⁵¹	notes
	governorate	Centre	district			Pound	Piaster		

-5-

5- Insurance policies

Name of insured ⁵²	Name of insurance company	Policy number	Date of insurance	Type of insurance	Value of insurance		Date due	Annual fees		Beneficiary and his relation to insured	notes
					pound			Pound	piaster		

6- Valuable movables⁵³

Name of owner ⁵⁴	Details of movables	Date of possession	value		Source of increase	notes
			Pound	piaster		

-6-

7- Debts of the declarer and spouse and minor children

Name of debtor	Name of creditor	Type of commitment	Value of debt		Interest Rate	Value of instalment and date due		notes
			Pound	piaster		Pound	piaster	

⁴⁸ Including lands intended for building and lands in city *kardon* (boundaries)

⁴⁹ Name of declarer or spouse or minor child to be mentioned

⁵⁰ 1 *faddan* = 4200.83 m², 1 *qirat* = 1/24 *faddan* = 175.09 m², 1 *sahem* = 1/24 *qirt* = 7.29 m² (translator)

⁵¹ To show source of increase that happened to the financial value/wealth of the declarer or spouse or minor children since appointment or election or being subject to the law or since submitting the previous declaration according to the situation

⁵² Name of declarer or spouse or minor child to mentioned

⁵³ To mention valuable movables in quantity and description and price, especially cars and money and jewelries and noble and expensive stones, but for other movables their total value is to be estimated at time of purchase

⁵⁴ Name of declarer or spouse or minor child to be mentioned

Notes

Other information the declarer likes to add about his assets/ wealth

This declaration includes the elements of my financial/ assets possessions / wealth and that of my spouse and my minor children.

Signature of declarer:

Signature of spouse:

(Spouse refrained from signing)

Written down on / /

Notes: (signature from declarer or wife according to situation)

Print house of Egyptian post

Instructions regarding executing the provisions

of illegal gain law number 62 of 1975

- 1- If the husband and wife are subject to the provisions of the law then each of them is obligated to submit a declaration to the party he/she belongs to about his assets and that of the spouse and minor children and the declaration should be signed by both.
- 2- If a spouse refrains from giving him (*the partner – translator*) the required data about the elements of the spouse's assets, then he should write down that in his declaration and should notify the party he is submitting his declaration to and this party should order the refraining spouse to submit his/her assets declaration in two months of notifying him of that.
- 3- If the subject [*to the law*] has more than one status he should submit his declaration to the party of his original job and should notify the other parties with explanation of that. But the end of service declaration or the termination of the status should be submitted to the party in which his work ended or his status from that party had terminated.

- 4- the declarer, when writing down his declaration, is not allowed to refer to data in his previous declaration and he has always to fully mention declaration data according to the law.
- 5- Everyone who fail to submit asset declarations on due date is punished by imprisonment and a fine not less than twenty pounds and not more than five hundred pounds or one of these two penalties.
And every one who had mentioned incorrect information in his declaration is punished by imprisonment and a fine not less than one hundred pounds and not more than one thousand pounds or by one of these two penalties.

ANNEX III: LAW 62 OF 1975

[unofficial translation by TI]

Law number 62 of 1975⁵⁵

regarding Illegal Gain

In the name of the people

The president of the republic

The people's council (*the parliament-translator*) decided the law with the following text, and We issued it:

Article 1 – the following categories are subject to this law:

- (1) [All] Those carrying the burdens of the public authority and all employees of the state's administrative body, except the categories of third level.
- (2) Members of the higher executive committee of the Arab Socialist Union, and members of its other leadership formations that are determined by a decision from the president of the republic, and heads and members of the boards of the institutions that belong to it and the employees of this committee and those formations and institutions, except those whose salaries do not exceed the financial upper limit of the third level.
- (3) Head and members of the people's council and heads and members of local popular councils and others who have a public delegated status whether they were elected or appointed.
- (4) Heads of and members of boards and all employees of public commissions and public institutions and economic units belonging to them, except those of third level categories.
- (5) Heads of and members of boards and all employees in companies which the government or public commissions or public institutions or the economic units that belong to them contribute in their capital, except the foreigners and the employees whose salaries do not exceed the financial upper limit of the third level.
- (6) Heads of and members of administrative boards of professional syndicates and workers' unions and workers' trade unions, and special societies of public benefit.
- (7) Heads of and members of boards and all employees in cooperative societies, except the employees whose salaries do not exceed the financial upper limit of the third level.
- (8) Omdas and sheikhs⁵⁶
- (9) Recovery commissioners and those delegated for recovery and the trustees on deposits and treasurers and delegates of purchases and sales and members of purchase and sale committees in parties mentioned in previous articles
- (10) Financiers subject to taxation card system decided in law number 82 of 1973 if the transactions of the financier with the parties stated in mentioned law exceed fifty thousand pounds.

⁵⁵ Gazette, issue number 31, July 31, 1975, page 626

⁵⁶ Omda = mayor, sheikh = head of a village or a rural community that has no mayor (translator)

It is permissible by a president of the republic's decision to add other categories to those mentioned in the previous articles upon a suggestion from the Minister of Justice if the nature of work they conduct necessitates that.

Article 2 – every asset that is gained by a person subject to the provisions of this law for himself or to other because of exploiting the service or the status or a result of a behavior that breaches a legal punitive text or public morals IS considered an illegal gain.

And any increase in wealth that happens after assuming the service or the actualization of the status of the person subject to this law or his spouse or minor children when it is not proportional with their resources and he failed to prove a legal source of it IS considered a result of exploiting the service or the status or the breaching behaviour.

Article 3 – everyone who is in one of these categories that are subject to this law as of its enforcement date must submit a declaration of his assets and that of his spouse and his minor children showing in it the movable and immovable assets in two months of his subjection to the provisions of this law.

And it is a must also for everyone who is a subject of the provisions of this law to periodically submit an asset declaration during January next to the elapsing of five years from the date of submitting the previous declaration and this is for the whole period of being subject to the provisions of this law.

And he must submit a declaration in a two-month period of the expiry of his subjection to the provisions of this law.

The declarations stated in the second and third paragraphs should contain in addition to the data stated in the first paragraph the source of the increase in assets.

Article 4 - If a spouse of the person obligated to submit the declarations stated in the previous article refrains from giving the required data and signing them, then he should notify the party to which he is submitting his declaration about the refraining, and this party should order the refraining spouse to submit his/her asset declaration in two months of notifying him of that.⁵⁷

Article 5 – the following examination and investigation commissions are in charge of examining asset declarations and investigating complaints related to illegal gain:

- a- One or more commissions each is composed of five justices of the court of cassation who are selected at the beginning of the judicial year by lot and headed by the one with highest seniority, this is FOR the president of the republic and his deputies and head of the people's council and prime minister and his deputies and those in their ranks and the ministers and their deputies and members of the higher executive committee of the Arab socialist union and people's council members.
- b- Commissions that are formed upon a decision by the minister of justice each of which is composed of a justice in appeal courts FOR those in the rank of a minister and deputy minister and the excellent category and ministries' undersecretaries and those in their rank.
- c- Commissions that are formed upon the decision by the minister of justice each of which is composed of a chief Justice FOR the rest of those who are subject to the provisions of this law.

Article 6 – an administration is to be established in the ministry of justice called the administration of illegal gain that is formed from a director chosen from among justices of cessations justices and of

⁵⁷ In Arabic origin all pronouns are for male despite it is meant to apply to the spouse (husband or wife), as there is no neutral pronouns in Arabic (translator)

enough number of chiefs of primary courts who are delegated according to the provisions of judiciary authority law.

This administration is specialized in requesting data and explanations related to complaints and helping the commissions mentioned in article (5) in conducting their tasks.

Article 7 – the administrative monitor is in charge of executing what it is assigned with from the illegal gain administration upon what is decided by the commissions of examination and investigation in discussing illegal gain data, and can ask for the assistance of judicial officers or any other specialized party and it takes this specialty in the way and by the procedures stated in law number 54 of 1964 regarding reorganizing administrative monitor.

Article 8 – all parties identified by the executive regulation must present to the administration of illegal gain during January every year a list of names of the persons belonging to them who are committed to submitting asset declarations during the year and the due date of submitting and the declarations should be sent to it in a period that does not exceed two months of the submission of these declarations.

Article 9 – the commissions stated in article (5) are to examine the declarations and all complaints that are submitted about illegal gain, and examining the assets of all those who are subject to this law in case no declaration is submitted. And it is entitled for this purpose to request data and explanations and obtaining papers from specialized parties including those whose data is considered confidential or photocopies of those papers as well as having reservation on them.

Article 10 – if the examination and investigation find strong suspicions of illegal gain then the relevant commission is to refer the papers to people’s council regarding the president of the republic and his deputies and the prime minister and his deputies and ministers and their deputies to follow the procedures stated in law number 247 of 1956 and 79 of 1958, and in regard to people’s council to follow the provisions decided in relation to them, while for others who are subject to the provisions of this law the commissions stated in clauses a, b, and c of article 5 of this law will assume investigation in relation to them, and these commissions upon commencing investigations have all the powers of investigation authorities decided in the criminal procedures law, and it can order banning the accused or his spouse or minor children from desposition of all their assets or part of them and take the reservation measures necessary to execute the order, it can as well delegate the public prosecution to investigate certain facts.

The administration of illegal gain should present the order in no more than thirty days of its issuance to the relevant criminal court which should appoint a hearing session to examine it in the next thirty days and ask the issued-against to attend before the court to be heard and to hear the statements of those of relevance and should, in a period not more than sixty days of presenting the order before it, have its decision of approving or amending or cancelling it, and based on the elapsing of one hundred twenty days without a judgment being made by the court in regard to it then it is considered as if it was not.

Article 11 – anyone against whom a sentence of nodisposition was issued can plead after the elapsing of six months after the sentence date, if his plea is rejected he can submit a new plea every six months after the rejection of the plea.

Also anyone against whom a sentence of nodisposition and any person of interest can plead against the procedures of the execution of the sentence.

The plea is to be through a report to the bureau of the relevant criminal court and the head of the court should appoint a day for the case and the pgreivant and any one who has an interest should be notified, and the court should have a judgment in the plead during a period that does not exceed sixty days of the date of submitting the plead to the court.

The examination and investigation commission can at any time cancell the order it issued or ammend it.

Article 12 – it is permissible for the head of the court that is specialized in trying the case, if there are sufficient evidences of the incidence of illegal gain to issue an order upon the request of the examination and investigation commission obligating a third person of nodisposition of what is at his disposal for the accused or any other person of those mentioned in article 18 of this law whether it be a debt or a rent or movable values or others, and this has all the consequences of sizuring what the debtor has at other’s disposal without the need of other procedures.

Article 13 – it is permissible for the head of the specialized court on his own or upon the request of the examination and investigation commission to issue an order with the contents of the commission’s requests or with the contents of the illegal gain suit in regard of the real rights of the accused who are mentioned in article (18).

In all cases, any real right that was gained by a third person after the date of indication is not invokable, and it possible to plead against this order to the court in accordance of the procedures illustrated in law of civil and trade procedures.

The bureau of the court indicate the content of the judgment issued in the plea or the case of illegal gain.

Upon the issuance of the cancellation judgment or rejection of the case all what was indicated is to be cleared.

Article 14 – if the commission saw after investigation that the evidences on the accused are not sufficeint then it would issue an order of dismissal, and the order should include the reasons it was based on.

If it saw that the evidences are suffecient then it should issue an order of referring the suit to the relevent criminal court and should build a list of the affirming evidences and ask the public prosecution to noitify the acused of this list and send the papers to the court right away.

And if the commission saw that the incidence includes an adminstrative or financial offense it should refer the offender to the party that is specialized in looking in the matter.

Article 15– The administration of illegal gain should notify the public prosecutor with the issued order of no suit in seven days of the date of its issuance and the public prosecutor can appeal against this order in thirty days of the date of his notification.

The appeal is to be made by a report at the bureau of the relevant criminal court. The court will decide on the appeal after hearing the statement of the public prosecution and the stakeholders, if it saw that the evidences were not sufficient then it would cancel the order and refer the case to another department of the court departments to judge on it.

Article 16 - A criminal suit in an illegal gain crime elapses upon the elapse of three years beginning at the date of submitting end-of-service declaration or the termination of the status unless the investigation in it had started before then.

The period gets interrupted by informing the concerned party of referring the papers to the peoples' council with a recommendation annexed with [a form of] confirming reception, also the period gets interrupted by taking investigation procedures by the party of specialty.

Article 17- the declarations that are stated in this law and the complaints that are submitted about an illegal gain and what is conducted about them of examination and investigation are considered as secretes, and anyone who has an affair in executing this law must not reveal them.

Article 18 – everyone who had gained for himself or for the other an illegal gain is to be punished by imprisonment and a fine that is equal to the value of the illegal gain in addition to the sentence of recovery of the gain.

The abatement of the criminal suit due to death does not prevent recovery of the illegal gain upon a decision by a specialized criminal court based on a request by a commission among those commissions stated in article (5) during three years of the death date.

The court should order in relation to the spouse and the minor children who benefited from the illegal gain to execute the order from the assets of each of them equal to what he had benefited.

It can also order including anyone who benefited a significant benefit from among those who were not mentioned in the previous paragraph to be included in the order and executable on his assets equal to what he had benefited.

Article 19 – if a partner in a crime of illegal gain, or who committed a crime of hiding the gained funds, had taken the initiative to report to the public authorities about the crime of illegal gain before uncovering it or about the funds that were obtained as a result of it or had helped during its discussion and investigation in uncovering the truth then he is to be acquitted from the decided crime's punishments, and the provision of this article does not interrupt the obligation of recovery sentence.

Article 20 – everyone who fails to submit asset declarations in due dates is punished by imprisonment and with a fine not less than twenty pounds and does not exceed five hundred pounds or by one of these two penalties.

And anyone who had deliberately mentioned incorrect information in those declarations is to be punished with imprisonment or with a fine not less than one hundred pounds and does not exceed one thousand pounds or with one of these two penalties.

Article 21 - Everyone who breeches the provisions of article (8) is punished with a fine that does not exceed one hundred pounds.

Also the breach of the provisions of article (17) is punishable with imprisonment for a period not less than six months and with a fine not less than one hundred pounds and does not exceed five hundred pounds or with one of these two penalties.

Article 22 – everyone who made a false report about illegal gain intending to cause harm and no suit was made based on that is to be punished with imprisonment for a period not less than six months and with a fine not less than one hundred pounds and does not exceed five hundred pounds or with one of these two penalties.

Article 23 – the punishments decided in this law do not prevent deciding any other more severe punishment that is decided in another law.

Article 24 – the president of the republic is to issue an executive regulation for this law and until this regulation is issued work continues according to enforced decisions in this regard without contradiction with the provisions of this law.

Article 25 – law number 11 of 1968 regarding illegal gain is to be cancelled, nevertheless it continue to be used and with the decree of law number 131 of 1952 regarding illegal gain and with law number 148 of 1961 on deciding some provision relevant to illegal gain and that is in regard to those who were subject to them and left service work or their status had ended before the enforcement of this law conditioned that the declarations that must be examined are to be examined according to the commissions stated in article (5) in this law.

Article 26 – this law is to be published in the gazette, and to be enforced as of November first 1975.

This law is to be stamped by the state's seal, and to be executed as a law of its laws.

Issued at the republic presidency on Rajab 7, 1395 (July 16, 1975)

Anwar As-Sadat

ANNEX IV: DECREE 1112 OF 1975

[unofficial translation by TI]

Decision by the president of the Arab Republic of Egypt⁵⁸

Number 1112 of 1975

On the executive regulation of Law number 62 of 1975 regarding illegal gain

President of the republic

After reviewing the constitution

And the law of criminal procedures

And law number 54 of 1964 regarding reorganizing administrative monitoring;

And law number 46 of 1972 regarding judiciary authority;

And law number 82 of 1973 on amending some of the provisions of law number 7 of 1953 regarding the inventory of financiers subject to taxation on movable wealth decided in law number 14 of 1939; and law number 62 of 1975 regarding illegal gain;

And upon the approval of the ministerial council;

And upon what was deemed by the state's council,

Decided

Article 1 - the general assembly of the Supreme Court selects in the beginning of the judicial year and by lot a commission or more in accordance with work requirement each of which is composed of five justices of this court justices to examine and investigate asset declarations in accordance of the provisions of the referred-to law number 62 of 1975.

And a decision from the minister of justice is to be issued to form other examination and investigation commission in accordance with the provisions of the referred-to law number 46 of 1972.

Article 2 – those who are subject to the provisions of the referred-to law number 62 of 1975 submit asset declarations to the following parties:

- (1) secretary general of the republic presidency regarding the president of the republic and his deputy and those in the rank of minister or deputy of minister at the republic presidency

⁵⁸ Gazette- issue 48 in November 27, 1975, page 1140

- (2) Secretary general of the people's council regarding head of the council and the rest of members
- (3) Secretary general of the council of ministers regarding prime minister and his deputies and the ministers and their deputies
- (4) The secretariat of the supreme executive committee of the Arab Socialist Union regarding its members and other leadership formations and all employees in that committee and these formations except the employees whose salary does not exceed the equivalence of the financial upper limit of the third level.
- (5) Secrete keeper [secretary] of ministry of war regarding armed forces men
- (6) Secrete keeper [secretary] of ministry of interior regarding police men
- (7) Director of the directorate of mayors and *mashayekh*⁵⁹ at the ministry of interior for them
- (8) Local council secretary for the council members
- (9) Director of the directorate of personnel affairs in each of the institutions belonging to the Arab Socialist Union for heads and members of board and staff working in it except those employees with salaries which are not more than the upper financial limit of third level.
- (10) Directors of the directorates of personnel affairs in ministries, public commissions and public institutions which are references for the activities practiced by the syndicate, union, or society of public benefit or the cooperative societies for the categories stated in the sixth and seventh clauses of article (1) of law number 62 of 1975 that was referred to.
- (11) Directors of the directorates of personnel affairs in ministries, public undertakings and public commissions and economic units that belong to the public sector and the companies with a capital shared by the government or the public commissions or the public institutions or the economic units attached to them FOR the rest of categories stated in first and fourth and fifth and ninth clauses of article (1) of law number 62 of 1975 referred to.
- (12) Directors of the directorates of personnel affairs in the parties that traded with FOR the financiers subject to taxation card system decided in the referred-to law number 82 of 1973 and stated in clause (10) of article (1) in the referred-to law number 62 of 1975.
- (13) Any party determined by the president of the republic FOR the categories that a decision is issued subjecting them to the provisions of the referred-to law number 62 of 1975. And if the subject has more than one status he must submit his declaration to the party of his original job and inform the other parties about that, and the declaration upon end-of-service or termination of the status should be submitted to the party in which the work of the declaration submitter has ended.

Article 3 – the declarations are to be written down on the special form that is decided upon a decision by the minister of justice, and their submission or notification about them either through delivering against a receipt or through sending them by mail with a [recommendation] with a request of acknowledging reception.

⁵⁹ Heads of small villages or rural communities that have no mayor (omda)

Article 4 – if the trades transactions of the subject to the provisions of clause (10) of article (1) of the referred-to law number 62 of 1975 exceed fifty thousand pounds in one calendar year he must submit a declaration at the time of the action in which the sum exceeded the mentioned sum showing the elements of his financial status at his first trade transaction and to submit a second declaration at completing the latest transaction.

If the parties he traded with were multiple he must submit a copy of the declaration to each of these parties.

But in the case that the value of one trade transaction had exceeded fifty thousand pounds then he has to submit a declaration at the beginning of that transaction and another at its completion.

And the party traded with should notify the directorate of personnel in it about the content of any trading.

Article 5 – the parties concerned with receiving declarations should annually in January present to the directorate of illegal gain a list of the names of the persons belonging to it who are committed during that year for submitting asset declarations and the date of submission and the declarations should be sent in a period not more than two months of the declaration submission.

Those parties should notify the directorate of illegal gain with the names of persons subject to the provisions of the law who did not submit their declarations in due date and to do that in a month time of the elapse of its submission due date.

These parties have also to update the directorate of illegal gain with the data and illustrations requested from them upon complaints or notifications that are presented to this directorate or referred to it.

Article 6 - Real estate publicity undertaking and its districts and directorates of traffic and the parties specialized in issuing permits of establishing buildings and factories and enterprises, and permits of emigration should notify the directorate of illegal gain with a full statement about the party of employment FOR those who are subject to the provisions of the referred-to law number 62 of 1975, based on their personal or family cards.

Article 7 – the parties who are concerned with receiving declarations are to prepare a special file for each of those who are subject to the provisions of the referred-to law number 62 of 1975 and all submitted declarations or referred notifications or data should be filed in this file.

This file should be annexed to the service file if any.

Article 8 – the administration of illegal gain is to monitor how the parties in charge of receiving declarations conduct their assigned duties in accordance to the provisions of the law number 62 of 1975 referred-to, and it should follow-up their work in this regard and report to the general prosecution any breaches of the provisions of article 8 of law number 62 of 1975 referred-to in addition to inform the head offices of those parties about the breaches.

Article 9 – the administration of illegal gain is entitled to follow-up the parties stated in article 6 in this decision regarding conducting their duties and should inform the head offices of those parties about the breaches in this regard.

Article 10 – the administration of illegal gain is to request from the relevant parties the file of the declarations of those who are subject to the provisions of the referred-to law number 62 of 1975 and the data and illustrations about them and display them to the examination and investigation commissions.

And the mentioned administration should assist these commissions in conducting their tasks and it can for that assign the administrative monitory or other relevant parties to discuss the data of illegal gain case or the complaints related to them.

Article 11 - the administration of illegal gain is to advertise the dates of doing the periodic asset declarations during the two months of November and December every year in two widespread daily newspapers and on radio and TV, the mentioned administration can also work on raising awareness that it thinks required to inform those who are subject to the law about its provisions using different media outlets and in times it sees suitable.

The parties who are specialized in receiving declarations are to attract the attention of those who are subject to the provisions of the referred-to law number 62 of 1975 to the determined dates for submitting their declarations at least one month before the expiry of these dates.

Article 12 – the specialized administrative bodies should execute what they are assigned by the administration of illegal gain regarding the cases of illegal gain.

These bodies can ask for the assistance of judicial officers or any other agency specialized in executing what these bodies are assigned to.

The administrative bodies should conduct this specialization in the form and procedures indicated by the referred-to law number 54 of 1964.

Article 13 – the examination and investigation commissions stated in the referred-to law number 62 of 1975 are in charge of reviewing what was not examined of the declarations that should have been examined in accordance with the provisions of law number 11 of 1968 in regard to illegal gain.

Article 14 – the commissions of examination and investigation when examining the declarations should start with the declarations of higher ranks descending to lower ranks and with declarations of recovery commissioners and those delegated for recovery and the trustees on deposits and treasurers and delegates of purchases and sales and members of purchase and sale committees in the parties mentioned in article 1 of the referred-to law number 62 of 1975.

Article 15 – if the examination and investigation do not find suspicion of illegal gain it is to issue a reasoned decision of that.

This decision does not prevent reexamining if there is something justifying that and upon the request of the administration of illegal gain, or a report submitted to the examination and investigation commissions.

The procedures stated in articles 10, 14 of law number 62 of 1975 are to be followed if these commissions found strong suspicions of illegal gain.

Article 16 – if a subject to the provisions of the referred-to law number 62 of 1974 had failed to submit his asset declaration according to the provisions of earlier mentioned law then the

administration of illegal gain should report this failure to the public prosecution to take its measures regarding it.

The failure to submit the declaration does not prevent the specialized commissions from examining the elements of assets property of those who failed to submit according to the provisions of article (9) of the law.

Article 17 – the person whose situation is being examined has the right to view the declaration related to him and the decisions taken in the examination, and to get copies of them upon the permission of the specialized examination and investigation commission.

Article 18 - the parties or commissions in charge of receiving declarations or keeping them or communicating them or examining them or conducting an investigation or action regarding them are prevented from disclosing the data in declarations, and the declarations and also the complaints submitted on illegal gain are considered among secrets.

Article 19 - the declarer, when writing down his declaration, is not allowed to refer to data in his previous declaration and he has always to mention declaration data according to the law.

Article 20 – the minister of justice is to issue the required decisions to implement this decision.

Article 21 – this decision is to be published in the Gazette, and is enacted as of November first 1975.

Issued at the republic presidency on Ze Al-Qe'deh 12, 1395 (November 15, 1975).

Anwar As-Sadat

Transparency International
International Secretariat
Alt-Moabit 96
10559 Berlin
Germany

Phone: +49 - 30 - 34 38 200
Fax: +49 - 30 - 34 70 39 12

ti@transparency.org
www.transparency.org

blog.transparency.org
[facebook.com/transparencyinternational](https://www.facebook.com/transparencyinternational)
twitter.com/anticorruption