OECD Anti-Bribery Convention Phase 4 Follow-Up Report on Luxembourg

Implementing the Convention and Related Legal Instruments

OECD

Disclaimers

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Summary and conclusions

Summary of findings[1]

1. In June 2026, Luxembourg presented the OECD Working Group on Bribery (Working Group or WGB) with its two-year follow-up report describing the measures taken to implement the recommendations formulated during the Phase 4 evaluation in March 2024. In light of the information provided, the Working Group concludes that Luxembourg fully implemented 10 recommendations, partially implemented 22 recommendations and did not implement 14 recommendations. Given that Luxembourg has reported positive developments in relation to follow-up issues 13(c) and 13(d), the Working Group will continue to follow up on issues 13(a-b) and 13(e-j) as case law and practice develop.

2. The Working Group welcomes the adoption by Luxembourg of several important measures that have contributed to implementing the recommendations set out in the Phase 4 report. In particular, on 26 February 2026, Luxembourg adopted a substantially revised version of Circular No. 08/2023 of the State Prosecutor General (hereinafter the amended circular of the State Prosecutor General on corruption) concerning offences of corruption, trading in influence, abuse of public office, illegal taking of interest and embezzlement. This circular, which contains direct references to the recommendations made by the Working Group, explicitly calls on public prosecutors to prioritise bribery cases, including foreign bribery cases. It also invites them to make more systematic use of potential sources of detection and to take into account the protections afforded to whistleblowers. Finally, it emphasises the need to thoroughly investigate the possible involvement of Luxembourg legal persons. Luxembourg has not provided information on how this circular will be implemented, and the impact of this non-public, non-binding document still needs to be assessed. In addition, the State Prosecutor General's circular of 15 July 2025 on the process for judgments upon agreement provides important clarifications, particularly regarding prosecution policy, the procedure to be followed, and the form and effects of judgments upon agreement, which is also a positive development although this document raises the same reservations as those set out above regarding the revised Circular No. 08/2023 of the State Prosecutor General. The Working Group also welcomes the adoption of the Act of 12 December 2025 strengthening prosecutors' investigative powers in relation to foreign bribery, in particular through the extension of the "mini-instruction" to foreign bribery, and the relaxation of deadlines for requests for coercive measures. These developments should help reduce procedural delays, although they do not fully remove the obstacles related to banking secrecy identified in Phase 4. In addition, Luxembourg has begun work on conducting a national risk assessment of corruption, including foreign bribery, which will form the basis of its future national anti-corruption strategy. It also reports an increase in the human resources available to several key stakeholders within its anti-foreign bribery framework, notably the judiciary, the police, the Financial Intelligence Unit (FIU) and the Office for Whistleblowers (OSIG). Useful training and awareness-raising initiatives have also been carried out for public and private sector stakeholders. Finally, the establishment of internal reporting channels within public authorities that are likely to play a role in detecting the foreign bribery offence, as well as significant awareness-raising efforts linked to the new whistleblower framework resulting from the Act of 16 May 2023 transposing the European Union (EU) Directive on the protection of persons who report breaches of Union law, could help to strengthen Luxembourg's capacity to detect foreign bribery.

3. The Working Group nevertheless regrets that the overall implementation of Phase 4 recommendations remains insufficient. In particular, the Luxembourg authorities have opted for an approach that involves delaying the implementation of several recommendations pending the adoption of the European Union (EU) Directive on combatting corruption (hereinafter the "EU Anti-Corruption Directive"). The recommendations in question cover key issues such as the foreign bribery offence, applicable penalties, exclusion from public procurement, and incentives for voluntary disclosures. This directive was still being finalised at the time of the submission of Luxembourg's follow-up report. Following the adoption of the Directive by the EU Council on 21 April 2026, it entered into force on 31 May 2026. EU Member States have 24 months to transpose most of its provisions. The Working Group reiterates that it is incumbent upon the States Parties to the Convention to take all necessary measures, as soon as possible, to give full effect to the recommendations formulated in the Phase 4 evaluation. Waiting for regulatory developments to be adopted in another international framework cannot be used as justification for failing to implement the Working Group's recommendations. Furthermore, Luxembourg has not strengthened its whistleblower protection framework, particularly with regard to the assessment of the whistleblower's motivation, provisional protection measures, exemption from criminal and civil liability, and the definition of retaliation. Nor has Luxembourg given serious consideration to the reclassification of foreign bribery as a serious offence (*crime*) to a lesser one (*délit*) and its impact on penalties and confiscation. It has not taken sufficient measures to facilitate access by investigative and prosecuting authorities to banking and financial information. Its legal framework concerning successor liability has not been strengthened. The issue of the jurisdiction of the Luxembourg courts over legal persons on the basis of nationality remains unaddressed.

4. Luxembourg's enforcement of offences of foreign bribery and trading in influence of foreign public officials remains weak. According to data provided by Luxembourg, at the time the Phase 4 report was adopted, five natural persons and no legal persons had been convicted for foreign bribery; prosecution was underway in one case; and two investigations were in progress, one against a natural person and the other against a legal person. Luxembourg had decided to close the "foreign bribery" component of one of these two investigations, leaving only one investigation into foreign bribery allegations open. The information provided by Luxembourg suggests that, since the adoption of the Phase 4 report, no natural or legal person has been convicted for foreign bribery and for trading in influence of foreign public officials; only one case is currently under investigation for these offences; and only one prosecution is ongoing for trading in influence of foreign public officials. Luxembourg's efforts to detect these offences therefore remain insufficient. It is also important to note that, to date, no legal person has been convicted for foreign bribery or for trading in influence of foreign public officials in Luxembourg. On a more encouraging note, one legal person has been sanctioned for breaches of anti-money laundering legislation in connection with foreign bribery offences, and four investigations are currently underway for related offences.

5. Regarding next steps, Luxembourg will report in writing to the WGB in June 2028 on the implementation of recommendations 1(a), 2(a), 3(a), 5(a), 6(a) and (b), 10(a) and (c) and 11.

6. The Working Group's conclusions regarding the implementation by Luxembourg of the WGB's Phase 4 recommendations are presented below. They are based on the Phase 4 two-year follow-up report by Luxembourg, which is included after this summary.

Recommendations regarding detection of foreign bribery

7. *Recommendation 1(a) – Partially implemented.* In Phase 4, the Working Group had concluded that Luxembourg's efforts to detect foreign bribery were insufficient. The Working Group had therefore recommended that Luxembourg develop a strategic approach for combatting foreign bribery involving the Corruption Prevention Committee (COPRECO). This approach was to be based on (i) understanding national foreign bribery risks and (ii) a cross-cutting and cross-sectoral plan to raise awareness of foreign bribery. Luxembourg has begun to take concrete measures to implement this recommendation. In January

2026, the Luxembourg authorities, through COPRECO, began work on conducting a national risk assessment of corruption, including foreign bribery, which is encouraging, even though this assessment has yet to be completed. Luxembourg states that it is awaiting the finalisation of the risk assessment before defining its national strategy for combating corruption, including foreign bribery. Luxembourg has not provided a provisional timetable in this regard. Finally, while Luxembourg reports on various training initiatives, notably with regard to detecting foreign bribery, which is positive, these do not form part of a systematic plan. The recommendation is therefore partially implemented.

8. *Recommendation 1(b) – Partially implemented.* In Phase 4, the Working Group had noted differing interpretations of the threshold for suspicious acts that would trigger a report to the Public Prosecutor's Office under section 23(2) of the Code of Criminal Procedure (CCP), which obliges public officials to report crimes and misdemeanours (*crimes et délits*) to the Public Prosecutor's Office, and had recommended that Luxembourg ensure that this threshold was understood in a uniform and harmonised manner by the administrations concerned (i). The Working Group had also found that the relationship between the reporting obligation provided for under section 23(2) CCP, and the new whistleblower regime established by the Act of 16 May 2023 needed to be clarified (ii). Furthermore, it had invited Luxembourg to reinforce its efforts to raise awareness among public officials in relation to the detection of foreign bribery offences (iii). Luxembourg has adopted several measures to implement this recommendation, including the drafting, in May 2024, of guidelines on the implementation of internal reporting channels within the civil service. While these guidelines provide useful clarifications regarding the new reporting mechanism provided for by the Act of 16 May 2023, they do not specify the threshold for suspicious acts that would trigger a report under section 23(2) CCP (i). Furthermore, even if the guidelines specify the procedures for establishing internal reporting channels within public authorities as provided for by the Act of 16 May 2023, they do not provide the requested clarifications regarding the relationship between reports made under section 23(2) CCP and the protection provided for by the Act of 16 May 2023 (ii). Luxembourg has made significant efforts to remind public officials of their obligation to report crimes and offences under section 23(2) CCP. However, awareness-raising activities relating to foreign bribery have only been conducted in certain public authorities. The work carried out as part of the national corruption risk assessment, as well as efforts to better integrate the foreign bribery offence into the training programmes of the National Institute of Public Administration (INAP), open up interesting prospects for coordinated awareness-raising among public officials. Nevertheless, this work has not yet been finalised (iii).

9. *Recommendation 1(c) – Fully implemented.* In Phase 4, the Working Group had noted the significant awareness-raising and training efforts directed at authorities and the private sector regarding the laundering of corruption proceeds, while observing that these efforts did not extend to foreign bribery. The Working Group had also expressed concern about the staffing levels of the FIU, particularly in view of the ever-increasing number of suspicious transaction reports and the numerous tasks assigned to the unit. The Working Group had therefore recommended that Luxembourg continue and intensify awareness-raising initiatives for the FIU, supervisory authorities and the private sector on the risks of foreign bribery and money laundering predicated on this offence (i) and provide the FIU with adequate capacity and resources (ii). Luxembourg has taken significant steps to implement this recommendation. The FIU and the supervisory authorities have carried out various training and awareness-raising initiatives on the risks of the laundering of the proceeds of corruption, including foreign bribery, for the benefit of staff within these authorities and the private sector. These measures have included the presentation of typologies and case studies. In April 2026, the FIU also published on its website an information note for the private sector on foreign bribery, referring to the Anti-Bribery Convention and containing typology elements and indicators (i). Luxembourg has reported a significant increase in the staffing levels of its FIU (from 52 members in 2024 to 72 members at the time of this report's adoption), which is set to continue in 2026 (ii). The impact of these measures on the detection of foreign bribery cases through anti-money laundering mechanisms will need to be examined during the next evaluation of Luxembourg.

10. *Recommendation 1(d) – Not implemented.* In Phase 4, the Working Group had noted that the tax authorities had not detected any foreign bribery cases, and that the relevant tax officials had received no training on detecting foreign bribery. The planning of tax audits did not take into account the risks of foreign bribery posed by some sectors and taxpayers, and the resources allocated to the tax authorities with the potential to detect foreign bribery were insufficient. The Working Group had therefore recommended that Luxembourg step up measures to raise awareness among officials of the need to detect illicit transactions linked to foreign bribery (i); reconsider tax auditing practices, with a view to adopting a more proactive policy to help detect illicit transactions linked to foreign bribery (ii) and ensure that tax authorities have the requisite human and material resources (iii). Luxembourg has not yet taken any significant steps towards implementing this recommendation. The Registration Duties, Estates and VAT Authority (AED) refers to measures to promote integrity within the administration, which do not appear likely to contribute directly to raising tax officials' awareness of how to detect foreign bribery. The Income Tax Administration (ACD) states that it is in the process of finalising "a memorandum on the detection and reporting of corrupt practices in the context of tax audits", whose specific relevance to foreign bribery has not been established (i). The AED refers to the introduction of criteria leading to the automatic referral of audited cases to the Public Prosecutor's Office. However, the nature of these criteria has not been specified. It is therefore not established that they would be useful for detecting instances of foreign bribery (ii). Finally, Luxembourg has provided no evidence of any increase in resources for the relevant tax administration departments (iii).

11. *Recommendation 1(e) – Partially implemented.* In Phase 4, the Working Group had noted that no foreign bribery cases had been detected by Luxembourg diplomatic and consular missions and that training for Ministry of Foreign and European Affairs (MAE) staff did not cover the foreign bribery offence or the role of these staff in raising awareness among Luxembourg companies operating abroad (i). The Working Group had also noted that the MAE did not have a clear and easily accessible internal reporting mechanism (ii), and that it did not follow up on foreign bribery allegations made in the local or international press (iii). Luxembourg has taken several measures that have contributed to addressing these shortcomings. The MAE now provides all its staff with a new mandatory anti-corruption training course, which is a positive development. Since May 2024, this course has been organised five times for a total of 371 MAE staff members. It does not, however, cover the issue of foreign bribery in depth and does not address the role of MAE staff in raising awareness among Luxembourg companies operating abroad (i). The publication of a note on internal reporting in MAE is a positive step, as are the awareness-raising efforts aimed at staff (i.e. the aforementioned mandatory training and the note detailing the reporting procedure published on the Ministry's intranet). Staff can now submit reports to the Ministry's reporting officer, who is assigned to the Ministry's Directorate of Finance and Human Resources (ii). Luxembourg has not provided any concrete information to indicate that the MAE follows up on foreign bribery allegations in the local or international press (iii).

12. *Recommendation 1(f) – Fully implemented and converted to a follow-up issue.* In Phase 4, the Working Group had noted that, in terms of official development assistance, the measures put in place to strengthen integrity in public procurement remained insufficient (i) and that a limited number of awareness-raising initiatives on bribery of foreign public officials had been organised for LuxDev staff and partners (ii). The Working Group had recommended that Luxembourg enforce existing provisions more strictly to bolster the integrity of public procurement and in particular those relating to the exclusion of bids of economic operators who were found guilty of foreign bribery, or appeared on the exclusion lists of multilateral development banks for foreign bribery offences (i); and adopt targeted measures to raise awareness among LuxDev staff and partners, particularly those posted abroad, of their role in detecting and reporting foreign bribery (ii). Luxembourg has taken steps in the desired direction, such as making it standard practice to consult "relevant exclusion databases", particularly those of the World Bank. Furthermore, Luxembourg has acquired software which, in the event of any doubts regarding a declaration, enables targeted searches to be carried out on the economic operator, its shareholder structure, media coverage and any criminal convictions. When an economic operator is subject to exclusion, the Luxembourg authorities have confirmed that the tender cannot be accepted, although to date no tender has been

rejected on these grounds. This part of the recommendation has therefore been implemented (i). Luxembourg also reports that it has initiated a series of awareness-raising activities, including a mandatory training module for all LuxDev staff. According to the Luxembourg authorities, since its launch in November 2025, this module has been completed by 492 staff members, both at the headquarters in Luxembourg and in its offices abroad. Participants were required to sit an exam at the end of the e-learning course to certify their understanding of the material presented, in particular the reporting channels and the role of staff in detecting fraud, corruption and foreign bribery (ii). The recommendation is therefore considered to be implemented. The Working Group will continue to follow up on the practical implementation of the provisions concerning the exclusion of tenders submitted by economic operators found to have committed CAPE.

13. *Recommendation 1(g) – Partially implemented.* In Phase 4, the Working Group had noted that the Office du Ducroire (ODL), which is Luxembourg's export credit agency, did not have direct access to applicants' criminal record, and had asked Luxembourg to ensure that ODL had satisfactory access to information on companies sanctioned for foreign bribery in Luxembourg (i). The Working Group had also noted that ODL did not take into account the existence of internal control, ethics and compliance measures within companies being granted contracts and had asked ODL to examine the possibility of taking measures to this end (ii). Lastly, the Working Group had noted that ODL employees were not sufficiently aware of their role in detecting the foreign bribery offence and had asked ODL to adopt targeted measures to this end (iii). Luxembourg indicates that discussions are underway to add ODL to the list of public authorities authorised to request a criminal record extract. This is encouraging, but no concrete measures have been taken to date and Luxembourg has not specified a timetable (i). ODL is conducting a corruption risk mapping exercise aimed at identifying, assessing and prioritising these risks, in order to adapt, where necessary, its internal procedures, particularly with regard to high-risk countries and transactions, and to strengthen the explicit integration into its decision-making process of criteria relating to beneficiary companies' internal control, ethics and compliance mechanisms. However, this approach appears to target companies that are already beneficiaries and therefore takes place after a contract has been granted, with no specific timetable given for the adoption of these measures (ii). ODL has made efforts to raise awareness of foreign bribery among its staff, notably through continuous training courses by Refinitiv and the House of Training between 2024 and 2026, and through the organisation, in 2025, of an internal workshop on bribery and export credits, focusing on the bribery risks associated with ODL's activities. However, the extent to which foreign bribery is covered in these training programmes is not clear (iii).

14. *Recommendation 1(h) – Partially implemented.* In Phase 4, the Working Group had identified potential contradictions in the reporting obligations of external auditors who uncovered suspected acts of bribery of foreign public officials. Their obligation to report acts of foreign bribery to the authorities did not seem to be implemented and, given that auditors and certified accountants had not detected any foreign bribery cases, it seemed that these professionals still had inadequate awareness of the foreign bribery offence. As a result, the Working Group had asked Luxembourg to clarify through appropriate guidance the competing and potentially contradictory obligations of external auditors (i); consider requiring external auditors to report any suspicion of bribery of foreign public officials to the law enforcement authorities (ii); and adopt targeted measures to raise awareness within the accounting and auditing professions of their role in detecting and reporting foreign bribery offence (iii). Luxembourg has not taken any concrete measures to implement points (i) and (ii) of this recommendation. The inclusion of a section dedicated to auditors' reporting obligations in the 2024/2025 Annual Report of the Institute of Registered Auditors' (IRE) is an interesting initiative, but it does not provide the expected clarifications (i). Luxembourg has not provided any concrete information on the implementation of the obligation to report acts of foreign bribery to the authorities (ii). Luxembourg does, however, report on several awareness-raising initiatives. For instance, the IRE and the Order of Chartered Accountants (OEC) have addressed corruption at their respective general meetings. They have created specific anti-corruption sections, with links on their respective websites, each referencing the OECD Anti-Bribery Convention (iii).

15. *Recommendation 1(i) – Not implemented.* In Phase 4, the Working Group had noted that Luxembourg did not have measures specifically aimed at encouraging self-reporting of foreign bribery by companies. Accordingly, the Working Group decided that Luxembourg needed to consider measures to encourage voluntary disclosures and reporting by persons who had participated in or been implicated in the commission of foreign bribery to provide relevant information to the competent law enforcement authorities. Since then, Luxembourg has not taken any steps to implement this recommendation. Luxembourg points out that this matter is covered by the EU Anti-Corruption Directive. While this instrument does indeed contain measures relating to voluntary disclosure, the fact that Luxembourg simply refers to the general process of adopting the directive, which covers a very broad set of measures, cannot be taken to confirm that Luxembourg has taken specific and proactive steps to *consider* the possibility of strengthening its voluntary disclosure framework, and the possible ways in which this might be achieved.

16. *Recommendation 1(j) – Partially implemented.* In Phase 4, the Working Group had observed that, in Luxembourg, no foreign bribery case had originated from a press article and had asked Luxembourg to ensure that more investigations were opened on the basis of credible allegations of foreign bribery reported in the national and foreign media (i). The Working Group had also asked Luxembourg to ensure that sufficient resources were allocated to prosecuting authorities in their efforts to monitor the national and international media (ii). It had also invited Luxembourg improve access to official documents for the media and civil society in order to facilitate their contribution to detecting and reporting allegations of foreign bribery (iii). In its follow-up report, Luxembourg does not mention any new foreign bribery cases detected by monitoring the national and foreign press. Nevertheless, the amendment to the State Prosecutor General's circular on corruption in February 2026 is a positive development in that it underlines for the prosecuting authorities the importance of the information provided by the Working Group, as well as the monitoring of reports in national and foreign media, in detecting foreign bribery, and specifies that Public Prosecutors' Offices are required to carry out systematic, in-depth verifications with a view to potentially opening an investigation. However, it is still too early to assess the impact of these new measures (i). Luxembourg indicates that since January 2025 a law clerk in the Economic and Financial Offences Unit of the Luxembourg Public Prosecutor's Office has been responsible for proactively analysing the national press and has created a database of sources of information on international cases of corruption and money laundering with links to Luxembourg. Moreover, a unit within the Grand Ducal police also monitors allegations of foreign bribery in the international press and transfers them to the Public Prosecutor's Office. The work currently underway by the Economic and Financial Crime Department of the Grand Ducal Police to develop a platform for sharing press articles, as well as the use of an AI tool to carry out automated online searches for press articles, is encouraging (ii). Lastly, Bill No. 8421 of 24 July 2024 "on the promotion of professional journalism and democratic debate" is an opportunity to improve access to official documents for civil society and journalists, but parliamentary discussions are still ongoing (iii).

17. *Recommendation 2(a) – Partially implemented.* In Phase 4, the Working Group had asked Luxembourg to clarify that a whistleblower's personal motivation was irrelevant for the application of protections under the law, and to ensure that reporting persons were not subject to disciplinary proceedings and liability, including criminal liability, on the basis of the overly restrictive nature of the non-liability clause provided for in the Act of 16 May 2023 (i). In addition, the Working Group had invited Luxembourg to ensure that interim measures pending the resolution of legal proceedings were available to whistleblowers as remedial measures, given that they were not provided for in the Act of 16 May 2023 (ii). Luxembourg reports several initiatives aimed at implementing (i). First, in 2025, the Office for Whistleblowers (OSIG) published and made publicly available a brochure clarifying the provisions of this Act. The brochure, however, may contribute to reinforcing the perception that a whistleblower's initial motivation will be reviewed when determining eligibility for legal protections, as it emphasises that the legislation aims to "prevent abusive reporting, the sole purpose of which may be to take revenge' or to try to benefit from undue protection, for example to avoid dismissal or a legitimate sanction". In addition, Luxembourg indicates that the issue of a whistleblower's "reasonable grounds" to report was addressed during a public conference (7 May 2025) and a training session for reporting officers (14 November 2025) organised by

the OSIG. The information available on these initiatives suggests that the issue of whistleblowers' motivations was discussed. Nevertheless, these initiatives alone cannot dispel the ambiguities created by the OSIG brochure. Finally, neither legislators nor case law has provided any further clarity on these points (i). Luxembourg indicates that while whistleblowers may be entitled to standard interim measures under ordinary law, there is as yet no case law, particularly from the courts dealing with interim relief, in which such standard interim measures have been applied (ii).

18. *Recommendation 2(b) – Not implemented.* In Phase 4, the Working Group had highlighted that the Act of 16 May 2023 proposed a broad definition of the concept of retaliation against whistleblowers, but that the scope of the law did not extend to actions to coerce, intimidate or harass a whistleblower that did not constitute retaliation in the workplace. In addition, the sanctions for retaliating against whistleblowers were insufficient. The Working Group had therefore asked Luxembourg to extend the scope of the law to a broader range of retaliation situations, and to ensure that sanctions against those who retaliate against whistleblowers were effective, proportionate and dissuasive. In its follow-up report, Luxembourg considers that it is still too soon to consider amending the Act of 16 May 2023 but specifies that work is underway to assess the application and practical implementation of the Act and the EU's whistleblower protection directive. Luxembourg has given no indication as to the exact nature or schedule of this work.

19. *Recommendation 2(c) – Not implemented.* In Phase 4, the Working Group had reiterated that actions taken against whistleblowers, for example actions for defamation or for breach of business secrets, could seriously discourage whistleblowing. The Working Group had determined that the civil and criminal non-liability clauses for whistleblowers in respect of any act relating to their reporting, as set out in the Act of 16 May 2023, were too restrictive. The Working Group had therefore recommended that Luxembourg ensure that regulations and laws prohibiting the transmission of economic or commercial information did not unduly hinder whistleblowing and whistleblower protection under the conditions set out by the law. In its follow-up report, Luxembourg indicates that the conditions entitling a whistleblower to civil or criminal non-liability under the Act of 16 May 2023 were reiterated in a new awareness-raising brochure developed by OSIG. However, this brochure does not provide any further clarifications and merely reproduces the requirements laid down by law. To date, the Luxembourg courts have not yet had to rule on this matter.

20. *Recommendation 2(d) – Fully implemented.* In Phase 4, the Working Group had welcomed the creation of the Office for Whistleblowers (OSIG) under the Act of 16 May 2023 and had asked Luxembourg to ensure that OSIG as well as other competent authorities under the law had sufficient resources and had specialised staff to carry out their tasks. Luxembourg has indicated that the resources allocated to OSIG have increased significantly in terms of staffing since Phase 4, even if some positions remain vacant. It is also worth commending the significant awareness-raising and training activities carried out by OSIG for the competent authorities since the adoption of the Act of 16 May 2023, in particular within the framework of the Network of Competent Authorities for Whistleblower Protection ('ACPLA Network').

21. *Recommendation 2(e) – Fully implemented.* In Phase 4, the Working Group had emphasised the persistent mistrust of whistleblowers in Luxembourg and that the main challenge of the new legislative framework under the Act of 16 May 2023 would be to transform the perception of reporting into a more positive one, which would require major awareness-raising efforts by the Luxembourg authorities. The Working Group had noted that a large number of awareness-raising initiatives had already taken place since the adoption of the new Act, but that they would need to be continued and intensified. Significant awareness-raising efforts have been undertaken since Phase 4 by the Ministry of Justice (an awareness campaign targeting public and private entities affected by the Act and the publication of a special report), OSIG (training sessions, meetings and outreach to private and public sector stakeholders), and other competent authorities (publication of special reports and awareness-raising pages on their websites). These efforts are to be commended and appear to be proving successful: in 2024, the competent authorities received 547 reports across all types of violation, including possible cases of economic crime.

22. *Recommendation 2(f) – Fully implemented.* In Phase 4, the Working Group had noted that the Act of 16 May 2023 did not provide for measures encouraging whistleblowers to make reports that would qualify for protection and had asked Luxembourg to consider introducing such measures in its legislative framework. Luxembourg reports having conducted a concrete and detailed reflection on this issue. In 2024, after the adoption of the Phase 4 report, Luxembourg organised two meetings between the Ministry of Justice and OSIG on this matter, from which it emerged that, at this stage, it would be difficult to implement financial or psychological support measures, for organisational, legal and budgetary reasons.

Recommendations regarding enforcement of the foreign bribery offence

23. Recommendation 3(a) – Partially implemented. In Phase 4, the Working Group had observed that the offence of active bribery as defined in section 247-1 of the Criminal Code (CC) could only be established if proof was provided that the bribed public official had exercised a real influence in the granting of an advantage to the briber. The Working Group had therefore recommended that Luxembourg clarify, by any appropriate means, that for the purposes of foreign bribery it was not necessary to prove that a foreign public official was actually in a position to influence the outcome for which the bribe was paid. In its follow-up report, Luxembourg refers to the amended circular of the State Prosecutor General on corruption, and to existing case law. Nevertheless, the circular and the case law only reiterate that the offence of active trading in influence of public officials (section 247-2 CC) does not require proof of the public official's actual influence. As highlighted in the Phase 4 report, the use of this offence is insufficient in that, in particular, it does not cover all forms of transnational bribery within the meaning of the Convention (only bribes paid "in order to obtain from a public authority or public administration any distinction, employment contract, public private cooperation, or any other favourable decision").

24. *Recommendation 3(b) – Partially implemented.* In Phase 4, the Working Group had noted that the Luxembourg authorities seemed to use the offence of active trading in influence (section 247-2 CC) as an alternative to the offence of active bribery (section 247-1 CC). While this pragmatic approach could enable the authorities to overcome practical obstacles to enforcing the foreign bribery offence and thus to ensure the effectiveness of efforts to combat foreign bribery, it raised, as mentioned above, issues of compliance with the Convention, in particular in terms of acts of foreign bribery that should be covered. The Working Group had therefore recommended that Luxembourg *examine* the potential causes for the tendency to use alternative offences instead of the foreign bribery offence, and on the basis of this analysis *consider* either criminalising foreign bribery in a sufficiently broad manner, or extending the offence of trading in influence so that the constituent elements of the offence and the applicable sanctions conformed with the Convention. Luxembourg reports having conducted an in-depth analysis of the relations between the foreign bribery and trading in influence offences; the reasons for using one or the other; and whether the scope of these offences should be extended. Luxembourg notes that this reflection has informed the revision of the circular of the State Prosecutor General on corruption, as well as internal discussions about the EU Anti-Corruption Directive and its transposition. However, Luxembourg provided little information on the modalities of this analysis and on the authorities which participated in it. It should be noted that the amended circular does not contribute to extending the material scope of the offences defined in section 247 CC. The forthcoming transposition of the EU Anti-Corruption Directive could provide Luxembourg with an opportunity to introduce such measures, but this remains hypothetical at this stage.

25. *Recommendation 4(a) – Fully implemented.* In Phase 4, the Working Group had noted a significant lack of resources, and in particular of personnel available to the economic and financial justice system, at all stages of the process for enforcing the foreign bribery offence. The Working Group had therefore invited Luxembourg to ensure that its criminal policy clearly defines economic and financial crime, including foreign bribery, as a priority, and to urgently carry out a comprehensive review of the organisation of the economic and financial crime framework and the resources allocated to it. The information provided demonstrates progress in this area. The amended circular of the State Prosecutor General on corruption contains an explicit statement regarding the priority given to corruption offences, including transnational

bribery. Luxembourg also notes that the government's 2023-2028 coalition agreement explicitly mentions the need to strengthen the staffing levels of magistrates and police officers, including in the area of economic and financial crime. At the same time, significant investment in human resources within the criminal justice system reflects a recognition of the needs of economic and financial justice. Finally, a comprehensive review of the organisation of economic and financial justice and the resources allocated to it was undertaken in relation to draft law 8748. The latter contains various measures, including the establishment of specialised commercial and criminal chambers in economic and financial law and an increase in the number of specialised judges, with the aim of "optimising and speeding up the handling of economic and financial cases" and "modernising the procedures and working methods" of economic and financial justice.

26. *Recommendation 4(b) – Fully implemented.* In Phase 4, the Working Group had noted the lack of resources and ever-increasing workload for the authorities responsible for investigating and prosecuting foreign bribery cases. It had therefore urged Luxembourg to urgently take the necessary measures to ensure that (i) sufficient resources are allocated to all investigative and prosecutorial services; (ii) these services are staffed with sufficient and specialised personnel to handle foreign bribery cases effectively and within a reasonable timeframe; and (iii) these services receive training for this purpose. Luxembourg has reported significant efforts to strengthen human resources through a multi-year recruitment programme for the judiciary. These efforts provide for the creation of 94 posts for magistrates, and 20 court officer posts over the period 2024/2025–2026/2027, supplemented by additional recruitments planned as part of ongoing reforms (chamber for criminal appeals, specialised courts). Luxembourg reports that the number of court officers recruited has risen sharply to 42 in 2025/2026. Furthermore, staff numbers at the Economic and Financial Crime Department of the Grand Ducal Police have increased by 40 between 2023 and 2026, with prospects for further increases. With regard to training, Luxembourg has been able to demonstrate that magistrates benefit from a strong range of continuing training opportunities, including a specific course on foreign bribery, which was also attended by officers from the Grand Ducal Police.

27. *Recommendation 5(a) – Not implemented.* In Phase 4, the Working Group had noted that criminal fines for bribery offences in Luxembourg were in the lower range compared with those provided for in other Parties to the Convention, both for natural persons (EUR 187 500 maximum for active bribery) and legal persons (EUR 3 750 000 for the foreign bribery offence, with a maximum of 15 000 000 in the event of recidivism). The Working Group had therefore decided that Luxembourg needed to increase the maximum fines available for both natural and legal persons to a level that was proportionate, effective, and dissuasive. Since then, Luxembourg has taken no steps to implement this recommendation, stating that it will be implemented at a later date through the transposition of the EU Anti-Corruption Directive. The Directive contains the following provisions on sanctions applicable to active bribery offences (sections 12 and 14): (i) bribery offences are punishable by effective, proportionate and dissuasive penalties, and (ii) the maximum level of fines for legal persons must not be less than 5% of the total worldwide turnover of the legal person or an amount corresponding to EUR 40 million. As the Directive had not been finalised at the time of the submission of the follow-up report by Luxembourg, and its transposition had therefore not yet begun, this recommendation remains not implemented. The Working Group calls on Luxembourg to take the necessary measures as soon as possible to remedy these significant shortcomings.

28. *Recommendation 5(b) – Partially implemented.* In Phase 4, the Working Group had noted the practice of "reclassifying" serious offences to lesser ones ("*correctionnalisation*") through the application of mitigating circumstances. This practice, which could not be reviewed by courts on the merits, led to inconsistent case law as to the amount of the fines applicable when the offence was reclassified. The Working Group had therefore decided that Luxembourg needed to conduct an assessment of this practice to enhance clarity and predictability in its application and consequences. Since then, Luxembourg has amended the State Prosecutor General's circular on corruption, encouraging the Public Prosecutor's Office not to systematically "reclassify" offences, but to assess each case individually, taking into account, in particular, the disruption caused to public order. Although this clarification reflects discussions on the

matter, it cannot, on its own, fully address the recommendation to conduct a systematic assessment of the practice of reclassification and its consequences, including in terms of the level of fines applicable to natural and legal persons.

29. *Recommendation 5(c) – Not implemented.* As indicated under recommendation 1(i), in Phase 4 the Working Group had noted that Luxembourg did not have measures specifically aimed at encouraging self-reporting by companies. Given the insufficiency of the sanctions applicable to legal persons, the Working Group had decided that Luxembourg needed to ensure that a framework governing self-reporting led to effective, proportionate and dissuasive sanctions. The analysis of the implementation of recommendation 1(i) also applies to recommendation 5(c). Luxembourg points out that this matter is covered by the EU Anti-Corruption Directive. Nevertheless, simply referring to the general adoption process of the directive, which covers a broad range of measures, cannot be taken as confirmation that Luxembourg has taken specific and proactive steps to *ensure* that such a framework would lead to effective, proportionate and dissuasive sanctions. The Working Group will monitor with interest any new case law that may demonstrate that the framework governing self-reporting has led to effective, proportionate and dissuasive sanctions.

30. *Recommendation 5(d) – Not implemented.* In Phase 4, the Working Group had noted the limited attention paid to anti-corruption compliance programmes in Luxembourg. The Working Group had decided that Luxembourg should consider measures to incentivise companies to develop internal control, ethics and compliance programmes or measures, including by making such programmes or measures a possible mitigating factor. Since then, Luxembourg has not taken any steps to implement this recommendation. Luxembourg recalls that under section 79 CC on mitigating circumstances, judges can take into consideration internal control, ethics and compliance programmes or measures to that effect, but does not provide any relevant case law for analysis. These elements are not sufficient to demonstrate that any consideration has been given to measures to incentivise companies to develop internal control, ethics and compliance programmes or measures, including by making such programmes or measures a possible mitigating factor. Luxembourg also refers to potential future discussions on this subject in the context of the transposition of the EU Anti-Corruption Directive, but this process has not yet been initiated.

31. *Recommendation 5(e) – Not implemented.* In Phase 4, the Working Group had noted significant shortcomings in the rules governing exclusion from participation in procedures for public procurement and concession contracts. In particular, (i) exclusion from procedures did not apply to convictions for bribery of foreign public officials, (ii) the exclusion obligation only applied to final convictions, and (iii) exclusion decisions taken by international financial institutions were not taken into account when awarding contracts. Since then, Luxembourg has not taken any steps to implement this recommendation, indicating that it will be implemented at a later date through the transposition of the EU Anti-Corruption Directive, section 14 of which stipulates that Member States must take the necessary measures to ensure that sanctions for acts of foreign bribery include measures such as “exclusion from access to public funding, including tenders, grants, concessions and licenses”. However, the transposition of the EU Anti-Corruption Directive has not yet begun.

32. *Recommendation 5(f) – Not implemented.* In Phase 4, the Working Group had noted that the confiscation of instrumentalities and proceeds was always ordered for the most serious offences (*crimes*) (section 31 CC). However, the “reclassification” of foreign bribery as a lesser offence (*délit*) led to this offence being removed from the scope of application of the aforementioned section. The Working Group had therefore recommended that Luxembourg clarify, by any appropriate means, that special confiscation should also be mandatory, where applicable, in foreign bribery cases where the offence had been reclassified. Luxembourg has taken no concrete measures to implement this recommendation. Luxembourg indicates that “given that the money laundering offence is almost always included in foreign bribery cases” and given that confiscation is mandatory in money laundering cases, confiscation is therefore implemented in practice in foreign bribery cases. Moreover, Luxembourg states that the amended circular of the State Prosecutor General on corruption advises prosecutors not to systematically “reclassify”

offences. While the arguments put forward by Luxembourg may, in certain cases, help to mitigate the shortcoming identified by the Working Group, the shortcoming still remains. Even under the amended circular, the offence of foreign bribery may still be “reclassified” and, if this is the case, there is no requirement to confiscate the instrumentalities and proceeds unless they are entirely linked to money laundering, and unless money laundering is actually prosecuted, conditions which are not always met in practice.

33. *Recommendation 5(g) – Partially implemented.* In Phase 4, the Working Group had noted the efforts made by the authorities to develop a proactive approach to identification, seizure, and confiscation but had concluded that the competent authorities could be made more aware of this issue and provided with additional guidance, particularly in cases of foreign bribery (i). The Working Group had noted that no guidelines were available for law enforcement authorities aimed at identifying, quantifying, and confiscating the bribe and proceeds of foreign bribery (ii). The Working Group had regretted the lack of detailed statistics on seizures and confiscations carried out in connection with foreign bribery cases (iii). Finally, the Working Group had noted that the Asset Management Office (BGA) and the Asset Recovery Office (BRA) seemed to be lacking resources (iv). Luxembourg has taken relevant measures to implement certain aspects of this recommendation. Prosecutors are invited to systematically conduct financial investigations a standard practice in foreign bribery cases, notably through the amended circular of the State Prosecutor General on corruption, and the Judicial Police Service has provided relevant training to prosecutors (i). However, Luxembourg does not appear to have conducted the expected reflection on the need to adopt guidelines (ii). The BGA has put in place useful statistical tools, enabling, in particular, each seized or confiscated asset to be linked to one or more offences, including foreign bribery (iii). Finally, the BGA’s resources have been significantly strengthened. The BRA’s resources may also be strengthened. The Working Group notes, however, that the proposed merger of the two offices, which is expected to be accompanied by a broadening of their mandates, could place a strain on the level of resources allocated to these new duties. (iv)

34. *Recommendation 6(a) – Partially implemented.* In Phase 4, the Working Group had regretted the weak enforcement of the foreign bribery offence. The Working Group had concluded that the Luxembourg authorities needed to take a proactive approach to the investigation and prosecution of bribery of foreign public officials, for both natural and legal persons. Since then, Luxembourg has made significant progress, notably through the update to the State Prosecutor General’s circular on corruption. In particular, the circular explicitly recognises the priority status of foreign bribery cases and calls for a proactive approach to detection, whether through monitoring case law or by making use of all sources of information available to magistrates. However, the update to the circular is still too recent (26 February 2026) to permit an assessment of its concrete impact. Furthermore, the results reported by Luxembourg regarding the enforcement of the offence (see para. 4) do not indicate a more proactive enforcement of the foreign bribery offence.

35. *Recommendation 6(b) – Partially implemented.* In Phase 4, the Working Group had noted that prosecutors and judicial police officers continued to face bank secrecy issues in preliminary investigations, constraining them to seek the intervention of an investigating judge or the FIU, which led to excessive delays. Moreover, the Working Group had noted that the use of certain investigative means remained limited at the preliminary investigation stage, especially the use of coercive means and multidisciplinary teams. The Working Group had therefore concluded that the Luxembourg authorities needed to facilitate access by judicial authorities to information held by financial and banking institutions, including in cases where there had been no formal referral to an investigating judge (i), and extend the investigative powers of the police at the preliminary investigation stage (ii). Since then, Luxembourg indicates that it has adopted two legislative reforms in December 2025 aimed at improving the effectiveness of investigations into economic and financial offences, including foreign bribery. Regarding (i), the Act of 12 December 2025 introduces several improvements. First, it extends the provisions relating to the “mini-instruction” procedure (allowing a prosecutor, in the context of a preliminary investigation, to request that an investigating judge

carry out various investigative measures, including searches and seizures of information from banking and financial institutions, without the need to open a full investigation) to foreign bribery offences. Second, this reform also abolishes the three-month time limit for submitting a second solicitation to the investigating judge and allows several solicitation to be submitted simultaneously, thereby reducing procedural delays. While the Working Group welcomes these reforms, it notes that they do not remove the need for prosecutors to apply to an investigating judge to obtain access to banking and financial data through coercive measures. A more systematic use of the CRBA (Central Register of Bank Accounts) represents a positive development. However, this register does not allow for the identification of debit and credit transactions carried out on financial accounts, nor does it allow for the tracing of access to safe deposit boxes, information which is essential for reconstructing financial flows. Regarding (ii), as indicated above, the Act of 12 December 2025 extends the investigative powers available in preliminary investigations through the “mini-instruction” procedure, but no measures have been taken to remove the obstacle arising from section 47 CCP, which makes the use of coercive measures taken in the context of a preliminary investigation subject to the consent of the persons concerned. Furthermore, no measures have been taken to enable the use of multidisciplinary investigations conducted in conjunction with other authorities that do not have judicial police officers. For all these reasons the recommendation is partially implemented.

36. *Recommendation 6(c) – Partially implemented.* In Phase 4, the Working Group had noted that, while enforcement of money laundering predicated on bribery appeared to be one of the priorities of Luxembourg's criminal policy, enforcement actions for money laundering predicated on foreign bribery remained very limited given the risks to which Luxembourg was exposed. Moreover, Luxembourg had not provided any clear data on the enforcement of accounting offences in relation to foreign bribery. The Working Group had therefore recommended that Luxembourg take any appropriate measures to enforce the offence of money laundering in foreign bribery cases more effectively, and raise awareness among, and provide the necessary training on this matter to, law enforcement authorities (i) and take measures to enforce accounting offences in foreign bribery cases more effectively and maintain detailed statistics on investigations, prosecutions and sanctions related to this offence (ii). Luxembourg has provided data on the enforcement of related offences which suggest an overall improvement but remains insufficient for providing a clear assessment of its enforcement efforts in this area. One legal person was sanctioned through a non-trial resolution for breaches of anti-money laundering regulations in connection with a foreign bribery case. In addition, four investigations are currently underway concerning money laundering or tax offences linked to acts of foreign bribery. At the strategic and operational levels, Luxembourg has also reported on concrete measures to combat money laundering predicated on foreign bribery. First, the amended circular of the State Prosecutor General on corruption explicitly calls on prosecutors to combat money laundering more effectively in foreign bribery cases, refers to the need for training in this regard, and specifies that both the laundering of the bribe and the laundering of the proceeds of bribery must be taken into account. Second, prosecutors took part in training organised by the FIU in March 2026 on foreign bribery and related money laundering (i). With regard to false accounting, the aforementioned circular refers to the need to maintain high-quality statistics on the enforcement of accounting offences, but Luxembourg does not specify whether this objective has resulted in concrete measures or outcomes (ii).

37. *Recommendation 6(d) – Not implemented.* In Phase 4, the Working Group had noted that companies and individuals who intentionally attempted to pass off bribes and commissions as deductible expenses to the tax authorities were liable to administrative or criminal sanctions in Luxembourg, in addition to having to rectify or adjust their tax return. However, as noted since Phase 2, these sanctions have never been applied in practice. In its follow-up report, Luxembourg does not mention any specific measures taken since the Phase 4 report to implement these provisions.

38. *Recommendation 6(e) – Not implemented.* In Phase 4, the Working Group had noted that Luxembourg was unable to provide data on the implementation of the principle of non-tax deductibility of bribes paid to foreign public officials. In addition, no measures were in place to ensure that the judicial authorities systematically disclosed to the tax authorities information necessary for the latter to ascertain

that bribes had not been improperly deducted. The Working Group had therefore recommended that the tax authorities collect information on the implementation of the principle of non-tax deductibility of bribes paid to foreign public officials (i); adopt a more proactive approach towards enforcing the non-tax deductibility of bribes (ii); and set up information exchange mechanisms enabling them to stay informed of convictions handed down by the courts in cases of foreign bribery (iii). Luxembourg indicates that a working group is set to examine points (i) and (ii) in 2026 but provides no further information on this initiative. It has taken no action regarding point (iii), which it considers to be already implemented. It notes, accordingly, that section 16(3) of the amended Act of 19 December 2008, which provides that the judicial authorities shall forward to the tax authorities "any information that may be useful for the correct assessment and collection of taxes, duties, levies and contributions for which they are responsible", already enables an effective and efficient exchange of information between the judicial authorities and the tax authorities, and that a legislative amendment aimed at a specific type of information "would risk artificially limiting the existing exchange mechanism, which is effective and rapid".

39. *Recommendation 7(a) – Partially implemented.* In Phase 4, the Working Group had regretted the lack of adequate statistical tools for evaluating Luxembourg's criminal policy. Nevertheless, it commended Luxembourg on its efforts to digitise its case files, which would provide access to relevant statistical data. The Working Group had therefore recommended that Luxembourg continue its efforts to digitise its case files and collect statistics on sanctions applied in practice for bribery offences, including foreign bribery. Luxembourg has taken steps to implement this recommendation, including the launch, in 2025, of a programme to fully digitise the criminal justice system, which would enable the collection of the statistics required under this recommendation. This is a welcome development. However, the process, which will be gradually implemented and completed by the end of 2027, is not yet fully in place.

40. *Recommendation 7(b) – Fully implemented.* In Phase 4, the Working Group had noted that, even if court decisions presenting legal interest, including those relating to bribery, were freely accessible online, the considerations taken into account to determine the sanctions handed down by the courts remained succinct and lacked transparency. The Working Group therefore recommended that Luxembourg take any appropriate measures to raise awareness among judges of the importance of imposing sanctions for foreign bribery that are sufficiently transparent, effective, proportionate, and dissuasive, including by providing more detailed explanations of the factors considered during sentencing. Luxembourg has taken the necessary steps to raise awareness in this regard. Luxembourg noted that, in March 2026, 57 magistrates, police officials and members of the European Public Prosecutor's Office attended a course on foreign bribery that was specifically aimed at raising awareness of the importance of imposing sanctions for foreign bribery that were sufficiently transparent, effective, proportionate, and dissuasive. The Working Group will need to assess whether these efforts have been successful in Luxembourg's next evaluation cycle.

41. *Recommendation 8(a) – Fully implemented.* In Phase 4, the Working Group had welcomed the significant guarantees provided by the Act of 24 February 2015 which introduced the judgment upon agreement (*jugement sur accord*) and a clear and transparent framework into Luxembourg law. Nevertheless, the Working Group had noted several shortcomings, in particular that the Act was unclear in relation to the criteria governing the use of such resolutions, including the expected degree of co-operation with law enforcement authorities, and had asked Luxembourg to clarify these issues. The circular of the State Prosecutor General of 15 July 2025 on judgment upon agreement clarifies the prosecution policy, the procedure to follow, and the form and effects of resolutions relating to judgments upon agreement. It sets out the offences for which such a resolution may be considered, including foreign bribery, as well as the circumstances in which a judgment upon agreement should be excluded. These circumstances include, in particular, "the absence of a confession" or "the existence of serious objections on the part of the defendant", but which could include more information on the degree of cooperation expected from the accused.

42. *Recommendation 8(b) – Partially implemented.* In Phase 4, the Working Group concluded that the adoption of judgments upon agreement addressed the need to reduce the length of criminal proceedings, but that (i) clear and publicly accessible information on the benefits that the defendant may obtain from entering into such a resolution were not available. The Working Group had also pointed out that (ii) the existence of internal control, ethics and compliance programmes was not clearly recognised as a possible mitigating circumstance. Finally, the Working Group concluded that (iii) the lack of information available on the sanctions imposed in the context these non-trial resolutions made it difficult to assess whether this method of concluding cases had an impact on the level of sanctions imposed and their compliance with Article 3 of the Convention. The publication of an information note on the Ministry of Justice's website aimed at raising public awareness of the existence of and the procedures and benefits associated with reaching a "judgment upon agreement", is a positive development (i). The note also refers to the existence of internal control programmes or measures but does not clarify how these measures are taken into account when concluding a judgment upon agreement. Furthermore, the publication of an information note alone is not sufficient to satisfy the requirements of this recommendation, which requires Luxembourg to undertake a concerted review of how internal control, ethics and compliance programmes are taken into account when concluding judgement upon agreements. In its follow-up report Luxembourg notes that, when determining the sentence, the public prosecutor's office may take into account the existence of internal control programmes as mitigating circumstances. However, the circular of the State Prosecutor General of 15 July 2025 on judgments upon agreement does not explicitly refer to the existence of internal control, ethics and compliance programmes (ii). Lastly, Luxembourg has not provided any information that would enable an assessment of whether it has carried out a review of the effectiveness of this tool in cases related to financial crime. Luxembourg notes that work is currently underway to reform the "judgment upon agreement" mechanism, which could provide an opportunity to carry out such a review (iii).

43. *Recommendation 9(a) – Fully implemented.* In Phase 4, the Working Group had concluded that a lack of resources affecting all of Luxembourg's judicial authorities was likely to undermine the performance of the existing framework for international co-operation, in a context of ever increasing incoming and outgoing requests for mutual legal assistance (MLA), and particularly in relation to seizures and confiscation. The increase in personnel of the "International Mutual Legal Assistance Section" of the Judicial Police Service of the Grand Ducal police (SPJ-EJIN), from 17 investigators in Phase 4 to 26, is welcome. In October 2024, a third investigative judge joined the mutual legal assistance unit within the Investigation Office at the District Court of Luxembourg. A fourth investigative judge is expected to further strengthen the unit "in the near future". Luxembourg acknowledges that the resources allocated to the Service for International Mutual Legal Assistance in Criminal Matters (SEPI) of the Prosecutor General's Office have not increased since Phase 4 but points out that the processing of requests for mutual legal assistance by SEPI has become more efficient thanks to the specialised knowledge of the prosecutors and administrative assigned to it, which has resulted in decreasing by 39% the duration for processing MLA requests since 2023.

44. *Recommendation 9(b) – Partially implemented*. In Phase 4, the Working Group had highlighted the fact that incoming MLA requests were included in the general software tool for managing criminal cases, known as JUCHA, but that the tool could not be used to extract cases of foreign bribery and that it did not contain outgoing requests for mutual legal assistance. The Working Group had therefore asked Luxembourg to take measures to address these shortcomings. The revised circular of the State Prosecutor General on corruption reminds prosecutors of the importance of entering data on cases involving corruption, abuse of public office, illegal taking of interest or embezzlement, in order to measure the number of cases and ascertain the action to be taken. While this measure is welcome, it is not clear that it will enable Luxembourg to measure the number of incoming requests for MLA relating specifically to foreign bribery, given that the current data entry system continues to use the general heading of "bribery". Furthermore, JUCHA still cannot track outgoing requests for MLA, including relating to foreign bribery cases. Luxembourg highlights, however, that the collection of foreign bribery-related MLA data is now facilitated by the reinforcement of human resources and specialisation in the magistracy.

45. *Recommendation 9(c) – Not implemented.* In Phase 4, the Working Group had concluded that the prosecution service made limited use of spontaneous transmissions of information with their foreign counterparts because of the difficulty of identifying the competent authorities to whom to send this information, despite the participation of the Luxembourg authorities in international and regional cooperation networks, the law enforcement officials meetings (LEO) of the Working Group, the European Judicial Network, and Eurojust. Luxembourg has not provided any practical information demonstrating that it has strengthened its practice regarding the spontaneous transmission of information. Luxembourg states that its law enforcement authorities remain active within the European Judicial Network and Eurojust but does not specify to what extent these activities have contributed to strengthening the enforcement of the foreign bribery offence. Furthermore, Luxembourg does not systematically participate in the law enforcement officials' meetings (LEO) of the Working Group, or in the meetings of the Global Law Enforcement Network against Transnational Bribery (GLEN).

46. *Recommendation 9(d) – Partially implemented.* In Phase 4, the Working Group had noted that Luxembourg had not been involved in any joint foreign bribery investigation teams since the Convention had come into force in the country, and that the authorities were not inclined to form a joint investigation team with third party states to the EU, as investigative acts conducted within the framework of the joint investigation teams may be invalidated due to their non-compliance with Luxembourg's provisions governing requests for MLA. The Working Group had therefore recommended that Luxembourg consider creating a joint or parallel investigation team when conducting investigations and prosecutions for bribery of foreign public officials, when applicable. The amended circular of the State Prosecutor General on corruption specifies that incoming requests for mutual legal assistance are to be systematically reviewed with a view to potentially opening a parallel investigation, which suggests that Luxembourg is considering adopting a more active role in multi-jurisdictional foreign bribery cases; however this only partially addresses the recommendation's requirements. The circular makes no mention of joint investigation teams. As such, there is no basis for concluding that the existing policy has changed on this issue. Luxembourg's participation in a recent joint investigation team in a case involving the misappropriation of public funds and money laundering illustrates that Luxembourg's prosecuting authorities do make use of this co-operation mechanism in practice. However, this case is not sufficient to determine whether there has been any change, since Phase 4, to the cautious approach to creating joint investigation teams with third party states to the EU by Luxembourg authorities.

Recommendations concerning the liability of legal persons

47. *Recommendation 10(a) – Not implemented.* In Phase 4, the Working Group had noted that the condition for offences to be committed in the "interest" of the legal person to establish their liability raised at least three issues: (i) that it would be interpreted solely as referring to profit or pecuniary advantage; (ii) that this condition would not be met when an offence was committed primarily in the personal interest of the natural person who commits the offence; and (iii) that it would not be met when an offence was committed in the interest of an affiliated legal person. The Working Group had therefore recommended that Luxembourg ensure that the condition of the "interest" of the legal person did not exclude certain cases of foreign bribery where a bribe was paid without the aim of obtaining a profit or pecuniary advantage or was paid only in the partial interest of the enterprise or in the interest of another legal person. In its follow-up report, Luxembourg indicates that the Public Prosecutor's Office has carried out "a detailed analysis of the issue to ensure that its criminal policy reflects recommendation 10(a)". While this initiative is commendable, it does not resolve the issues referred to above. With regard to (i), Luxembourg notes that the outcome of parliamentary proceedings relating to the Act of 3 March 2010 introducing criminal liability for legal persons was that the concept of interest was interpreted broadly, so that it may include, for example, reputational interests. Luxembourg also refers to case law that includes potential and non-quantifiable benefits within the notion of "interest" (as set out in the amended circular of the State Prosecutor General on corruption), as well as the fulfilment of the company's corporate purpose, including

through the obtaining of licences. These noteworthy decisions predate the Phase 4 report, however, by which time Luxembourg had reported the existence of stricter case law. Furthermore, these decisions do not make it possible to verify whether the concept of "interest" covers scenarios in which the company incurs an economic loss, or ultimately derives no actual benefit, in exchange for the bribe. It should be noted that this scenario is not covered either by the amended circular of the State Prosecutor General on corruption, which refers to case law stating that "interest" is "a financial gain or profit", "savings" or the avoidance of losses. Regarding (ii) and (iii), Luxembourg refers to case law establishing that it is sufficient to demonstrate that the offence benefits the legal person, even if only partially. While this case law may address (ii), in the absence of more detailed information regarding this decision, it is not possible to conclude that it sufficiently clarifies the issue. In any event, this decision does not address the issues regarding (iii), since it appears to require that a benefit, even a partial one, be attributed to the legal person that committed the offence.

48. *Recommendation 10(b) – Partially implemented.* In Phase 4, the Working Group had considered that, while taking into account the particular characteristics of its domestic context, Luxembourg should ensure that law enforcement authorities (i) systematically examine the involvement of Luxembourg entities in foreign bribery schemes; (ii) assess the possibility of prosecuting, where appropriate, entities that may have acted as accomplices or used intermediaries, including related entities, to commit foreign bribery or related offences; and (iii) receive appropriate training and guidance on effective methods of detecting and investigating foreign bribery, and on the relevant rules on the liability of legal persons. Luxembourg has taken significant measures to implement this recommendation. Regarding (i) and (ii), the amended circular of the State Prosecutor General on corruption contains specific provisions that explicitly incorporate the wording of this recommendation and require prosecutors to "ensure that more investigations are opened on the basis of credible allegations of foreign bribery, particularly where such allegations involve large Luxembourg-based companies". It is, however, too early to assess the impact of the circular. It should also be noted that no investigations have been opened against legal persons in relation to foreign bribery or for trading in influence in relation to foreign public officials since Phase 4. Regarding (iii), the amended circular of the State Prosecutor General on corruption contains guidance on methods for detecting and investigating transnational bribery involving legal persons. Prosecutors have attended various training courses on foreign bribery covering in particular, issues of detection, investigation and the liability of legal persons. The Working Group will examine whether these guidelines and awareness-raising efforts have been successful in Luxembourg's next evaluation cycle.

49. *Recommendation 10(c) – Not implemented.* In Phase 4, the Working Group had noted that Luxembourg did not have comprehensive legal provisions covering successor liability. The Working Group had therefore recommended that Luxembourg adopt any appropriate measures to ensure that legal persons could not avoid liability or related sanctions by restructuring, merging, being acquired, or otherwise altering their corporate identity. Luxembourg does not provide any information on practical measures taken to implement this recommendation. It notes that a pending case directly addresses the issue of the rules governing successor liability and could provide more clarity on this issue. This case may indeed offer a valuable insight into the existing regime, but the Working Group is nevertheless expecting structural reforms regarding successor liability.

50. *Recommendation 11 – Partially implemented.* In Phase 4, Luxembourg had provided limited information on how the rules on jurisdiction were applied to legal persons, particularly in relation to nationality. Due to the significant presence of holding companies and other corporate structures, including shell companies, in Luxembourg, the Working Group had recommended that Luxembourg ensure that law enforcement authorities explore all available jurisdictional bases in their investigations and prosecutions to establish their jurisdiction, where appropriate, based on the principle of territoriality or on the criteria of legal persons' nationality and habitual residence in Luxembourg, to prosecute entities potentially involved in foreign bribery schemes. In its follow-up report, Luxembourg notes that, as a general rule, when opening a domestic case, law enforcement authorities carry out a careful analysis of the criteria of territoriality, active and passive personality jurisdiction, and the connectedness or indivisibility of offences, which allow the jurisdiction of the national courts to be extended to acts committed abroad. Luxembourg also refers to the new provisions of the amended circular of the State Prosecutor General on corruption and in particular, Luxembourg refers to the provision stating that “it is therefore important, in each individual case, to determine the nature and degree of participation of the legal persons involved (whether as principal offender, co-perpetrator or accomplice, including as an intermediary) and to assess the possibility of prosecuting those legal persons, independently of any proceedings brought against the natural persons who committed the offences.” Luxembourg considers that this provision is intended to ensure that law enforcement authorities examine all available bases for jurisdiction, as required under this Recommendation.

51. *Recommendation 12(a) – Partially implemented.* In Phase 4, the Working Group had noted the absence of initiatives to raise awareness of transnational bribery in the private sector. The Working Group had therefore called upon Luxembourg to take a proactive approach to (i) raise awareness of the risk of transnational bribery and foreign bribery among Luxembourg companies operating abroad, including SMEs; and (ii) foster, facilitate, engage, or participate in anti-bribery collective action initiatives. The information provided by Luxembourg appears to indicate that efforts have been made to raise awareness among companies of the risks of transnational bribery, but these are not part of a strategic and targeted approach, as envisaged by the recommendation, particularly regarding SMEs. Furthermore, no anti-bribery collective action initiatives have been put in place. The measures reported by Luxembourg are encouraging and should be maintained and reinforced in order to fully implement this recommendation.

52. *Recommendation 12(b) – Partially implemented.* In Phase 4, the Working Group had noted the lack of incentives for businesses and employer and professional organisations to develop and adopt internal control, ethics, and compliance programmes or measures to prevent and detect foreign bribery. The Working Group had therefore invited Luxembourg to take concrete steps to (i) encourage companies, including public companies, to develop and adopt adequate internal control, ethics, and compliance programmes or measures to prevent and detect foreign bribery, in alignment with the OECD Good Practice Guidance; and (ii) support employer and professional associations in their efforts to encourage and assist companies, particularly SMEs, to develop such programmes or measures. Taken as a whole, the information provided by Luxembourg in its follow-up report appears to be insufficient. Luxembourg also refers to the ongoing process of developing a national anti-corruption strategy, which it considers is an opportunity to promote anti-corruption compliance among the companies involved in its development. Taken as a whole, the information provided reflects future intentions rather than the implementation of concrete measures, as required by the recommendation.

Dissemination of the Phase 4 report

53. Luxembourg notes that the Phase 4 report was announced in a press release on the Ministry of Justice’s website, and that is was also distributed to the members of the Corruption Prevention Committee (COPRECO), a body comprising all the relevant ministries, numerous public administrations and institutions, the judicial authorities and representatives of the private sector, where it has been systematically discussed since its adoption. It was also presented to the Network of Competent Authorities for Whistleblower Protection (‘ACPLA Network’) as well as at dedicated meetings with the judicial authorities and the Office for Whistleblowers (OSIG). In addition, the report was also incorporated into a presentation on transnational bribery at the Chamber of Commerce in October 2025, in collaboration with the Ministry of Justice. In addition, the Financial Sector Supervisory Commission (CSSF) states that it has incorporated the report’s relevant conclusions and recommendations into its awareness-raising activities, both internally, through targeted training, and for entities under its supervision, notably within the framework of the AML/CFT expert group in partnership with the Luxembourg Bankers’ Association (December 2025) and at its annual conference for investment companies (April 2026).

54. The Working Group notes that these initiatives demonstrate a relatively broad level of dissemination, involving both public and private sector stakeholders. Nevertheless, the Working Group regrets that these initiatives have not had a wider reach, particularly in respect to civil society.

Conclusions of the Working Group on Bribery

55. Based on these findings, the Working Group concludes that recommendations 1(c), 1(f), 2(d), 2(e), 2(f), 4(a), 4(b), 7(b) 8(a) and 9(a) have been fully implemented; recommendations 1(a), 1(b), 1(e), 1(g), 1(h), 1(j), 2(a), 3(a), 3(b), 5(b), 5(g), 6(a), 6(b), 6(c), 7(a), 8(b), 9(b), 9(d), 10(b), 11, 12(a) and 12(b) have been partially implemented; and recommendations 1(d), 1(i), 2(b), 2(c), 5(a), 5(c), 5(d), 5(e), 5(f), 6(d), 6(e), 9(c), 10(a) and 10(c), have not been implemented. Recommendation 1(f) has been converted into a follow-up question. Luxembourg will report in writing to the WGB in June 2028 on the implementation of recommendations 1(a), 2(a), 3(a), 5(a), 6(a) and (b), 10(a) and (c) and 11. Luxembourg will report annually on its foreign bribery enforcement efforts during the WGB meetings. The Working Group will continue to focus on follow-up issues 13(a-b) and 13(e-j) as case law and practice develop.

Annex A. Follow-Up Report by Luxembourg

PHASE 4 TWO-YEAR FOLLOW-UP REPORT: LUXEMBOURG

Instructions

This document seeks to obtain information on the progress each participating country has made in implementing the recommendations of its Phase 4 evaluation report. Luxembourg is asked to answer all recommendations as completely as possible. Further details concerning the written follow-up process is in the Phase 4 Evaluation Procedure (paragraphs 52-60).

Please submit completed answers to the Secretariat on or before:	**27 March 2026**
Name of country:	**Luxembourg**
Date of approval of Phase 4 evaluation report:	**15 March 2024**
Date of information:	**[xx]**

– **PART I: RECOMMENDATIONS OF THE WORKING GROUP**

Responses to the questions in Part I should reflect the current situation in your country, not any future or desired situation or a situation based on conditions which have not yet been met. For each recommendation, separate space has been allocated for describing future situations or policy intentions..

I. Recommendations regarding detection of foreign bribery

Text of recommendation 1(a):

1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg:

a. Develop a strategic approach involving the Corruption Prevention Committee (COPRECO) to tackling foreign bribery based on: (i) understanding the specific foreign bribery risks faced by Luxembourg; and (ii) drawing up an ambitious, cross-cutting and cross-sectoral plan to raise awareness of foreign bribery [2021 Recommendation III and IV].

Action taken as of the date of the follow-up report to implement this recommendation:

General observations

Further to Recommendation 1(a), Luxembourg prepared in 2025 for the launch of a National Risk Assessment (NRA) of corruption, which will be followed in a second phase by a national anti-corruption strategy.

As part of the work on the NRA, which began in January 2026 and covers corruption in the public and private sectors, particular attention is also being paid to the issue of foreign bribery.

The NRA will identify sectors particularly at risk of corruption and will identify inherent risks and mitigating factors in order to determine residual risks.

As part of this initiative, interviews are currently being conducted with numerous organisations from the public and private sectors, including representative figures from the respective sectors and working in various fields, in order to gather information and gain an initial overview of the current state of anti-corruption measures in place across these organisations. These interviews include discussions with SMEs as well as companies regularly engaged in international business transactions and therefore particularly exposed to foreign bribery risks.

The work is being monitored particularly closely by a select group within COPRECO, comprising the Ministry of Justice, the Ministry of Foreign and European Affairs, the Ministry of State, the Ministry of the Civil Service, the Ministry of Home Affairs, the Ministry of the Economy, and the Ministry of Mobility and Public Works, although the full COPRECO committee is, of course, also involved.

Luxembourg believes that understanding the risks specific to Luxembourg is crucial in order to draw the relevant conclusions and develop a national anti-corruption strategy tailored to the identified risks. Therefore, regarding point (ii), and although it is still too early to anticipate the content of the national strategy, the Luxembourg authorities fully recognise the need for cross-cutting and cross-sectoral awareness-raising on foreign bribery, given that training courses and conferences (as referred to in the following questions of the questionnaire) specifically addressing foreign bribery risks have been held since the adoption of the Phase 4 evaluation report.

Luxembourg would also point out that training on anti-corruption measures, including on the subject of foreign bribery, is already provided by the National Institute of Public Administration (INAP). Discussions are currently underway with the INAP to analyse the best way to further incorporate the issue of foreign bribery into existing training programmes, and to assess the advisability of introducing a separate, dedicated training course on this subject.

Specific observations

Insurance Commission (Commissariat aux Assurances, CAA)

Since the adoption of the report in March 2024, the Insurance Commission (Commissariat aux Assurances, CAA) has conducted an annual assessment (2023, 2024, 2025) of the level of exposure to foreign bribery risk in the countries where branches, subsidiaries and shareholdings of all entities operating under the CAA's supervision are located, with a view to enhancing understanding of the specific foreign bribery risks to which the CAA is exposed. The results of the latest assessment (February 2026) showed that, for the insurance sector, there was only low inherent risk associated with the countries in which branches, subsidiaries and shareholdings are located.

Financial Sector Supervisory Commission (Commission de Surveillance du Secteur financier, CSSF)

In its internal AML/CFT strategy for 2025–2027, the Financial Sector Supervisory Commission (Commission de Surveillance du Secteur financier, CSSF) has identified corruption as one of the primary offences requiring particular attention from the CSSF. Increasing the CSSF's focus on certain identified issues, including corruption, is one of the CSSF's four strategic priorities for the period 2025–2027.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 1(b):

1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg:

(b) Regarding the reporting obligations of public officials, (i) ensure that the threshold for reporting credible allegations of foreign bribery to the Public Prosecutor's Office is understood in a uniform and harmonised manner by all the administrations concerned; (ii) clarify the relationship between public officials' reporting obligations under article 23(2) CCP and the reporting channels open to them under the Act of 16 May 2023 on the protection of whistleblowers; and (iii) reinforce its efforts to raise awareness among its public officials of their reporting obligation in relation to the detection of foreign bribery offences, including through training campaigns and practical guides [2021 Recommendation XXI.i, .ii, .iii, and .vi].

Action taken as of the date of the follow-up report to implement this recommendation:

General observations

(i) and (ii)
The relationship between public officials' reporting obligations under Article 23(2) of the Code of Criminal Procedure (CCP) and the reporting channels available to them under the Act of 16 May 2023 on the protection of whistleblowers has been clarified on several occasions by the Luxembourg Government, in collaboration with the Office for Whistleblowers (OSIG), notably in the following publications:

- Guidelines on the implementation of internal reporting channels within the civil service, published in 2024 (page 2)

  The aforementioned guidelines, distributed to the entire national and municipal civil service, reiterate and clarify the legal requirements of Articles 23(2) and 140 CCP concerning public officials' reporting obligations to the State Prosecutor, and also apply to allegations of foreign bribery; as such, the Luxembourg authorities consider that the recommendations under points (i) and (ii) have been implemented.

  cf. Hyperlink

- OSIG's information brochure, printed in four languages (FR, EN, DE, LU) and distributed by OSIG to the various ministries, government departments and institutions with which it works (page 11)

  cf. Brochure in Annex

- Conferences, training courses and information sessions for public officials, in collaboration with OSIG:

19/01/2024 Presentation of the Act of 16 May 2023 during an *"information session on the Act of 16 May 2023 on the protection of whistleblowers*" organised by the Luxembourg Independent Audiovisual Authority (ALIA) for service providers subject to ALIA's supervision.

22/01/2024 Presentation on *"Protection of whistleblowers: rights and obligations for effective and balanced protection"* as part of a dedicated information session organised by the Order of Architects and Consulting Engineers (*"OAI"*) for its members.

20/02/2024 Presentation on *"The protection of whistleblowers"* at a meeting of the Interministerial Committee on Human Rights organised by the Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade.

28/02/2024 Presentation on *"The protection of whistleblowers"* at a meeting of the "Business and Human Rights" Group organised by the Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade.

26/03/2024 Training on *"The protection of whistleblowers"* for staff of the Order of Chartered Accountants (*"*OEC*"*) and the Institute of Company Auditors (*"*IRE*"*), jointly organised by the OEC and the IRE.

12/06/2024 Presentation on *"Guidelines and obligations for ministries and government departments regarding the establishment of an internal reporting channel and the appointment of reporting officers"* during an information session on *"The implementation of internal reporting channels in the civil service"* organised by the Ministry of the Civil Service for representatives of ministerial departments and government departments.

20/06/2024 Presentation of the *"Act of 16 May 2023 and guidelines on the implementation of internal reporting channels in the state civil service"* at an *"information session on the establishment of internal reporting channels for whistleblowers"* for municipal authorities, social services, and other public institutions under the supervision of local authorities, organised by the Office for Whistleblowers in collaboration with the Ministry of Home Affairs.

25/09/2024 Presentation on *"Internal reporting in the civil service"* during an information session on the *"Implementation of internal reporting channels in the civil service"* organised by the Ministry of the Civil Service for the reporting officers appointed by the various ministerial departments.

16/10/2024 Presentation given as part of an information session on *"whistleblower protection"* organised by the Ombudsman for Children and Young People (*"OKAJU"*) and the Consultative Human Rights Commission (*"CCDH"*) for their staff.

16/12/2024 Moderation and participation in a meeting of the "*Network of Public Sector Reporting Officers*" for state and local government bodies, organised by the Office for Whistleblowers.

7/5/2025 Public conference "*Two years of whistleblower law in Luxembourg: a regulatory framework put to the test*", organised by OSIG and aimed, amongst others, at the competent authorities and the contact points for whistleblowing in the ministries.

3/12/2025 Training delivered by OSIG for staff at the Ministry of Foreign and European Affairs on the Act of 16 May 2023.

In addition to these presentations, OSIG also attended various events as an observer, thereby strengthening its links with stakeholders and facilitating the better dissemination of information. Furthermore, taking part in these training sessions enables the OSIG team to improve its own understanding of the challenges involved in implementing legal obligations for the protection of whistleblowers.

OSIG is also in discussions with the National Institute of Public Administration (INAP) and the Ministry of the Civil Service with a view to eventually offering training for public sector staff responsible for receiving and following up on internal reports within the framework of the internal reporting channels and procedures established pursuant to Articles 6 and 7 of the Act, as well as training for any staff member interested in the subject or involved in the implementation of the aforementioned procedures.

In its bilateral discussions with public bodies (ministerial departments, public institutions, local authorities, local trade unions, etc.), OSIG regularly addresses and clarifies the relationship between the obligations (including those arising from Article 23(2) of the Code of Criminal Procedure) of public officials and the possibility of reporting under whistleblower protection legislation.

(iii)
The Luxembourg authorities consider that this point is closely linked to Recommendation 1 (a) (ii) concerning the development of an ambitious, cross-cutting and cross-sectoral plan to raise awareness of foreign bribery. Please refer therefore to the responses provided under the said recommendation.

Specific observations

Insurance Commission (Commissariat aux Assurances, CAA)

(i) to (iii)
At the level of the Insurance Commission (CAA), It is also worth noting the following internal awareness-raising and capacity-building initiatives carried out since the report was adopted in March 2024:

- Meeting on 7 May 2024 with the Financial Intelligence Unit (FIU), members of the management committee and staff from the CAA, during which the FIU gave a presentation that included a specific section on active and passive bribery in the insurance sector and embezzlement of public funds;

- Face-to-face training sessions on the internal reporting channel for breaches of the legal and regulatory framework were held in April and June 2024 for all CAA staff. Sessions for new employees are also organised, the most recent of which took place in January 2026. The topics covered include, in particular, a review of the legal framework, reporting procedures for CAA staff and associated due diligence procedures;

- The CAA has a code of conduct and internal procedures governing the handling of reports of breaches of the legal and regulatory framework. They are available to all staff on the intranet and set out in detail the information to be reported, the definition of a report, the procedures for handling reports and the associated whistleblower protection measures for internal reporting channels (last updated in August 2024) and external reporting channels (last updated in July 2023).

Financial Sector Supervisory Commission (Commission de Surveillance du Secteur financier, CSSF)

(i) to (iii)
Since 2018, the CSSF has had an internal reporting procedure in place for its employees, which is managed by the human resources department and is the subject of a memorandum.

The draft law partially transposing (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks; and amending, in particular, the amended Law of 23 December 1998 establishing a Financial Sector Supervisory Commission, contains provisions introducing a new internal reporting procedure for CSSF staff based on the Act of 16 May 2023 transposing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

The bill was introduced in the Chamber of Deputies on 13 February 2026; it is parliamentary bill number 8705: Dossiers parlementaires | Chambre des Députés du Grand-Duché de Luxembourg

cf. Hyperlink above

Once the law has been enacted, the CSSF will amend its internal procedures by means of a memorandum.

As regards the obligation laid down in Article 23(2) of the Code of Criminal Procedure, this is already the subject of a memorandum separate from any reporting procedure within the meaning of the aforementioned Act of 16 May 2023.

Income Tax Administration (Administration des contributions directes, ACD)

(i)
Memorandum LIR/NS No. 12/1 of 1 March 2005 on the non-tax deductibility of bribes, intended for internal use, includes as an annex the awareness-raising manual on the detection of bribes paid to public officials, particularly foreign officials, drawn up by the OECD Committee on Fiscal Affairs.

(ii)

The relationship between public officials' reporting obligations under Article 23(2) CCP and the reporting channels open to them under the Act of 16 May 2023 on the protection of whistleblowers is explained in the memorandum relating to the Act of 16 May 2023 transposing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

(iii)
As far as the ACD is concerned, only the aforementioned memorandum of 1 March 2005 is applicable.

cf. Memorandums in the Annex

Grand Ducal police

The Well-being at Work unit has organised training sessions on the values of the Police, particularly the values of integrity, transparency and professional conduct. The Police Code of Conduct has also helped to identify and promote the core values that every member of the Police must uphold. Furthermore, during every internal recruitment process, candidates are questioned on the Code of Conduct and how its principles should be applied in practice. Reference is also made to the training and awareness-raising initiatives of the General Police Inspectorate referred to in recommendation 4(b).

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Income Tax Administration (Administration des contributions directes, ACD)

A draft memorandum on identifying and reporting corrupt practices in the context of tax audits is currently being internally validated.

Registration Duties, Estates and VAT Authority (AED)

The AED continues to strengthen its internal framework for preventing and detecting foreign bribery. Staff training and the in-house AED culture place a strong emphasis on compliance with integrity rules, the prevention of corruption, and the management of conflicts of interest.

The AED has a code of conduct, which it has decided to update, and line managers are required to set an example and ensure that any risky situations are reported. In particular, reference is regularly made to Article 23(2) of the Code of Criminal Procedure.

Reports submitted via the whistleblower reporting channel are centralised and then forwarded to the relevant authorities. A broader system for centralising all reports is also being put in place, with a view to improving the identification, monitoring and processing of relevant information. Staff have been informed of the existence of the internal "whistleblower" channel. It should also be noted that the Ministry of Finance has also established a procedure to enable AED staff to make use of the whistleblower system.

Text of recommendation 1(c):

1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg:

c. (i) Continue and intensify awareness-raising initiatives (including training, case studies, indicators and other guidelines) for the FIU, supervisory authorities and regulated professions on the risks of foreign bribery and money laundering predicated on this offence; and (ii) provide the FIU with sufficient capacity and resources to handle the growing number of incoming transaction reports [articles 5 and 7 of the Convention; 2021 Recommendation IV.i and .ii and VII].

Action taken as of the date of the follow-up report to implement this recommendation:

Financial Intelligence Unit (FIU)

(i)
The FIU has introduced the following awareness-raising initiatives:

- Conference organised by the Luxembourg Association of Compliance Officers (ALCO): presentation by the FIU on 29 November 2024 on corruption / foreign bribery (national and international legal framework, national exposure to foreign bribery risks, the FIU's remit in this area, typologies of corruption / foreign bribery-related offences , case studies, etc.).

- Internal awareness-raising initiative for the entire FIU team (analysts and prosecutors): internal training (known as 'knowledge transfer') on 21 May 2025 on corruption, with a particular focus on foreign bribery (national and international legal framework, national exposure to foreign bribery risks, types of foreign bribery offence, case studies, etc.).

- On the initiative of the National Council of Justice: a training course organised and delivered jointly on 3 March 202 by the Public Prosecutor's Office, the Investigation Office and the FIU, specifically on foreign bribery (national and international legal framework, national exposure to foreign bribery risk, investigative and judicial measures, types of foreign bribery offence, case studies, money laundering linked to foreign bribery offences, the role and responsibilities of each party involved, etc.) to prosecutors, investigative judges and trial judges and members of the Investigation Office and the FIU, as well as to certain members of the police.

- An awareness-raising document on foreign bribery (the national and international legal framework, an overview of foreign bribery offences, related types and indicators, etc.) intended for entities subject to AML/CFT legislation. This document will be distributed via the goAML tool to all reporting entities, amounting to over 15 000 professionals.

  cf. Awareness-raising document in the Annex

(ii)
The FIU has been pursuing an ambitious recruitment programme for several years. Since 2021, efforts have been stepped up to attract a diverse range of candidates capable of handling the FIU's growing workload. The pace of these efforts increased further in 2023 and will continue going forward.

	2021	2022	2023	2024	2025
Analysts	18	23	24	30	43[1]
Prosecutors	6	6	7	7	7
Computer technicians	3	3	5	7	10
Data protection experts	-	-	1	1	2
Secretariat	6	6	6	7	8
Total:	33	38	43	52	70

At the end of 2025, the FIU had a total of 70 staff members. Two additional prosecutors joined the FIU on 1 January 2026, bringing the total to 72. In line with its recruitment strategy, the FIU plans to hire 12 additional full-time staff members in 2026. In addition, two further prosecutor positions are envisaged for September 2026.

With regard to anti-bribery work, it should be noted that the FIU has a dedicated operational team comprising a prosecutor and a financial analyst. This team is responsible for handling bribery cases, both at national and international level, ensuring they are dealt with efficiently and with the expertise required in this field. This operational team is supported by the strategic analysis team, which monitors risks, typologies and trends, as well as organising and preparing training sessions, awareness-raising materials, etc.

Insurance Commission (Commissariat aux Assurances, CAA)

In addition to the initiatives taken internally (as outlined in Recommendation 1(b)), the CAA has stepped up its efforts to raise awareness of corruption, including foreign bribery, amongst the professionals under its remit:

- On 21 March 2024, the CAA spoke at a conference organised by the AIDA (International Insurance Law Association) for the private sector, focusing in particular on the "Implementation of the whistleblowing bill in the insurance sector".

- On its website, the CAA shared the publication of the 2025 National Risk Assessment of Money Laundering, which provides detailed analysis of the risk of corruption and bribery, and the laundering of the proceeds of corruption, particularly corruption committed abroad where the proceeds are laundered in Luxembourg. The Ministry of Justice also spoke at the CAA's AML/CFT conference on 23 October 2025 on the subject of the aforementioned 2025 National Risk Assessment and highlighted the risk of corruption as one of the greatest external threats to Luxembourg;

- The CAA's qualitative questionnaire on AML/CFT was updated in July 2025 (Circular 25/7 of 10 June 2025). It now includes specific questions on the risk of corruption and the associated control environment. One of the objectives of this qualitative questionnaire is to enable the CAA to assess the effectiveness of the control environment in place among professionals in the life

[1] Including 2 Compliance analysts and 2 Knowledge Management analysts

insurance sector. Professionals may also use this questionnaire as a guide to measure the degree of compliance of their own systems.

cf. Hyperlinks

With this in mind, explanatory notes raising awareness of the concept of foreign bribery (including the distinction between active and passive bribery) and including references to resources from the FIU and the Ministry of Justice have been added. At the CAA's latest AML/CFT conference (23 October 2025), a presentation was given on the results of the analysis of the questionnaires received, including in particular a review of the corruption risk assessment for the life insurance sector.

- Every year, The FIU attends the CAA's AML/CFT conference (10 October 2024, 23 October 2025). At recent conferences, it has presented, among other things, the breakdown of suspicious activity reports by alleged primary offence (distinguishing in particular between active and passive bribery) and the types and indicators of corruption applicable to the insurance sector.

In order to strengthen the control environment for foreign bribery risk, it is also worth noting the existence of a procedure governing the establishment of a branch by an insurance or reinsurance firm. This procedure, available to all staff on the CAA's intranet, sets out the obligations of supervised entities and the stages involved in the CAA's review of the application for authorisation. This framework provides for a rigorous analysis of the application, including in particular checks on integrity and competence, as well as the arrangements for cooperation with the supervisory authority of the host country. Additional control measures are carried out for branches located outside the EEA. On the basis of the application examined by the relevant prudential department, the final decision is always taken by the CAA's Executive Committee.

Finally, regarding the strengthening of the CAA's supervisory activities since the Phase 4 evaluation report of March 2024, a specific inspection template for the reporting system put in place by regulated professionals has been developed. Using a risk-based approach, this forms part of the objectives of an on-site inspection.

Financial Sector Supervisory Commission (Commission de Surveillance du Secteur financier, CSSF)

Since the Report was adopted in March 2024, the CSSF has stepped up its awareness-raising efforts regarding the laundering of the proceeds of corruption, including the proceeds of foreign bribery, among regulated professionals, both through dedicated initiatives and by incorporating this topic into its publications and conferences.

External awareness-raising measures

Among the conferences at which the CSSF spoke, particular emphasis should be placed on the one-day conference on corruption organised by the ALCO (Luxembourg Association of Compliance Officers), which took place on 29 November 2024 and aimed to raise awareness among compliance managers in

Luxembourg (around 150 participants). The CSSF's presentation consisted of a review of the legal framework governing the obligations of regulated professions regarding the prevention of money laundering as applied to the laundering of the proceeds of corruption. The presentation also addressed key concepts of the OECD Convention, such as the definitions of a foreign public official and a state-owned enterprise, and emphasised the importance of detecting active bribery, while providing practical advice to regulated professions (examples of good practice).

On 26 May 2025, the CSSF posted on its website the 2025 National Risk Assessment of Money Laundering, along with the Ministry of Justice's press release on the subject[1]. This assessment provides specific details on the risk of corruption and bribery, and the laundering of the proceeds of corruption, particularly corruption committed abroad where the proceeds are laundered in Luxembourg. The press release cites as one of the main findings of the national assessment that "*fraud and forgery, tax crimes, corruption and bribery continue to be the main external threat*s".

In its 2024 Annual Report (published on 28 August 2025[2], and relayed on social media[3]), the CSSF included a section on the "*Fight against corruption at EU level and in Luxembourg*" (page 136), in order to raise awareness among professionals bound by various international and European anti-corruption instruments - including the OECD Convention and the proposed EU Directive on combating corruption. In the 2023 Annual Report 2023 (published on 19 September 2024[4]), the CSSF had already drawn the attention of regulated professionals to the issue of corruption, citing in particular as a best practice the practice of identifying "*[...] customers presenting an increased risk of "active" corruption, owing to their sectors or business locations.*" (page 127).

As part of the CSSF's AML/CFT expert group (a public-private partnership) with the ABBL (The Luxembourg Bankers' Association), a session dedicated to the topic of corruption was held on 9 December 2025, bringing together representatives from the CSSF, the FIU, the ABBL and banks. The CSSF's presentation highlighted the risks associated with corruption, as outlined in the National Risk Assessment of Money Laundering published in 2025, as well as the sectors and activities most at risk (public procurement, etc.). The CSSF also emphasised the distinction between passive and active bribery and outlined the range of preventive measures available. For its part, the FIU presented the types and trends associated with corruption, the various criminal offences relating to corruption, explained the risk indicators and provided concrete examples. These presentations were followed by a discussion session with members of the private sector expert group.

Some sub-sector risk assessments relating to money laundering and terrorist financing (AML/CFT), published regularly by the CSSF, contain sections dedicated to the fight against corruption, as well as specific indicators and case studies designed to help professionals better detect such offences. Reference should be made, for example, to the report on private banking activities[5] or to the CSSF's latest risk

[1] Luxembourg updates its national risk assessment of money laundering
[2] Annual Report 2024 – CSSF
[3] https://www.linkedin.com/posts/commission-de-surveillance-du-secteur-financier_cssf-rapportannuel-annualreport-activity-7366804151629926400-B34q?utm_source=share&utm_medium=member_desktop&rcm=ACoAABt24bEBl81ktho76uaP2X4pneFGeJbHJo8
[4] Annual Report 2023 – CSSF
[5] Last updated on 7 February 2024: Private Banking Sub-Sector Risk Assessment – 2023 update – CSSF

assessment, published in January 2026, which is the ML/TF risk assessment of specialised financial sector professionals (specialised PFS) providing corporate services (trust and company service provider activities, TCSPs)[6]. This assessment explains the particular exposure of TCSPs to the risk of corruption (page 30 of the assessment) and also presents detailed risk indicators relevant to TCSPs concerning the offence of corruption (*Red flag indicators for bribery and corruption relevant to TCSPs*, page 77 of the assessment). The publication of this assessment was also reported on social media[7].

On 26 January 2026, the supervisory authority for specialised financial sector professionals (specialised PFS, including TCSPs) held its annual conference on AML/CFT, which also featured presentations by the FIU and the Ministry of Justice. During the conference, the unit discussed the publication of the aforementioned sector risk assessment, highlighting the risk of corruption offences within this sector. During the conference, the FIU encouraged professionals to take the National Risk Assessment into account when identifying predicate offences (with corruption identified as one of those carrying the highest risk). The Ministry of Justice also spoke on the subject of the 2025 National Risk Assessment and highlighted the risk of corruption, particularly cross-border corruption. This conference was featured in a publication on the CSSF website (with the key messages made freely available[8]) and covered on social media[9].

Internal awareness- raising measures

In order to encourage and support the CSSF's various AML/CFT supervisory departments in their efforts to raise awareness among regulated professionals, the CSSF has also strengthened its internal expertise. Accordingly, a course dedicated to the prevention of corruption and the laundering of the proceeds of corruption was organised within the CSSF. It was primarily aimed at staff responsible for AML/CFT supervision at the CSSF (a total of around 80 staff members trained in the third quarter of 2025) and included a review of the applicable regulations concerning the duties of public officials and the CSSF’s code of conduct (gifts policy, conflicts of interest, etc.), as well as a reminder of the significance of corruption and its impact on crime more broadly. The training provided a detailed overview of the primary corruption offences and a review of the relevant AML/CFT legal framework concerning the laundering of the proceeds of corruption. It also covered international instruments, notably the OECD Convention, its commentaries, the “*Zero Corruption Manifesto*”, as well as the conclusions of the 2024 evaluation report of Luxembourg.

This internal awareness-raising within the CSSF, alongside external awareness-raising activities, has also led to a strengthening of the CSSF’s supervisory activities, in line with its internal AML/CFT

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6 Publication of the update of the ML/TF Sub-Sector Risk Assessment on Specialised Professionals of the Financial Sector providing corporate services (trust and company service provider activities) – 2026 update– CSSF

7 https://www.linkedin.com/posts/commission-de-surveillance-du-secteur-financier_cssf-pfs-ml-activity-7419672646172356609-F4av?utm_source=share&utm_medium=member_desktop&rcm=ACoAABt24bEBl81ktho76uaP2X4pneFGeJbHJo8

8 Looking back on the 2026 CSSF AML/CFT Conference for Specialised PFS

9 https://www.linkedin.com/posts/commission-de-surveillance-du-secteur-financier_cssf-pfssp-amlcft-activity-7422296408629628928-p_IM?utm_source=share&utm_medium=member_desktop&rcm=ACoAABt24bEBl81ktho76uaP2X4pneFGeJbHJo8

strategy for 2025–2027, which has identified corruption as one of the predicate offences requiring particular attention from the CSSF. As such, the CSSF has continued and continues to carry out on-site inspections to review professionals' compliance with their obligations regarding anti-money laundering and associated predicate offences, including corruption; in this context, the review of enhanced measures relating to politically exposed persons is one of the CSSF's standard inspections.

Furthermore, from an off-site supervisory perspective, the CSSF plans, for example, to conduct a thematic review in 2026 on combating bribery of foreign public officials as part of its supervision of specialised PFS, and to organise a workshop dedicated to the topic of combating the laundering of the proceeds of corruption with a selected bank.

The importance of the issue of corruption, including bribery of foreign public officials, has been highlighted during meetings of the CSSF's internal AML/CFT Working Group, as well as to members of senior management in the context of meetings of the AML/CFT Steering Committee, to which the AML/CFT Working Group reports.

Order of Chartered Accountants (OEC)

The OEC's AML/CFT training programme includes concepts such as bribery and bribes in order to raise awareness amongst members.

The AML/CFT questionnaire sent to members prior to the AML/CFT audit includes a subsection on bribery.

The "Risk-Based Approach (RBA) questionnaire" sent to OEC members contains a section on bribery.

The OEC website also contains a specific anti-corruption section, notably mentioning the recommendation to strengthen the fight against foreign bribery in international business transactions.

The OEC's AML/CFT Practical Guide (2022 edition) also addresses the topic with a specific fact sheet on anti-corruption for Chartered Accountants.

At the OEC General Assembly on 25 June 2025, members were made aware that corruption is one of the identified threats. Corruption was presented as one of the priorities of the awareness-raising programme.

Luxembourg Institute of Registered Auditors (Institut des réviseurs d'entreprises, IRE)

In 2025, the IRE initiated a number of initiatives to raise auditors' awareness of foreign bribery risks and money laundering predicated on this offence:

- This topic was specifically addressed at the General Meeting on 17 June 2025, and a specific section was included in the IRE's 2024/2025 annual report[10].

[10] https://extranet.ire.lu/documents/Part417114.pdf

- There is also a page on the IRE website dedicated to the fight against corruption[11].

- On 27 November 2025, the IRE also organised a conference focusing, in particular on the issue of corruption. This conference was specifically aimed at small and medium-sized entities, which are sometimes less aware of the issue than larger firms belonging to major networks that have had well-established anti-corruption programmes in place for several years.

  The conference brought together 42 registered auditors working in small and medium-sized entities. The aim of the conference, which was organised by a law firm, was to present real-life situations in which statutory auditors might encounter cases of corruption.

- A training course on "Combating Corruption" was also organised by the IRE on 15 September 2025. It should be noted that IRE training courses are primarily aimed at smaller firms (15 participants); large firms, which employ the vast majority of registered auditors and staff working in the audit profession, organise their own in-house courses.

  The course programme:

1. Introduction
   - General definition of corruption, statistics / figures
   - Importance of the fight against corruption (public interest, confidence in institutions and in the market, etc.) (cf. relevant international texts)
2. Overview of anti-corruption measures at international and European level
   - Brief overview of the various institutions and relevant legislation, and an explanation of their scope (relevance to activities in Luxembourg)
3. The situation in Luxembourg
   - International statistics and assessments (OECD, GRECO) of Luxembourg's efforts in the fight against corruption
   - Detailed overview of offences relating to passive/active public corruption and passive/active private corruption, and the applicable penalties
   - Concrete examples (e.g. bribery vs business gifts)
   - Meaningful examples from case law: the issue is taken seriously and perpetrators are convicted!
4. Anti-corruption measures within public administrations and businesses
   - Ongoing training, raising employees' awareness of their criminal liability
   - Compliance charter
   - Anti-corruption clauses in employment contracts
5. Relevance for registered auditors
   - Need for a solid understanding of the audited companies

https://extranet.ire.lu/documents/Rapportdactivite2024202517119.pdf (page 26)

[11] https://ire.lu/fr/corruption/

- What should be done if corruption is suspected? What are the registered auditors' obligations in this regard?

- Annual collection of statistics (via the "Risk-Based Approach (RBA) questionnaire") from audit firms and independent auditors regarding the implementation of an "Anti-Bribery and Corruption" programme (including the assessment of the risk of corruption and bribery, the establishment of governance, policies and controls to address this risk, training and awareness-raising for employees regarding the risks of corruption and bribery, and, for firms with more than 50 employees, the establishment of internal reporting channels and procedures, KPIs, etc.);

- The answers provided in the RBA questionnaire are checked as part of the "on-site" inspections carried out in accordance with IRE professional standard NP2024-38 on AML/CFT compliance. These inspections also aim to ensure that firms with more than 50 employees have actually put internal reporting channels in place.

Registration Duties, Estates and VAT Authority (AED)

With regard to raising awareness of foreign bribery risks and money laundering predicated on this offence, the AED continues to strengthen its internal prevention and detection mechanisms. Staff training and the in-house AED culture place a strong emphasis on compliance with integrity rules, the prevention of corruption, and the management of conflicts of interest. The AED has a code of conduct, which it has decided to update, and line managers are required to set an example and ensure that any risky situations are reported. In particular, reference is regularly made to Article 23(2) of the Code of Criminal Procedure.

Furthermore, a management memorandum regulates the issue of benefits in kind or material benefits that may be offered to an official by a member of the public. The applicable principle is a ban on accepting any gift or benefit. With regard to raising awareness of whistleblowing procedures, reference is again made to the responses provided under Recommendation 1(b).

These measures aim to raise awareness among officials and improve the detection of high-risk situations, including where these may be linked to acts of foreign bribery or the laundering of the proceeds of such an offence.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 1(d):

1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg:

(d) With regard to the tax authorities, (i) step up measures to raise awareness among officials of the need to detect illicit transactions linked to foreign bribery, including through clear and dedicated guidelines;

(ii) reconsider tax auditing practices, with a view to adopting a more proactive policy to help detect illicit transactions linked to foreign bribery; and (iii) ensure that tax authorities have human and material resources commensurate with the challenges involved in checking and detecting allegations likely to fall within the scope of foreign bribery [Phase 3 Recommendations 7(a) and 7(c), 2009 Recommendations on Tax Measures I.ii, I.iii, II, III.iii and 2021 Recommendation XXI.iii].
Action taken as of the date of the follow-up report to implement this recommendation: <u>**Registration Duties, Estates and VAT Authority (AED)**</u> A management memorandum regulates the issue of benefits in kind or material benefits that may be offered to an official by a member of the public. The applicable principle is a ban on accepting any gift or benefit. With regard to raising awareness of whistleblowing procedures, reference is again made to the responses provided under Recommendation 1(b). All the measures referred to in recommendations 1(b) and (c) are designed to raise awareness amongst AED staff and to improve the detection of high-risk situations, including where these may be linked to acts of foreign bribery or the laundering of the proceeds of such offences. With regard to point (ii), staff in the Anti-Fraud Service and tax offices are required, in accordance with Article 23(2) of the Code of Criminal Procedure, to report any facts that may constitute a crime or offence. As such, once certain thresholds for outstanding VAT are exceeded or certain suspicious circumstances are identified, the case is automatically referred to the judicial authorities. There are plans to strengthen prevention in this regard by establishing a dedicated continuing education programme. With regard to point (iii), it should be noted that the AED systematically requests an increase in its human resources in order to cope with regulatory inflation across various legal fields.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: <u>**Income Tax Administration (Administration des contributions directes, ACD)**</u> In the case of the Income Tax Administration, only the memorandum of 1 March 2005 referred to in point 1(b)(i) is applicable. A draft memorandum on the detection and reporting of corrupt practices in the context of tax audits is currently being validated internally.

Text of recommendation 1(e): 1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg: (e) or <u>Luxembourg diplomatic and consular missions</u>, (i) adopt targeted training and awareness-raising measures for Ministry of Foreign and European Affairs staff on their role in detecting foreign bribery offences and raising awareness among Luxembourg companies operating abroad; (ii) establish clear and easily accessible internal reporting channels for Ministry of Foreign and European Affairs staff; and (iii)

encourage proactive detection ensure by diplomatic and consular officials posted abroad, including through media monitoring and alerts concerning acts of foreign bribery [2021 Recommendation, XXI.i, .ii, .iii, .iv and .vi].
Action taken as of the date of the follow-up report to implement this recommendation: Staff at the Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade (MAE) (diplomatic corps, civil servants, employees and locally recruited staff) are required to attend anti-corruption training. This training, which includes a section on foreign bribery whilst also referring specifically to OECD standards and the OECD Anti-Bribery Convention, was launched in May 2024, has already been held five times and will continue to be organised regularly going forward. The MAE has published a note on its intranet site detailing the internal reporting procedure. This specifies that any MAE staff member, regardless of their status, may submit an internal report by email or by letter, in Luxembourgish, French, German or English, and outlines the measures taken by the reporting officer and their deputy to ensure confidentiality. cf. Presentations in the Annex
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 1(f): 1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg: (f) As regards <u>development aid</u>, (i) take the necessary steps to ensure that public procurement authorities, including in the context of ODA, enforce existing provisions more strictly to bolster the integrity of public procurement and in particular those relating to the exclusion of bids, when appropriate, of economic operators who are found guilty of foreign bribery, while taking into account mitigating factors (such as the implementation or improvement of integrity and compliance measures), or appear on the exclusion lists of all multilateral development banks for foreign bribery offences; and (ii) adopt targeted measures to raise awareness among LuxDev staff and partners, particularly those posted abroad, of their role in detecting and reporting foreign bribery offences [Phase 3 Recommendation 9(a), 2021 Recommendation IV.i and XXI.vi.; 2016 Recommendation for the Development Co-operation Actors on Managing the Risk of Corruption, 6.i and .iv].
Action taken as of the date of the follow-up report to implement this recommendation: **<u>The Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade (MAE)</u>** One of the measures taken by the MAE was to organise mandatory training sessions for staff of the Directorate for Development Cooperation and Humanitarian Affairs, aimed at raising awareness of corruption in the public sector in 2024, as mentioned in recommendation 1(e). **<u>Luxembourg Development Agency (LuxDev)</u>**

LuxDev has strengthened its integrity framework for procurement in its official development assistance activities, in line with the Working Group's recommendations. To this end, the internal regulatory framework has been updated to include explicit references to foreign bribery. These changes relate in particular to the regulatory texts specifying the consequences of such acts in terms of exclusion from procurement procedures, as well as the templates for tender documents. As such, a binding declaration on honour explicitly mentioning foreign bribery must be submitted by tenderers (except for low-value contracts).

With regard to the operational implementation of integrity rules in public procurement, procedures have been adapted to systematise the consultation of relevant exclusion databases, notably the World Bank's, which take into account cross-debarment mechanisms between multilateral development banks. This measure aims to ensure more rigorous enforcement of existing provisions relating to the exclusion of economic operators convicted of corruption or appearing on international exclusion lists.

Furthermore, LuxDev has updated its internal procedures to strengthen its prevention, detection and reporting mechanisms. This work has focused in particular on reporting procedures, whistleblower protection measures, the Code of Conduct, and the procedure for combating fraud and illegal practices. These documents reiterate employees' obligations regarding integrity and the reporting of suspected offences, including those relating to foreign bribery, and are in line with the applicable Luxembourg legal framework.

In addition, ad hoc updates to contracting and execution procedures and practices were made following case studies, enabling LuxDev to strengthen its internal prevention mechanisms.

Finally, LuxDev has stepped up its awareness-raising activities regarding the prevention, detection and reporting of corruption. These initiatives take the form of targeted events and communications, supplemented by the introduction of an e-learning module dedicated to raising awareness of corruption. This course is mandatory for all LuxDev staff, including those posted abroad, with a view to strengthening their ability to identify and report high-risk situations.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

(i)
Discussions on the implementation of Recommendation 1(f)(i), concerning the aspect of "exclusion, tenders from economic operators appearing on the exclusion lists of all multilateral development banks for acts of bribery of foreign public officials" will be addressed in the context of the work on transposing the EU Anti-Corruption Directive. In this regard, reference is made to the responses provided under Recommendation 1(i).

With regard to the "exclusion of bids of economic operators who are found guilty of foreign bribery," referred to in Recommendation 1(f), Luxembourg considers that this measure is already implemented through Article 29(1) of the Act of 8 April 2018 on public procurement, which requires contracting authorities to exclude an economic operator from participating in a procurement procedure if that economic operator has been convicted, following a final judgment, of an offence of corruption or influence-peddling

In this same context, it should be noted that "taking into account mitigating factors (such as the implementation or improvement of integrity and compliance measures)" is also expressly provided for in Article 29(5) of Act of 8 April 2018 on public procurement, which provides that:

> *(5) Any economic operator who finds themselves in one of the situations referred to in paragraphs 1 and 3 may provide evidence to demonstrate that the measures they have taken are sufficient to prove their reliability despite the existence of a relevant ground for exclusion. If such evidence is deemed sufficient, the economic operator concerned shall not be excluded from the procurement procedure.*
>
> *To this end, the economic operator shall prove that it has paid or undertaken to pay compensation for any damage caused by the criminal offence or misconduct, fully clarified the facts and circumstances by actively cooperating with the investigating authorities, and taken concrete technical, organisational and personnel measures to prevent a further criminal offence or misconduct.*
>
> *The measures taken by economic operators shall be assessed taking into account the seriousness of the criminal offence or misconduct as well as its specific circumstances. Where the measures are deemed insufficient, the reasons for the decision in question shall be communicated to the economic operator.*
> *An economic operator who has been excluded by a final judgment from participating in procurement or concession award procedures shall not be permitted to make use of the possibility provided for in this paragraph during the period of exclusion set by that judgment in the Member states where the judgment takes effect.*

Text of recommendation 1(g):

1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg:

(g) In the context of export credits, (i) ensure that the Office du Ducroire has satisfactory access to information on companies sanctioned for foreign bribery in Luxembourg; (ii) examine the possibility of taking measures so that, when deciding to grant contracts and other public benefits, the relevant agencies would use the existence of internal control, ethics and compliance measures as a criterion for those decisions; and (iii) adopt targeted measures to raise awareness and train Office du Ducroire staff on their role of detecting and reporting foreign bribery offences [Phase 3 Recommendations 9(b) and 9(c), 2021 Recommendation XXIV.ii and .iii, XXIV.i and .v, IV.i and XXI.vi; 2019 Recommendation on Bribery and Officially Supported Export Credits].

Action taken as of the date of the follow-up report to implement this recommendation:

(ii)
The Office du Ducroire (ODL) has a detailed internal ESG procedure in place to ensure that its clients and cases comply with ESG standards, particularly in relation to anti-corruption measures. Each insured

party must also sign a sworn declaration confirming compliance with anti-corruption rules. The ODL carries out an in-depth ESG analysis of all its clients, beneficiary entities, debtors and projects, using tools such as RepRisk and Worldcheck. Annually updated ESG profiles are drawn up for all clients, who must submit a number of documents to ODL (e.g. extract from the Register of Business Entities, copies of the beneficial owners' identity cards, etc.), thereby enabling ODL to carry out checks and ensure that ESG criteria are met.

(iii)
Internally, in May 2023, the ODL introduced a code of ethics and professional conduct for ODL staff, requiring them to sign a declaration of no conflict of interest, and, at the end of 2024, a code of conduct was introduced for members of the Board of Directors, the Committee for the Promotion of Luxembourg Exports (COPEL) and technical committees, requiring the signing of a declaration of absence of conflicts of interest and a register to monitor their terms of office. These documents are reviewed annually. The ODL also maintains a register listing conflicts of interest.

In terms of training and raising awareness among staff, the ODL draws up an internal/external training plan for its staff at the end of the year for the following year and maintains a register listing all internal and external training courses attended. The training covers various topics: e.g. corruption, fraud, governance, AML, human rights and the GDPR.

Examples of training courses on the topic of corruption attended by staff members:

- Workshop on Bribery and Export Credits (OECD): the workshops focus primarily on the bribery recommendation and its implementation by export credit agencies, along with their experiences.
- Corruption Awareness (House of Training): this course provides the key insights needed to understand the subject matter (public and private corruption), ensuring compliance with national, European and international obligations and expectations.
- Refinitiv training courses: primarily focused on using the research platform and interpreting the results obtained (including corruption, as well as AML, sanctions, governance, etc.).
- AML for the non-banking sector: the training focuses on money laundering and counter-terrorism financing, but also covers corruption.

cf. Training courses in the Annex

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

(i)
Discussions are currently underway to add the Office du Ducroire (ODL) to the list of public authorities authorised to request a criminal record extract pursuant to the *Grand-Ducal Regulation amending the amended Grand-Ducal Regulation of 23 July 2016 establishing the list of public authorities and legal entities under public law authorised to request a criminal record extract (Form No. 2 or No. 3) with the written or electronic consent of the person concerned.*

This amendment would enable the ODL to be issued, upon request and with the express written or electronic consent of the person concerned, with a criminal record extract in the context of applications for insurance and export finance.

Text of recommendation 1(h):

1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg:

(h) (i) Clarify through appropriate guidance the competing and potentially contradictory obligations of company (i.e. external) auditors who uncover suspected acts of bribery of foreign public officials to inform the company's management and, where relevant, its supervisory bodies; (ii) consider requiring external auditors to report any suspicion of bribery of foreign public officials to the law enforcement authorities; and (iii) adopt targeted measures to raise awareness within the accounting and auditing professions of their role in detecting and reporting the foreign bribery offence [Phase 3 Recommendations 5(b), 6(b) and 6(c), 2021 Recommendation XXIII B.iii and .v, IV.ii, XXIII.A and .B].

Action taken as of the date of the follow-up report to implement this recommendation:

Specific observations

Luxembourg Institute of Registered Auditors (Institut des réviseurs d'entreprises, IRE)

As mentioned in Recommendation 1(c), the obligations of company auditors regarding anti-corruption measures were reiterated at the General Meeting on 17 June 2025. A specific point was also included in the IRE's 2024/2025 annual report concerning the duty of senior management to report any evidence of acts of corruption involving foreign public officials.[12]

General observations

Other measures have been implemented to raise awareness among professionals of the risk of corruption. In this regard, please refer to the comments made under recommendation 1(c).

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Order of Chartered Accountants (OEC)

Please refer to the measures mentioned above under recommendation 1(c).

OEC members are required to cooperate, in particular with the FIU, in cases where corruption is suspected.

The OEC's AML/CFT Practical Guide (2022 edition) specifically addresses this point in the fact sheet on cooperation with the FIU, citing a concrete example relating to corruption.

[12] https://extranet.ire.lu/documents/Part417114.pdf

Text of recommendation 1(i):

1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg:

(i) Regarding self-reporting, consider measures to encourage voluntary disclosures and reporting by persons who have participated in or been implicated in the commission of foreign bribery to provide relevant information to the competent law enforcement authorities, and also ensure that appropriate mechanisms are in place to apply these measures in foreign bribery investigations and prosecutions [2021 Recommendation XV.ii.a and X.iii].

Action taken as of the date of the follow-up report to implement this recommendation:

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

This recommendation relates to matters covered by the *Proposal for a directive of the European Parliament and of the Council on combating corruption, replacing Council Framework Decision 2003/568/JHA and the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union and amending Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law.* Recommendation 1(i) will therefore be implemented as part of the transposition of the aforementioned directive.

Indeed, the Luxembourg authorities considered it essential to await the finalisation and adoption of the aforementioned directive in order to implement the OECD recommendations in conjunction with the transposition of the directive on those points that affect them both, with a view to ensuring a consistent, effective and harmonised implementation / transposition, bearing in mind that this implementation / transposition will require amendments to the Luxembourg Criminal Code and Code of Criminal Procedure.

The same observation applies, in whole or in part, to recommendations 1(f)(i), 3(b), 5(a), 5(c), 5(d) and 5(e).

Text of recommendation 1(j):

1. Regarding **detection of foreign bribery**, the Working Group recommends that Luxembourg:

(j) Regarding the media, (i) ensure that more investigations are opened on the basis of credible allegations of foreign bribery reported in the national and foreign press, particularly when these allegations involve major Luxembourg companies; (ii) ensure that sufficient resources are allocated to prosecuting authorities in their efforts to monitor the national and international press; and (iii) ensure that the conditions for requests to access official documents enable the media and civil society to detect and report allegations of foreign bribery [2021 Recommendation VIII and XXI.iv]

Action taken as of the date of the follow-up report to implement this recommendation:

(i) and (ii)

Judicial authorities

Recommendation 1(j)(i) was implemented, in particular, by the Luxembourg judicial authorities through an update to the State Prosecutor General's circular on corruption.

Prosecutors at the Public Prosecutor's Office are reminded that the information contained in International Rogatory Commissions (IRCs) and European Investigation Orders (EIOs), in the matrix provided by the OECD Working Group on Bribery, and in the national and foreign media constitute an important tool for detecting offences. With regard to allegations of corruption, trading in influence, abuse of public office, illegal taking of interest and embezzlement committed abroad, it is also necessary to determine whether any Luxembourg entities are involved.

In this context, the importance of monitoring case law is also emphasised. In accordance with the OECD recommendation, it is necessary to ensure the systematic monitoring of the national and international press, particularly with regard to foreign bribery.

Particular attention needs to be paid to national and international press reports which, when they contain credible and detailed facts, may warrant in-depth verification with a view to the possible opening of a criminal investigation. It is therefore necessary to ensure that more investigations are opened on the basis of credible allegations of foreign bribery, particularly where such allegations involve major Luxembourg companies reported in the national and foreign press. To this end, prosecutors at the Public Prosecutor's Offices systematically examine the involvement of Luxembourg entities in foreign bribery schemes and assess the possibility of prosecuting, where appropriate, entities that may have participated as accomplices or used intermediaries, including affiliated entities, to commit foreign bribery or related offences.

It is particularly worth noting that within the Economic and Financial Offences Unit of the Luxembourg Public Prosecutor's Office, the team of prosecutors is supported in their daily tasks by law clerks, who are actively involved in handling cases, complaints and reports. One law clerk in particular has been tasked with proactively analysing the national and international press, enabling prosecutors to consider opening an investigation into foreign bribery where appropriate.

Grand Ducal police

Within the Grand Ducal police, and more specifically within the Economic and Financial Crime Department, a system is in place to monitor press reports, with a particular focus on foreign bribery cases. Under this system, it is primarily the 'International Mutual Legal Assistance' unit that drafts reports or statements of evidence for the Public Prosecutor's Office to inform them of any facts identified in press reports. This unit, which handles all European Investigation Orders (EIOs) and International Rogatory Commissions (IRCs) in this area, is best placed to know the details, as many of the cases appearing in the press are already being dealt with by the aforementioned unit (or are linked to existing cases).

A large number of investigators from the Economic and Financial Crime Department subscribe to various newspapers and online sites; any relevant articles that are identified are sent either immediately or once a week as an addendum to a minutes of a meeting to all investigators in the aforementioned Department. Some articles are also uploaded to a knowledge-sharing platform and shared with the Public Prosecutor's Office. The Police are currently testing a new platform to ensure even better communication of news and press articles concerning the Economic and Financial Crime Department.

(iii)

The Luxembourg Government has introduced Bill No. 8421 with a view to significantly strengthening the legal framework governing access to administrative documents and, in doing so, supporting the vital role of the media and civil society in identifying and reporting allegations of foreign bribery.

This bill strengthens the right of access by making it mandatory for public bodies to provide professional journalists with the documents necessary for their work in the public interest. It also introduces a broad definition of the word "document" to cover any recorded information, regardless of the medium.

To improve transparency and predictability, the bill requires the sending of an acknowledgement of receipt indicating the estimated processing time. It also provides for an obligation on bodies to assist applicants in identifying the documents sought. This provision will ensure that right of access is fully effective, preventing requests from being rejected on the grounds that they are not sufficiently specific, and will provide practical support to journalists and organisations seeking to identify relevant information within complex files.

Finally, the bill allows for the partial disclosure of documents, in redacted form, where only certain parts are covered by legal exceptions. This phased approach aims to tangibly expand access to available information, prioritising a principle of openness rather than a blanket refusal.

These measures are intended to strengthen access to information and support the investigative capacity of the media and civil society in relation to potential cases of foreign bribery.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 2(a): 2. Regarding **the protection of whistleblowers**, the Working Group recommends that Luxembourg: (a) (i) Clarify that a whistleblower's personal motivation (including their good faith) is irrelevant for the application of protections under the law and ensure that reporting persons are not subject to disciplinary proceedings and liability, including criminal liability, solely on the basis of making reports that qualify for protection; and (ii) ensure that interim measures pending the resolution of legal proceedings are available to whistleblowers as remedial measures [2021 Recommendation XXII, XXII.vii and XXII.x].
Action taken as of the date of the follow-up report to implement this recommendation: **(i)** The Office for Whistleblowers (OSIG) has clarified this point on several occasions, including, for example: ➢ In its information brochure (also referred to in recommendation 1(b)), which emphasises the criterion relating to *"reasonable grounds for believing that the reporting or public disclosure of such information was necessary to reveal a breach."* (pages 7, 18, 20, 23), as opposed to malicious/abusive reporting, the "*sole*" purpose for which may be *"to take revenge" or "try to benefit from protection even in the event of dismissal or a legitimate sanction"* (page 23) by knowingly reporting false information. ➢ At the conference on 7 May 2025 on the theme *"Two years of whistleblower law in Luxembourg: a regulatory framework put to the test"*, during which speakers discussed the difference between the concept of "*good faith*" as defined by the European Court of Human Rights and that of "*reasonable grounds*" as defined by Luxembourg lawmakers. ➢ During the training course organised by the Office for Whistleblowers in conjunction with the European Whistleblowing Institute for reporting officers from various ministries and competent authorities, which took place on 14 November 2025, during which one of the practical case studies focused specifically on the (ir)relevance of the criterion relating to personal motives when assessing the admissibility and/or merits of the report received.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: **(ii)** As the Act of 16 May 2023 does not provide for interim measures, it is the standard interim measures under ordinary law that may apply pending the resolution of the proceedings on the merits. However, there is as yet no case law, particularly from the courts dealing with interim relief, in which such standard interim measures have been applied under ordinary law.

Text of recommendation 2(b): 2. Regarding **the protection of whistleblowers**, the Working Group recommends that Luxembourg: (b) Extend the scope of the law to cases of retaliation that occur outside the workplace, and ensure that sanctions against those who retaliate against whistleblowers are effective, proportionate and dissuasive [2021 Recommendation XXII.vi and XXII.viii].
Action taken as of the date of the follow-up report to implement this recommendation:
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: There are currently no plans to amend the Act of 16 May 2023 in this regard. Luxembourg considers that the first step should be to assess the application and practical implementation of the aforementioned Act, which has only been in force since May 2023, as well as the European Commission's evaluation of the Whistleblower protection directive. This evaluation work is currently underway.

Text of recommendation 2(c): 2. Regarding the protection of whistleblowers, the Working Group recommends that Luxembourg: (c) Ensure that regulations and laws prohibiting the transmission of economic or commercial information do not unduly hinder whistleblowing and whistleblower protection under the conditions set out by the law [2021 Recommendation XXII.xiv].
Action taken as of the date of the follow-up report to implement this recommendation: The awareness-raising brochure published by the Office for Whistleblowers Office (OSIG) (page 23, paragraph 5.3) highlights the distinction that must be made between, on the one hand, obtaining protected information by committing a separate criminal offence and, on the other hand, a situation where such disclosure constitutes a legitimate act, carried out in good faith and with legitimate reasons to believe that reporting was necessary to bring such a breach to light: "*Where the obtaining or gaining access to information constitutes a separate criminal offence, criminal liability remains governed by applicable national and European law.* *Furthermore, in legal proceedings, including for defamation, breach of copyright, disclosure of business secrets, or claims for compensation, whistleblowers shall not incur any liability as a result of reports or public disclosures. They shall be entitled to rely on said report or public disclosure to request that the proceedings be discontinued, provided that they acted in good faith and had reasonable grounds for believing that the report or public disclosure was necessary to reveal a breach."* This distinction is, moreover, consistently reflected in the information provided on the websites of the various competent authorities.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

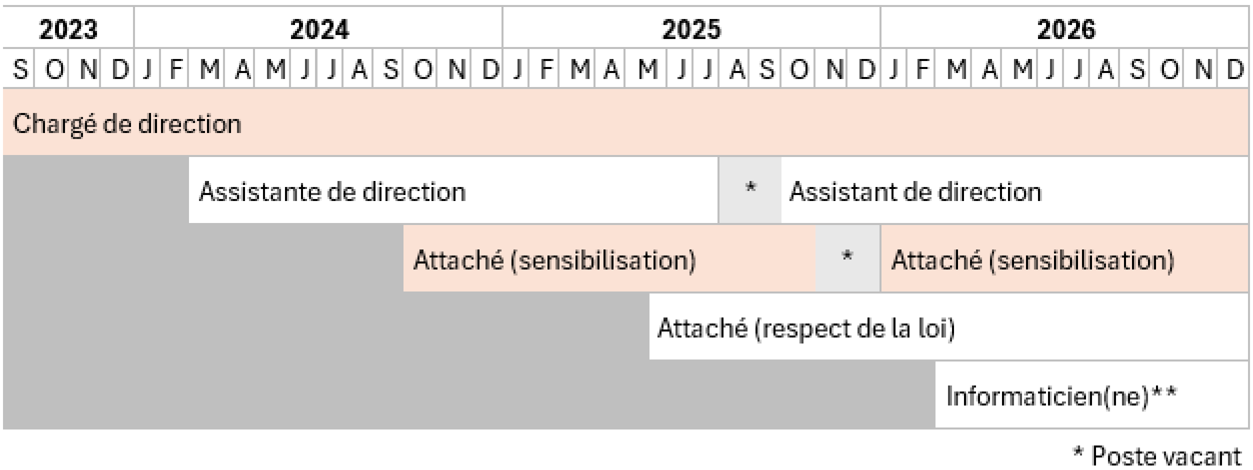
Text of recommendation 2(d): 2. Regarding **the protection of whistleblowers**, the Working Group recommends that Luxembourg: (d) Ensure that the whistleblowing office and all other competent authorities responsible for implementing the legal framework for whistleblower protection have sufficient resources and are adequately trained to carry out the tasks set out by the law [2021 Recommendation XXII.i].

Action taken as of the date of the follow-up report to implement this recommendation:

<u>Concerning resources</u>

The Office for Whistleblowers (OSIG) has seen its staff numbers increase since it was established in September 2023, in keeping with its requests.

Executive Officer
Executive Assistant / Executive Assistant
Liaison Officer (Awareness) / Liaison Officer (Compliance)
IT Specialist*
*vacancy



The competent authorities have been consulted on this matter and to date none of them have indicated that they lack sufficient resources.

<u>Concerning training</u>

The reporting officers working with the various competent authorities have had the opportunity to attend several training sessions run by the Office for Whistleblowers (OSIG).

For example, a one-day conference in May 2025 on the theme ‘Two years of whistleblower law in Luxembourg: a regulatory framework put to the test’, bringing together speakers from both academia and the world of work, with the aim of discussing the implementation of the Act of 16 May 2023 with representatives of the various competent authorities and the public, and analysing the challenges posed by this legislation.

In November 2025, the Office for Whistleblowers (OSIG) also organised, in co-operation with the European Whistleblowing Institute, a training course for staff at the competent authorities responsible for handling external reports and for the designated reporting officers within the various ministries and local authorities.

In addition, the Office for Whistleblowers created the Network of Competent Authorities for Whistleblower Protection (‘ACPLA Network’) in 2024, bringing together representatives of the competent authorities responsible for receiving and processing reports from whistleblowers in accordance with the Act of 16 May 2023 on the protection of whistleblowers.

One of the main aims of the ACPLA Network is to facilitate the exchange of recommendations and best practices, to analyse the procedures set out in the Act of 16 May 2023, and to share feedback on their initial implementation. It enables the various competent authorities to discuss common issues relating to the application of the law on whistleblower protection. Work on the ACPLA Network, launched by OSIG in 2023, continued in 2024.

On 3 June 2024, the ACPLA Network met to analyse recent developments in whistleblower protection. The CSSF’s whistleblowing procedure, the OECD Working Group’s recommendations on whistleblower protection from the Phase 4 evaluation report, as well as guidelines on the implementation of internal reporting channels in the civil service and the obligations of public officials were presented to the participants.

On 9 July 2024, a further meeting was held between members of the ACPLA Network, in particular those from the "Enforcement and Fines" and "Communication" working groups. The working group on administrative enforcement and fines focused on defining its programme of work and operating procedures. The second group held a ‘kick-off meeting’ with OSIG’s communications agency to coordinate its awareness-raising strategy regarding whistleblower protection.

As part of its ongoing commitment to pooling and sharing knowledge, news and expertise on whistleblower protection, in 2024, OSIG began work on setting up an extranet for the competent authorities, which was launched in 2025.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 2(e): 2. Regarding **the protection of whistleblowers**, the Working Group recommends that Luxembourg: (e) Continue and extend its awareness-raising efforts to ensure that the law is properly applied, particularly by developing recommendations, guidelines and practical guides on the existence and function of reporting channels, and on whistleblower protection mechanisms in both the public and private sectors [2021 Recommendation XXII.xii].
Action taken as of the date of the follow-up report to implement this recommendation: Awareness-raising on whistleblowing has taken many forms: ➢ An initial awareness-raising campaign launched by the Ministry of Justice, which included the online publication of a special report on the issue[13]. ➢ Special reports and other awareness-raising pages are systematically available on the 23 websites of the various competent authorities referred to in Article 18 of the Act of 16 May 2023. ➢ Publications by other sector bodies, such as FEDIL, the Chamber of Commerce (including, in particular, the House of Sustainability), the Chamber of Employees (CSL), etc. ➢ The “Guidelines on the implementation of internal reporting channels within the civil service”, along with a circular letter were sent on 23 May 2024 to ministerial departments, government agencies and public services. In this regard, "ministries are required to establish internal reporting channels by appointing one or more reporting officers, who will be responsible for the ministerial department and the agencies under its remit". The distribution of these guidelines was accompanied by two dedicated information sessions for the central government sector and one dedicated information session for the local government sector. In addition, OSIG organised an in-person meeting of the reporting officers appointed by the ministerial departments with a view to facilitating and accelerating the implementation of the internal reporting mechanisms provided for under the Act of 16 May 2023. ➢ OSIG has contributed to a number of training sessions and conferences, working with both private and institutional stakeholders. For further details, please refer to the 2024 Activity Report of the Office for Whistleblowers, as well as the responses provided under Recommendations 1(b) and 2(a) and (d). As another part of its awareness-raising activities, OSIG responds to requests for information received from potential whistleblowers, from both the public and private sectors.

13 https://mj.gouvernement.lu/fr/dossiers/2023/lanceurs-d-alerte.html

OSIG is also available to help reporting officers with any questions regarding legislation and the practical application thereof, as evidenced by the numerous requests for information referred to above. In order to fulfil its remit of raising public awareness, supporting individuals wishing to make a report, and providing information to entities covered by the Act, in 2023 the Office began work on creating its own website. This work is nearing completion. The website, scheduled to launch in early 2026, will provide easily accessible information on the Act of 16 May 2023, on the rights and obligations of whistleblowers, and on the procedures to follow. OSIG has also been asked by the Government Data Protection Commissioner's Office (CGPD) to provide its opinion on a draft practical guide concerning the follow-up of internal reports of breaches of EU law and on a model procedure for following up on such reports.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 2(f): 2. Regarding **the protection of whistleblowers**, the Working Group recommends that Luxembourg: (f) Consider introducing incentives for making reports that qualify for protection [2021 Recommendation, XXII.xi].
Action taken as of the date of the follow-up report to implement this recommendation:
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: Recital 30 of the Whistleblower Directive expressly rules out incentive schemes for reporting breaches. Such a measure could also conflict with the concept of 'good faith' as derived from the case law of the European Court of Human Rights, which the Court currently equates with the whistleblower's lack of self-interest (e.g. ECHR, Grand Chamber, 12 February 2008, Guja v. Moldova, no. 14277/04).

II. Recommendations regarding enforcement of the foreign bribery offence

Text of recommendation 3(a):

3. Regarding **the foreign bribery offence**, the Working Group recommends that Luxembourg: (a) Clarify, by any appropriate means, that for the purposes of foreign bribery: (i) it is not necessary to prove that a foreign public official is in fact in a position to influence the matter for which the bribe was paid [Convention article 1].
Action taken as of the date of the follow-up report to implement this recommendation: Recommendation 3(a) has been implemented, in particular, by the judicial authorities in Luxembourg through an update to the State Prosecutor General's circular on corruption. The section of the circular relating to the offence of active bribery referred to in section 247 of the Criminal Code has been clarified as follows: The following shall constitute active bribery: ➢ the act, by any person, ➢ of proposing or giving, ➢ directly or indirectly, ➢ to persons holding public authority, or public officials, or persons entrusted with a mission of public service, or agents entrusted with an elective public mandate, ➢ an offer, a promise, a donation, a gift or an advantage of any kind, ➢ or making such an offer or promise, ➢ for themselves or for a third party, ➢ with the objective of getting this person to perform one of the acts referred to in Article 247 of the Criminal Code.. Unlike passive bribery, the perpetrator of the offence of active bribery can be anyone. The act of bribery may also be committed through intermediaries ("indirectly"). Article 247 of the Criminal Code provides that: "*Any person who unlawfully either directly or indirectly proposes or makes an offer, a promise, a donation, a gift or an advantage of any kind to persons holding public authority, public officials, persons entrusted with public service missions, or any persons entrusted with an elective public mandate, with the objective of getting this person to:* *1) either carry out or refrain from carrying out an act relating to their office, duty, or mandate or made possible by the nature of their office, duty or mandate,* *2) or abuse their real or alleged influence in order to obtain from a public entity or public administration any distinction, employment contract, public private cooperation, or any other favourable decision, is subject to imprisonment of 5 to 10 years and a fine of EUR 500 to EUR 187 500* The offence of bribery provided for in Article 247 of the Criminal Code therefore encompasses active bribery proper (Article 247(1)), as well as active trading in influence of public officials (Article 247(2)).

Article 247(2) should therefore not be confused with the offence of trading in influence (between private individuals) referred to in Article 248 of the Criminal Code. The offence of trading in influence referred to in Article 247(2) of the Criminal Code punishes anyone who gives a public official a gift in order for that official to abuses his or her actual or presumed influence in order to obtain a favourable decision from a public authority; the purpose of the gift in the context of trading in influence is not to induce the official to perform or refrain from performing an act within the scope of his or her duties or facilitated by his or her position or mandate. Even under the previous legislation on bribery, the Court of Cassation had held in a judgment of 22 December 1988 (Pas. XVII, p. 289) that "it is immaterial whether or not the act which the perpetrator sought to obtain from the public official is one which the latter does not have the power to perform alone; it is sufficient (…) that the act sought is one by which the public official exercises his own share of a collective power." In line with the OECD's recommendation in the context of this phase 4 evaluation of Luxembourg, it should be noted that, under the foreign bribery provisions, it is not necessary to prove that a foreign public official is in fact in a position to influence the matter for which the bribe was paid. In other words, and as established by case law in Court of Appeal judgment No. 361/12 X of 3 July 2013, 'in the context of the application of Article 247(2), bribery does not relate to an act falling within the scope of the bribe-taker's official duties, but to the influence that the bribe-taker is prepared to exert to ensure that such an act is carried out by a third party. The judges were therefore not required to analyse whether the purpose of the bribery was an act falling within the scope of the official's duties or an act facilitated by the official's position".
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 3(b): 3. Regarding **the foreign bribery offence**, the Working Group recommends that Luxembourg (b) Examine the potential causes for the tendency to use alternative offences instead of the foreign bribery offence, and on the basis of this analysis consider either criminalising foreign bribery in a sufficiently broad manner, or extending the offence of trading in influence so that the constituent elements of the offence and the applicable sanctions conform with the Convention [Convention articles 1 and 3].
Action taken as of the date of the follow-up report to implement this recommendation: Recommendation 3(b) is directly linked to Recommendation 3(a). Please refer, therefore, to the comments above regarding the update to the State Prosecutor General's circular on corruption.

Article 247(2) of the Criminal Code does not constitute an alternative offence to the foreign bribery offence, but a sub-category of active bribery within the meaning of Article 1 of the Convention. The offences referred to in Article 247(1) and (2) of the Criminal Code are, moreover, punishable by the same sanctions, namely imprisonment for a term of five to ten years and a fine of between 500 euros and 187 500 euros. As regards the definitions and constituent elements of the various bribery offences and related offences, please refer again to the comments under Recommendation 1(i) concerning the transposition of the EU Anti-Corruption Directive.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 4(a): 4. Regarding the **means, resources, expertise and training** of investigators, prosecutors, investigative judges and trial judges, the Working Group urges Luxembourg to promptly take the necessary measures to: (a) (i) Clearly define economic and financial crime, including the investigation and prosecution of the offence of foreign bribery, as a criminal policy priority; and (ii) urgently carry out a comprehensive review of how economic and financial crime is organised and the resources it is allocated in order to improve its effectiveness and performance [article 5 of the Convention].
Action taken as of the date of the follow-up report to implement this recommendation: Recommendation 4(a) has been implemented most notably through the updated version of the State Prosecutor General's circular on corruption, which clearly sets out the steps and procedures to be followed in cases involving corruption, abuse of public office, illegal taking of interest and embezzlement, including in relation to foreign bribery. The offences of corruption, trading in influence, abuse of public office, illegal taking of interest and embezzlement pose a threat to the stability and security of nations by undermining democratic institutions and values, ethical values and justice, thereby jeopardising the rule of law. In light of these considerations, the circular stipulates that cases involving public corruption, abuse of public office, illegal taking of interest and embezzlement by a person holding public office must be dealt with as a matter of priority. The links between offences of corruption, trading in influence, abuse of public office, illegal taking of interest and embezzlement, and other forms of crime – in particular organised crime and economic crime, including money laundering – require an effective fight against corruption itself on the one hand, and against the other forms of related crime on the other. This fight must, in particular, consist of preventing, detecting and deterring acts constituting corruption in the most effective manner, but also of preventing

and effectively prosecuting the laundering of funds acquired through acts of corruption. To this end, law enforcement must target not only benefits of any kind offered or paid to national or foreign public officials, but also the undue profits derived by private parties, whether foreign entities or Luxembourg companies. It must also target intermediaries who facilitate the commission of offences.

Indeed, the fight against corruption concerns both active and passive bribery, both in Luxembourg and abroad, as corruption is not a local issue but a transnational phenomenon affecting all societies and economies, making international cooperation essential in this area.

Acts of bribery must be subject to effective, proportionate and dissuasive measures and sanctions, which requires sufficient resources to actively combat bribery offences.

In this context, it is worth highlighting the significant efforts made in recent years to strengthen staffing levels within the judicial authorities through a multi-year recruitment programme.

The Act of 24 July 2024 establishing the position of court officer and amending:
1° the amended Act of 7 March 1980 on the organisation of the judicial system;
2° the amended Act of 7 June 2012 on court officers;
with a view to adopting a multi-year recruitment programme for the judiciary for the judicial years 2024/2025, 2025/2026 and 2026/2027, provides for an ambitious multi-year recruitment programme for the judiciary and the creation of additional court officer posts, constituting a first substantial increase in the staffing levels of the various courts and public prosecutor's offices. Accordingly, 94posts for judges and prosecutors, and 20 court officer posts have been created for the judicial and administrative services—which share a common pool of court officers—for the judicial years 2024/2025 to 2026/2027. Under Article 1(1) of the amended Act of 7 June 2012 on court officers, the statutory staffing level is currently 50 court officer posts.

Under an Act of 2 April 2025, legislature also broadened access to the judiciary by adjusting the qualification and professional experience requirements for court officers.

For the 2025/2026 judicial year, there were 63 applications for court officer posts. Ultimately, 42 people were appointed as court officers on a provisional basis.
Over a period of five judicial years, the number of court officer recruitments has changed as follows:
• Judicial year 2025/2026: 42 recruitments
• Judicial year 2024/2025: 28 recruitments
• Judicial year 2023/2024: 13 recruitments
• Judicial year 2022/2023: 14 recruitments
• Judicial year 2021/2022: 17 recruitments

For the 2025/2026 judicial year, there has been a substantial increase in the number of appointments compared with previous years. The reform introduced by the Act of 2 April 2025 is therefore beginning to show results.

In addition to the 94 positions for judges and prosecutors mentioned above, the following additional positions are planned:

- 5 positions for judges and prosecutors resulting from Bill No. 8704 on the establishment of a new *chamber for criminal appeals;*

- 7 positions for judges and prosecutors resulting from Bill No. 8694 on the establishment of a dedicated asylum and immigration court;

- 9 positions for judges and prosecutors provided for under the draft law on specialised chambers for economic and financial law, which is expected to be on the agenda of the Government Council's meeting on 15 April 2026.

This extensive recruitment drive for new judges and prosecutors, both within the Public Prosecutor's Office and in the investigating and trial courts, is a positive step aimed at addressing the shortage of staff within the judicial authorities.

The Luxembourg Public Prosecutor's Office has been significantly strengthened in terms of human resources and structure. Within the Economic and Financial Offences Unit, the number of prosecutors has increased from 15 in 2024 to 23 in March 2026. This has made the Public Prosecutor's Office more attractive by offering clearer career prospects, whilst enhancing continuity and expertise through the gradual integration of experienced staff into the judiciary.

These structural reinforcements aim to address the growing complexity and volume of criminal cases, as well as the increased need for specialisation in certain areas of criminal law.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 4(b):

4. Regarding the **means, resources, expertise and training** of investigators, prosecutors, investigative judges and trial judges, the Working Group urges Luxembourg to promptly take the necessary measures to:

(b) Ensure that: (i) sufficient resources are allocated to all investigative, prosecutorial and adjudication services, and to COPRECO; (ii) these services can be staffed by the necessary personnel with expertise in handling foreign bribery cases effectively and within a reasonable time limit; and (iii) these services likewise have the necessary training to handle these cases effectively [Phase 3 Recommendations 4(c) and (d), Convention article 5; 2021 Recommendation VI.iii and VII].

Action taken as of the date of the follow-up report to implement this recommendation:

<u>COPRECO</u>

Concerning resources for COPRECO, each ministry has one full member and at least one alternate member on COPREO. The same applies to many administrations, public institutions, other state bodies, supervisory and regulatory authorities, and certain private-sector observers represented on COPRECO. A secretary was appointed in 2025 to facilitate the administrative organisation of COPRECO. COPRECO representatives have also undergone training in anti-corruption measures, as mentioned in various sections of this questionnaire.

Judicial authorities

Means and resources

Recommendation 4(b)(i) to (iii) has been implemented primarily through various measures taken to increase staffing levels within the judicial authorities, develop organisational structures and expand the range of continuing professional development opportunities available to judges and prosecutors.

For a start, the Public Prosecutor's Office has been significantly strengthened in terms of both human resources and structure. This has made the prosecution service more attractive by offering clearer career prospects, whilst enhancing continuity and expertise through the gradual integration of experienced prosecutors into the judiciary. Furthermore, a multi-year strategic plan has been adopted with a view to further strengthening the prosecution service. This plan provides for the recruitment of additional staff and, more specifically, the creation and appointment of new judge and prosecutor posts up to September 2026. These structural reinforcements are intended to address the growing complexity and volume of criminal cases, as well as the increased need for specialisation in certain areas of criminal law.

In this regard, please also refer to the comments under Recommendation 4(a) concerning the recruitment plan.

By increasing staff numbers in a planned and sustainable manner, the Luxembourg authorities aim to ensure that the prosecution service can continue to operate effectively, independently and within a reasonable timeframe.

Another significant institutional development is the creation of a coordination unit within the Luxembourg Public Prosecutor's Office. The purpose of this unit is to improve internal organisation and the management of cases involving several departments or falling outside the remit of a single department. It is composed of department heads and is chaired by the State Prosecutor of Luxembourg.

When there is a complex or cross-departmental case, this coordination unit determines which department is best placed and best equipped to handle it. This approach enhances consistency, prevents overlaps, and ensures that cases are allocated on the basis of expertise and operational capacity. It also contributes to greater consistency in prosecution policy and practice.

These developments reflect a clear commitment to strengthening the autonomy, professionalism and operational effectiveness of the Public Prosecutor's Office. Through increased staffing and improved coordination mechanisms, the Public Prosecutor's Office continues to evolve to meet contemporary challenges in the fight against crime, including corruption, foreign bribery and anti-money laundering.

Expertise and training

The continuing professional development of judges and prosecutors is of particular importance, and is provided through a wide range of training courses organised by the National Council of Justice.

Judges and prosecutors are invited to attend various training courses, particularly in the areas of international corruption and money laundering. The main training courses are those offered by the Academy of European Law (ERA) and the École nationale de la magistrature (ENM) in France.

Furthermore, judges and prosecutors are encouraged to take part in various webinars organised by international associations, such as the International Association of Prosecutors (IAP), which held a webinar on 15 October 2025 on the following topic: "Prosecutors and the OECD Anti-Bribery Convention: a shared commitment to combating transnational bribery". On 3 December 2025, the AIPPF ("Association internationale des procureurs et poursuivants francophones") organised the first webinar in a training series on the fight against corruption.

On the initiative of the National Council of Justice, the FIU organised a training session on 3 March 2026 specifically on foreign bribery (national and international legal framework, OECD recommendations from the Phase 4 evaluation of Luxembourg, national exposure to foreign bribery risk, investigatory and investigative measures, types of foreign bribery offences, case studies, money laundering linked to foreign bribery offences, the role and responsibilities of each stakeholder, etc.) for trial prosecutors, prosecutors in the Public Prosecutor's Office, the Investigation Office and the FIU, as well as for certain members of the police. The session was jointly led by prosecutors with extensive experience in the field of corruption, who shared their knowledge and expertise from the perspective of the Public Prosecutor's Office, the Investigation Office and the FIU.

Grand Ducal police

(i)

The Economic and Financial Crime Department of the Judicial Police Service has been strengthened by the addition of 40 staff members between 2023 and 2026, enabling a more thorough analysis of foreign bribery cases that come to the attention of the police authorities in the course of their investigations. Most of the information comes from European Investigation Orders (EIOs) and International Rogatory Commissions (IRCs). These files are systematically analysed both before processing and after the necessary steps have been taken, to determine whether any additional facts have come to light and, if so, whether they should be reported to the Public Prosecutor's Office.

Discussions are currently underway regarding the addition of a further 70 staff members by 2030 or 2032, which should enable the department to further reduce the number of cases awaiting processing and will, in particular, allow it to take on new tasks.

(ii)

These new staff are largely professionals from the financial sector, who bring with them specialist expertise in economic and financial matters.

(iii)

All new recruits are assigned for one year to a specific unit, the 'FAME' unit (Formation, Appui et Méthodologie Ecofin - Ecofin Training, Support and Methodology), which provides police training for these new investigators. They also take part in the training courses delivered by the General Police Inspectorate, as described below.

A large number of police officers and officials from the Economic and Financial Department attended the aforementioned training session on 3 March 2026, which focused specifically on foreign bribery and was organised by the judicial authorities.

General Police Inspectorate (IGP)

(iii)
Concerning the police authorities, the General Police Inspectorate (IGP) is actively involved in training on preventing corruption and promoting integrity. The IGP's courses cover both the enforcement and the prevention aspects of corruption, including mechanisms for reporting corruption and protecting whistleblowers. Attendance is mandatory for courses on professional ethics and preventing corruption.

Police training

i. Basic training

a. Preventing corruption and promoting integrity → 10 hours of instruction for trainee police officers at the police academy. There is an exam at the end.
b. Basic training on professional ethics and countering extremism → 14 hours of instruction for trainee police officers at the police academy. There is an exam at the end.

ii. Continuing professional development

a. Police ethics → 3 hours of training for all police staff. All members of the police force (civilian management and police officials) received training between 2023 and 2025. In 2026, this course transitioned to an ongoing programme to train new civilian police management recruits. Corruption prevention is a key component of the course.

iii. Specific training

Preventing corruption and promoting integrity → for border guards in the Airport Police Unit: 4 hours of training:

Training courses at the General Police Inspectorate

a. Ethics in the Grand Ducal police & General Police Inspectorate → 3 hours of training
b. Preventing corruption and promoting integrity → 5 hours of training

Both courses are mandatory.

cf. Course descriptions and training programmes in the Annex
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 5(a):
5. Regarding **sanctions and confiscation**, the Working Group recommends that Luxembourg: (a) Increase as soon as possible (i) the maximum fines available for natural persons to a level that is proportionate, effective, and dissuasive; and (ii) the maximum fines available for legal persons to a level that is proportionate, effective and dissuasive, including when the offence is “reclassified”, i.e. reduced to a misdemeanour (“correctionnalisation”) [Convention article 3(1)].
Action taken as of the date of the follow-up report to implement this recommendation:
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: Recommendation 5(a) will be implemented as part of the transposition of la EU Anti-Corruption Directive. Please refer to the answers provided under Recommendation 1(i).

Text of recommendation 5(b):
5. Regarding **sanctions and confiscation**, the Working Group recommends that Luxembourg: (b) Review the practice of “reclassification” (“correctionnalisation”) to make its use and consequences clearer and more predictable, including the corresponding level of fines applicable to natural and legal persons [Convention article 3(1)].
Action taken as of the date of the follow-up report to implement this recommendation: Recommendation 5(b) has been implemented most notably by the Luxembourg judicial authorities through the updated version of the State Prosecutor General’s circular on corruption. In accordance with the OECD recommendation, the Public Prosecutor’s Office has been made aware, as part of the settlement procedure and particularly at the stage of the submission for referral, that it should not systematically "decriminalise" the offences, but to carry out a case-by-case assessment, taking into account, in particular, the disruption caused to public order.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 5(c): 5. Regarding **sanctions and confiscation**, the Working Group recommends that Luxembourg: (c) Ensure that the framework governing self-reporting leads to effective, proportionate and dissuasive sanctions [Convention article 3(1)].
Action taken as of the date of the follow-up report to implement this recommendation:
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: Recommendation 5(c) will be implemented as part of the transposition of the EU Anti-Corruption Directive. Please refer to the answers provided under Recommendation 1(i).

Text of recommendation 5(d): 5. Regarding **sanctions and confiscation**, the Working Group recommends that Luxembourg: (d) Encourage law enforcement authorities, in the context of prosecuting foreign bribery and related offences, to consider measures to incentivise companies to develop internal control, ethics and compliance programmes or measures, including by making such programmes or measures a possible mitigating factor in line with the conditions set out in the 2021 Recommendation [Convention article 3, 2021 Recommendation XXIII.D].
Action taken as of the date of the follow-up report to implement this recommendation:
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: It should be noted that under Article 79 of the Criminal Code: *"The assessment of mitigating circumstances is the sole responsibility of the courts and tribunals. These circumstances are set out in their judgments and rulings."* Accordingly, the existence or implementation of internal control programmes or measures referred to in Recommendation 5(d) as a possible mitigating factor can already be taken into consideration by the courts and tribunals. Nevertheless, discussions on this subject will also be held during the work on the transposition of the EU Anti-Corruption Directive. Please refer to the answers provided under Recommendation 1(i).

Text of recommendation 5(e):
5. Regarding **sanctions and confiscation**, the Working Group recommends that Luxembourg: (e) (i) Clarify that final convictions for foreign bribery, including bribery of judges, are covered by the rules on exclusion from award procedures; and (ii) take steps to ensure that, when awarding contracts, contracting authorities can take into account foreign non-trial resolutions that find an operator guilty of foreign bribery, without prejudice to the rules allowing economic operators to prove their "reliability" (including by considering mitigating factors such as the adoption and improvement of internal control, ethics, and compliance programmes), consider exclusion decisions by international financial institutions and check these institutions' exclusion lists [2021 Recommendation XXIV].
Action taken as of the date of the follow-up report to implement this recommendation:
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: Recommendation 5(e) will be implemented as part of the transposition of the EU Anti-Corruption Directive. Please refer to the answers provided under Recommendation 1(i). With particular regard to point (ii), please refer to the explanations provided under Recommendation 1(f) concerning public procurement legislation and the consideration of mitigating circumstances. With regard to the consideration of non-trial resolutions, it should be noted that Article 29 (3)(c) of the amended Public Procurement Act of 8 April 2018 still provides for the possibility for contracting authorities to exclude any economic operator from participating in a procurement procedure if they can "demonstrate by any appropriate means that the economic operator has committed serious professional misconduct that calls into question its integrity. " It should therefore be noted that it is currently not precluded to take into account foreign non-trial resolutions that find an operator guilty of foreign bribery where serious professional misconduct is present. One of the main issues arises from the contracting authorities' knowledge of the existence of such settlements.

Text of recommendation 5(f):
5. Regarding **sanctions and confiscation**, the Working Group recommends that Luxembourg: (f) Clarify, by any appropriate means, that special confiscation should also be mandatory, where applicable, in foreign bribery cases where the offence has been reclassified (i.e. prosecuted as a misdemeanour) [Convention article 3(3)].
Action taken as of the date of the follow-up report to implement this recommendation:

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

In accordance with Article 31(1) of the Criminal Code[14], confiscation is mandatory in money laundering cases (Article 506-1 et seq.). Given that the money laundering offence is almost always included in foreign bribery cases, this issue does not arise in practice. Please refer also to the comments under Recommendation 5(b) concerning the updated version of the circular from the State Prosecutor General, which advises public prosecutors' offices not to systematically "decriminalise" offences.

Text of recommendation 5(g):

5. Regarding sanctions and confiscation, the Working Group recommends that Luxembourg:

(g) (i) Further raise awareness among investigating and prosecuting authorities of the importance of carrying out thorough financial investigations in order to detect, recover, and confiscate (including by equivalent), the bribe and proceeds of foreign bribery; (ii) consider adopting and disseminating to these same authorities guidelines specifically aimed at identifying, quantifying, and confiscating the bribe and proceeds of foreign bribery; (iii) ensure that the Asset Management Office is able to identify, in its statistics, seizures and confiscations carried out in connection with foreign bribery cases, regarding both the bribe and the proceeds of bribery obtained by bribers; and (iv) ensure that the Asset Management Office and the Asset Recovery Office have resources and means commensurate with their mandates [Convention article 3(3); 2021 Recommendation XVI.iii and (iv)].

Action taken as of the date of the follow-up report to implement this recommendation:

(i) and (ii)

Judicial authorities

(i)

Recommendation 5(g)(i) has been implemented by the Luxembourg judicial authorities through the updated version of the State Prosecutor General's circular on corruption.

Prosecutors in the Public Prosecutor's Office are required, in the context of criminal proceedings, to carry out financial investigations systematically, through in-depth asset investigation, in order to detect, recover and confiscate the bribe and proceeds of foreign bribery.

In this context, it is also worth highlighting the efforts to raise awareness among prosecutors through internal training courses offered by the Anti-Money Laundering Section of the Judicial Police Service, (SPJ-AB), to which prosecutors from both Public Prosecutor's Offices and the FIU are regularly invited. In 2025 and 2026, a number of prosecutors from the Public Prosecutor's Office attended specific training courses dedicated to asset investigations. The aim of these courses is to raise awareness among magistrates

[14] Article 31 (1) of the Criminal Code:
Special confiscation is always ordered in the case of crimes, and for the offences referred to in Articles 112-1, 135-1 to 135-6, 135-9, 135-11 to 135-16 and 506-1 to 506-8. It may also be ordered for other misdemeanours.

and police officers regarding the systematic conduct of asset investigations, and to present the main software tools, databases and external information sources available to them. Emphasis is also placed on international cooperation regarding the recovery of criminal assets, as well as on the specific aspects of investigative methods and report writing in the field of asset investigation.

These two-hour training sessions are delivered three times a year by investigators from the SPJ-AB. They enable members of the Grand Ducal Police and prosecutors to meet, exchange ideas and coordinate their actions and working methods.

In addition to these training sessions on asset investigation, the SPJ-AB also offers other training courses, particularly on anti-money laundering, which both judges and prosecutors and the FIU are invited to attend.

Three times a year, investigators dedicate a three-hour session to the concept of money laundering and the relevant legislation. These training sessions focus on concrete scenarios and examples, as well as practical case studies, enabling a better understanding of the outcomes of a money laundering investigation and highlighting the collaboration between the SPJ's anti-money laundering section and other external stakeholders.

These training sessions facilitate active dialogue between the Grand Ducal Police and prosecutors, enabling them to share their respective experiences in the fight against money laundering, including when linked to corruption.

Please refer also to the training organised by the FIU on 3 March 2026, mentioned under recommendation 4(b), which specifically concerns the foreign bribery offence.

(ii)
Recommendation 5(g)(ii) has also been implemented by the Luxembourg judicial authorities through the updated version of the State Prosecutor General's circular on corruption.

In the context of criminal proceedings, it is important to ensure that financial investigations are carried out systematically, through in-depth asset investigations, in order to detect, recover and confiscate the bribe and proceeds of foreign bribery.

Grand Ducal police
(i)
In general, the Economic and Financial Department of the Judicial Police Service (SPJ) is highly aware of the importance of conducting thorough financial investigations. The department also provides support to other sections of the SPJ with regard to asset analysis.
(ii)
There are no general guidelines for financial investigation and asset analysis within the Grand Ducal Police.

(iii)
Asset Management Office (Bureau de Gestion des Avoirs (BGA))

Pursuant to the amended Act of 22 June 2022 on the management and recovery of seized or confiscated assets [15], the BGA is responsible for implementing a personal data processing system that centralises decisions on the seizure and confiscation of assets, regardless of their nature, with the exception of exhibits, as well as relevant information concerning the assets in question, their location, and their owners and holders.

This system, the "gestion des objets saisis (GOS) (seized property management (SPM))" programme was put into operation in October 2023.

Among other things, the GOS can be used to record seizure reports and decisions issued by the judicial authorities. It allows users to view detailed lists of ongoing and closed cases, seized assets, the individuals involved, and statistics on the various categories of assets managed by the BGA.

The BGA's register of seizures is comprehensive for assets that are subject to mandatory administration by the BGA, namely sums of money (cash and account credits), virtual assets and receivables. The register is also comprehensive for property seizures which, in accordance with the legislator's wishes, are reported to the BGA even if the management of said property has not been entrusted to it. However, for other assets, the register only includes those entrusted to the BGA for management. Bill No. 8698 (amending several legislative texts with a view to transposing Directive (EU) 2024/1260 of the European Parliament and of the Council of 24 April 2024 on asset recovery and confiscation) will remedy this shortcoming by entrusting the management of all seized assets to the BGA.

In terms of statistics relating to foreign bribery cases, the BGA uses the categories set out in the Criminal Code (Title IV, Chapter III), namely abuse of public office (Article 243), illegal taking of interest (Article 245), corruption and trading in influence (Articles 246 to 249).

As regards resources, the BGA is a state service with separate management (SEGS) with its own dedicated budget and resources.

The BGA currently has fifteen full-time staff members. A deputy director has been appointed to stand in for the director in his or her absence. An executive assistant is responsible for managing the budget and human resources. A legal officer handles litigation and pre-litigation cases, as well as legislative matters.

The IT department consists of an IT manager and an IT specialist. They are working on developing the GOS (seized property management) software, which serves as a register of seized and confiscated property, and on automating the exchange of information with key stakeholders. The Qlik Sense application they have implemented can now generate daily statistics on seizures and confiscations.

Regarding asset management, the BGA has a financial products department and a department responsible for other assets. The financial products department comprises a cash and virtual assets unit (2 managers) and a securities and receivables unit (1 expert and 1 manager). The other assets department comprises a real estate unit (1 manager) and an "other assets" unit. Managers monitor changes in the assets entrusted to them and inform prosecutors in the event of a risk of depreciation or when costs are disproportionate to

[15] Article 8 of the amended Act of 22 June 2022 on the management and recovery of seized or confiscated assets

the value of the asset. Each manager oversees every stage of a case, from the registration of an asset through to its disposal, destruction, return or allocation. Bill No. 8698 transposing the aforementioned Directive 2024/1260[16] proposes to merge the Asset Recovery Office (*Bureau de recouvrement des avoirs*, BRA), currently attached to the Economic and Financial Offences Unit of the Luxembourg Public Prosecutor's Office, and the BGA under a single umbrella, which would become the Asset Management and Recovery Office (*Bureau de gestion et de recouvrement des avoirs*, BGRA) given that the new duties provided for in the Directive represent a considerable increase in workload. Furthermore, the BGA has a highly efficient IT department with the capacity to implement the IT solutions required for data processing, an asset tracing register and secure transmission channels.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 6(a): 6. Regarding **investigations and prosecutions**, the Working Group recommends that Luxembourg: (a) Take a proactive approach to the investigation and prosecution of bribery of foreign public officials, with respect to both natural and legal persons. [2021 Recommendation, VI.iii].
Action taken as of the date of the follow-up report to implement this recommendation: Within the Economic and Financial Offences Unit of the Luxembourg Public Prosecutor's Office, there is a service dedicated to prosecuting bribery offences, comprising prosecutors who specialise in this field and who actively pursue cases involving bribery, including bribery of foreign public officials, trading in influence, unlawful taking of interest, abuse of public office, embezzlement, as well as money laundering offences. In line with the OECD's recommendation, this proactive approach was highlighted in the State Prosecutor General's circular on corruption. The plan going forward is that, in addition to the analysis of complaints and reports, all sources of information available to prosecutors should be systematically reviewed, particularly with regard to the activities of legal persons operating internationally. Accordingly, incoming requests for mutual legal assistance involving Luxembourg companies or companies carrying out economic activities within the country are systematically reviewed, beyond the

[16] Directive (EU) 2024/1260 of the European Parliament and of the Council of 24 April 2024 on asset recovery and confiscation

scope of the request itself, with a view to potentially opening a parallel investigation by the public prosecutor's offices into allegations of corruption, as is also the case with money laundering. Within the "international mutual legal assistance" service of the Grand Ducal police, requests for mutual legal assistance relating to corruption are treated as a matter of urgency, and these cases are assigned to the most experienced investigators to ensure that all the necessary steps are carried out rigorously and that any domestic offences are identified with a view to prosecution at national level. Please refer again to the comments provided under Recommendation 1(j) concerning the monitoring of press and media, which are part of the proactive approach to investigation and prosecution proactive adopted by the law enforcement authorities. In addition, the Luxembourg authorities are continuing to analyse the cases listed in the Working Group's matrix.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 6(b): 6. Regarding **investigations and prosecutions**, the Working Group recommends that Luxembourg: (b) (i) Take all steps that could facilitate the work of the judicial authorities in seeking information from Luxembourg financial and banking institutions, including in cases where there has been no formal referral to an investigating judge; (ii) consider extending the investigative powers of the police in order to strengthen its means and methods of investigation to gather sufficient evidence of bribery of foreign public officials at the preliminary investigation stage [Phase 3 Recommendations 4(a) and 4(b), Convention article 5, 2021 Recommendation V and Annex I.D].
Action taken as of the date of the follow-up report to implement this recommendation: ➢ **Act of 12 December 2025 amending: 1. the Criminal Code; 2. the Code of Criminal Procedure** The Act of 12 December 2025 amending: the Criminal Code and the Code of Criminal Procedure has been adopted in order to improve the effectiveness of investigations into economic and financial offences, including the bribery of foreign public officials. The reform of Article 24-1 of the Code of Criminal Procedure (CCP) expands the Public Prosecutor's authority to request that the investigating judge carry out various investigative measures as part of a 'summary investigation', and now also in cases involving corruption, illegal taking of interest, forgery and financial crime. This extension enables faster access to relevant information, particularly from banking and financial institutions, without the need to open a full investigation.

The changes are as follows:

1. The Public Prosecutor may now request multiple documents;
2. A summary investigation is now possible in cases of corruption, extortion involving violence or threats, and false financial statements;
3. The three-month time limit has been abolished;
4. If the person suspected of having committed a criminal offence cannot be interviewed, a record of non-appearance must be drawn up and it is possible to summon them to a hearing (or to decriminalise the offence) without this interview, once a period of six months has elapsed since the case was referred by the investigating judge. This prevents an investigation from being paralysed by the failure of a natural or legal person to comply with a summons, thereby ensuring the effective continuity of proceedings, including in complex cross-border cases..

The Act also extends the investigative methods available from the preliminary investigation stage. Consequently, public prosecutors may now ask the investigating judge to carry out various coercive measures – notably searches and seizures, as well as, under certain conditions, telephone surveillance (Article 67-1 of the Code of Criminal Procedure) – without the need to open a formal judicial investigation, including in corruption cases.

These amendments strengthen the investigative authorities' ability to gather sufficient evidence at the preliminary stage, speed up investigations, and prioritise and allocate resources to serious and complex cases. Accordingly, these amendments introduced by the Act of 12 December 2025 directly address the aforementioned recommendation and are in line with the objective of strengthening the operational effectiveness of the national framework for combating foreign bribery.

The aforementioned Act of 12 December 2025 also introduced amendments to Article 506-1 of the Criminal Code. Consequently, the list of predicate offences for money laundering has been replaced by a general reference to all crimes and offences.

Access to the CRBA (Central Register of Bank Accounts) has been extended within the Anti-Money Laundering Section of the Grand Ducal Police's Criminal Investigation Department, and police officers have been trained to make more systematic use of this tool.

- **Act of 19 December 2025 amending Article 88-2(2) of the Code of Criminal Procedure**

Act of 19 December 2025 amending Article 88-2(2) of the Code of Criminal Procedure (CCP) was adopted in order to extend the scope of the special surveillance measures provided for in section 88-1 of the Code of Criminal Procedure.

Under this reform, the special surveillance measure involving the monitoring of audio and video recordings in certain locations or vehicles and the collection of computer data – previously limited to terrorism and national security – has been extended to cover particularly serious offences punishable by a criminal sentence (including corruption offences) or a misdemeanour sentence; in the latter case, this concerns a list of offences, including in particular: trading in influence as provided for in Article 248 of the Criminal Code, criminal conspiracy, human trafficking, pimping, child pornography, kidnapping, serious offences against minors, organised crime, drug trafficking, money laundering, and offences relating to the export of strategic goods and the freezing of assets.

The extension introduced by the Act of 19 December 2025 therefore substantially strengthens investigative capabilities in complex cases, in line with international standards, while maintaining the strict procedural safeguards provided for in the Code of Criminal Procedure.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 6(c):

6. Regarding **investigations and prosecutions**, the Working Group recommends that Luxembourg:

(c) (i) Take any appropriate measures to enforce the offence of money laundering in foreign bribery cases more effectively, and raise awareness among, and provide the necessary training on this matter to, law enforcement authorities; and (ii) take measures to enforce accounting offences in foreign bribery cases more effectively and maintain detailed statistics on investigations, prosecutions, convictions and sanctions against natural and legal persons for false accounting, including data on whether foreign bribery is the predicate offence [Convention articles 5 and 7; 2021 Recommendation VI and Phase 3 Recommendation 6(a), Convention article 8; 2021 Recommendation XXIII].

Action taken as of the date of the follow-up report to implement this recommendation:

In accordance with the OECD recommendation, the State Prosecutor General's circular on corruption has been updated to clarify that it is the responsibility of prosecutors at the Public Prosecutor's Offices to take all appropriate measures to combat money laundering more effectively in foreign bribery cases. To this end, the National Council of Justice is providing specialised training to ensure that prosecutors are sufficiently aware of this issue.

In order to measure as accurately as possible the number of cases involving corruption, abuse of public office, illegal taking of interest or embezzlement, and to ascertain the action taken in response to these cases, it is essential to pay close attention to the quality of data entry in the JUCHA software tool for managing criminal cases.

This process should also ensure more effective enforcement of accounting offences in foreign bribery cases and help maintain more accurate statistics on investigations, prosecutions, convictions and sanctions against natural and legal persons for false accounting, including data on cases in which foreign bribery is the predicate offence.

Please refer also to the training course organised by the FIU on 3 March 2026 and referred to in the response to Recommendation 4(b), specifically concerning foreign bribery and also covering the money laundering dimension of foreign bribery offences, as well as the other awareness-raising measures undertaken by the FIU referred to in recommendation 1(c).

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

(i)

A draft bill is currently being drafted aimed at establishing a presumption of money laundering (which would be a rebuttable presumption regarding the origin of the assets or funds, and which would only be triggered when the substantive, legal or financial conditions of the transaction can have no other justification than to conceal the origin of those assets/funds or the identity of their beneficial owner).

This reduction in the burden of proof will enhance the effectiveness of prosecutions and the ability to deprive offenders of the proceeds of their offences, by addressing a frequently encountered evidential difficulty in complex money laundering schemes, where opacity is exploited to prevent any direct establishment of the origin of the assets.

Text of recommendation 6(d):

6. Regarding **investigations and prosecutions**, the Working Group recommends that Luxembourg:

(d) Raise awareness among tax authorities regarding the importance of making rigorous use of all the sanctions available under the tax legislation to deter any attempt on the part of taxpayers to pass off bribes paid abroad as deductible charges [Phase 3 Recommendation 7(d), 2009 Recommendation on tax measures].

Action taken as of the date of the follow-up report to implement this recommendation:

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

<u>Income Tax Administration (Administration des contributions directes, ACD)</u>

Concerning the Income Tax Administration, the memorandum of 1 March 2005 referred to in Recommendation 1(b)(i) is applicable.

Memorandum LG-No. 67 of 28 July 2021 on the uniform application of paragraphs 166(3), 396(1) and 402(1) and the application of paragraphs 396 (5) and 396(6) of the General Tax Law aims to clarify the general guidelines to be followed when determining the administrative fines provided for under applicable tax legislation and when applying the relevant provisions concerning aggravated tax fraud and tax evasion. The memorandum also sets out the obligation to report any crime or offence under ordinary law (for example, money laundering or corruption), as well as the obligation to file suspicious transaction reports.

cf. Memorandum in the Annex

<u>Registration Duties, Estates and VAT Authority (AED)</u>

Officials from the Anti-Fraud Service and tax offices act in accordance with Article 23(2) of the Code of Criminal Procedure, which requires the reporting of any act that may constitute a crime or offence. Accordingly, once certain thresholds for outstanding VAT are exceeded or certain suspicious circumstances are identified, the case is automatically referred to the criminal justice authorities. It should also be noted that administrative tax penalties for tax offences or tax fraud are regularly imposed by the AED.

The right to deduct input VAT presupposes that the input VAT relates to goods or services necessary for the business and used for the purposes of the taxable transactions of the taxpayer. More broadly, VAT is levied only on supplies of goods or services carried out for consideration by the taxpayer, the taxable amount being the consideration received or to be received. A bribe, taken as such, therefore does not in principle constitute either the consideration for a taxable transaction or an expenditure giving rise to a right to deduct VAT. This confirms that, in principle, the VAT balance is not affected, except in cases of fraud or concealment.

Text of recommendation 6(e):

6. Regarding **investigations and prosecutions**, the Working Group recommends that Luxembourg:

(e) Ensure the tax authorities: (i) collect information on the implementation of the principle of non-tax deductibility of bribes paid to foreign public officials; (ii) adopt a more proactive approach towards implementing the non-tax deductibility of bribes; and (iii) set up information exchange mechanisms enabling them to stay informed of convictions handed down by the courts in cases of foreign bribery, and to systematically review the tax situation of companies convicted, where appropriate, of foreign bribery [2009 Recommendation on Tax Measures, 2021 Recommendation XX, Phase 3 Recommendations 7(c) and 7(d)].

Action taken as of the date of the follow-up report to implement this recommendation:

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

(i) and (ii)

<u>Income Tax Administration (Administration des contributions directes, ACD)</u>

Memorandum LIR/NS No. 12/1 of 1 March 2005 covers the non-tax deductibility of bribes, including bribes paid to foreign public officials. This memorandum, for internal use, includes as an annex the awareness-raising manual on the detection of bribes paid to public officials, particularly foreign officials, drawn up by the OECD Committee on Fiscal Affairs.

<u>Registration Duties, Estates and VAT Authority (AED)</u>

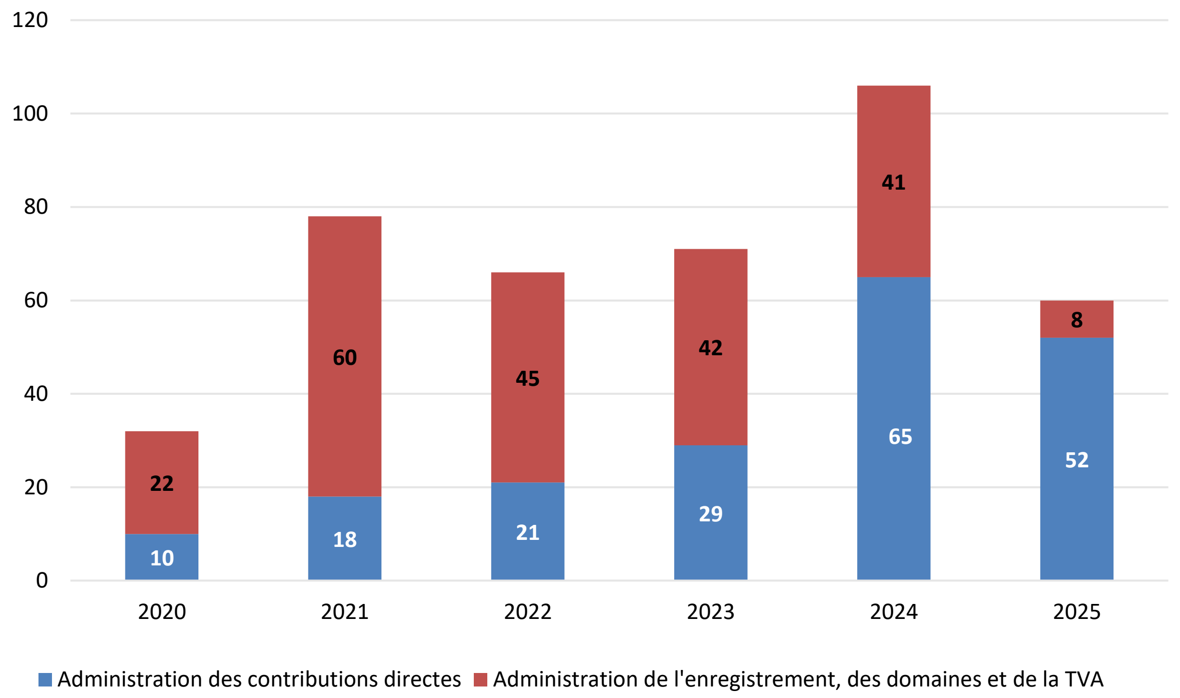
There are plans to set up a working group in 2026 to examine the issue in greater depth.

(iii)

Recommendation 6(e)(iii) is implemented through the implementation of the amended Act of 19 December 2008 concerning inter-administrative and judicial co-operation and the strengthening of the resources of the Direct Taxation Authority (ACD), the Registration Duties, Estates and VAT Authority (AED), and the Customs and Excise Authority.

Article 16 (3) of the aforementioned Act stipulates, "*Without prejudice to Article 8 of the Code of Criminal Procedure, the judicial authorities shall forward to the Direct Taxation Authority, as well as to the Registration Duties, Estates and VAT Authority, any information that may be useful for the correct assessment and collection of the taxes, duties, levies and contributions for which they are responsible.*"

This legal foundation already enables an effective and efficient exchange of information between the judicial authorities and the tax authorities, as evidenced by the following figures:



Direct Taxation Authority (ACD) // Registration Duties, Estates and VAT Authority (AED)

Text of recommendation 7(a):
7. Regarding **the closure of foreign bribery cases**, the Working Group recommends that Luxembourg: (a) (i) Continue its efforts to digitise its case files, which should provide access to relevant statistical data; and (ii) collect statistics on sanctions applied in practice for bribery offences, including for bribery of foreign public officials [Convention article 3(1) and 2021 Recommendation XV.i and .iii].
Action taken as of the date of the follow-up report to implement this recommendation:

Recommendation 7(a) has been implemented through a programme to fully digitise the criminal justice system, which was launched in 2025 and is currently in the design and initialisation phase. In this context, one of the key objectives is to ensure, by design, the collection of reliable data, in particular through the establishment of a criminal justice data warehouse providing access to relevant statistics on criminal sanctions, including those relating to corruption and the bribery of foreign public officials.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 7(b):

7. Regarding **the closure of foreign bribery cases**, the Working Group recommends that Luxembourg:

(b) Take any appropriate measures to raise awareness among judges of the importance of imposing sanctions for foreign bribery that are sufficiently transparent, effective, proportionate, and dissuasive, including by explaining in greater detail in judgments the factors taken into account during sentencing [Convention article 3(1) and 2021 Recommendation XV.i and .iii].

Action taken as of the date of the follow-up report to implement this recommendation:

It should be noted that the objective set out in Recommendation 7(b) can only be implemented within the limits of the independence of judges, which is a guarantee enshrined in Article 104 of the Luxembourg Constitution.

Efforts to raise awareness of the importance of imposing sanctions for foreign bribery that are effective and dissuasive are mainly focused on ongoing training courses specifically designed to address this offence.

As mentioned in particular under Recommendation 4(b), an internal conference on the bribery of foreign public officials in commercial and international transactions was organised by the National Council of Justice (CNJ) on 3 March 2026, and brought together professionals from various backgrounds, namely judges, prosecutors, investigating judges and the FIU, to provide insights into the bribery offence and in particular the bribery of foreign public officials in international business transactions.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 8(a):

8. Regarding **judgments upon agreement as means of obtaining plea bargaining**, the Working Group recommends that Luxembourg:

(a) Clarify the criteria governing the use of such agreements, including the expected degree of cooperation with law enforcement authorities [2021 Recommendation XVII and XVIII].
Action taken as of the date of the follow-up report to implement this recommendation: Recommendation 8(a) has been implemented by the judicial authorities through the adoption of the State Prosecutor General's circular on judgment upon agreement. This circular sets out guidelines on prosecution policy in this area. The implementation of the intervention measures defined in the circular is a target to be achieved in both of the country's judicial districts. The circular highlights, on the one hand, the circumstances in which a proposal for a judgment upon agreement may be considered, including in cases of economic and financial crime, and, on the other hand, the circumstances in which such a proposal is excluded. The circular also provides guidelines regarding the form and effects of the agreement.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: The Recommendation will also be considered and incorporated into the work on reforming the judgment upon agreement procedure, which is currently underway.

Text of recommendation 8(b): 8. Regarding **judgments upon agreement as means of obtaining plea bargaining**, the Working Group recommends that Luxembourg: (b) (i) Make public, via clear and publicly accessible information, the benefits that the defendant may obtain from entering into such an agreement; (ii) consider taking into account, for the purpose of judgments upon agreement, appropriate remedial measures, including the adoption or improvement of internal controls and anti-corruption compliance programmes; and (iii) examine the application of judgment upon agreement for financial offences to determine the effectiveness of this tool, including in terms of sanctions, and to identify best practices [2021 Recommendation XVII and XVIII].
Action taken as of the date of the follow-up report to implement this recommendation: **(i)** Recommendation 8(b)(i) has been implemented through the publication on the Ministry of Justice's website of key information regarding the 'judgment upon agreement' procedure, which is aimed at the general public and presents the possibilities, procedures and benefits associated with reaching a 'judgment upon agreement' in a clear and accessible manner to those involved in legal proceedings. This information makes it clear that a judgment upon agreement is a faster and more predictable method of dispute resolution, which allows defendants, where applicable, to include evidence of steps taken in terms of compliance, ethics or due diligence, potentially leading to more lenient sentences. The link to the information guide on judgment upon agreement is available at the following link:

https://justice.public.lu/fr/affaires-penales/jugement-sur-accord.html

In addition, the Grand Ducal police informs potential offenders of the possibility of a judgment upon agreement and advises them to contact the judicial authorities in cases that are likely to fall within the scope of the legal framework governing judgments upon agreement.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

The Recommendation will also be considered and incorporated into the work on a reform of the judgment upon agreement procedure, which is currently underway, while also taking into account the Working Group's comments.

Text of recommendation 9(a):

9. Regarding **mutual legal assistance**, the Working Group recommends that Luxembourg:

(a) Urgently take any appropriate measures to strengthen the resources of all the authorities involved in executing and issuing requests for mutual assistance, including those relating to seizure and confiscation [Convention article 9, 2021 Recommendation XIX.A.viii].

Action taken as of the date of the follow-up report to implement this recommendation:

Recommendation 9 (a) has been implemented by strengthening and specialising the resources of all the authorities involved in executing and issuing requests for mutual assistance.

At the level of the judicial authorities, the Service for International Mutual Legal Assistance in Criminal Matters (SEPI) of the Prosecutor General's Office remains the central authority responsible for processing incoming requests for mutual legal assistance in criminal matters involving coercive measures, with the exception of direct requests for mutual legal assistance between judicial authorities involving non-coercive measures. The Prosecutor General's Office is responsible for (i) ensuring that there are no reasons preventing the execution of a request for mutual legal assistance; and of (ii) forwarding the request to the competent authority for its execution. Conversely, outgoing requests for assistance are made within a decentralised structure. This is the responsibility of either the investigating judge in the context of a preparatory investigation or the Public Prosecutor's Office in the context of a preliminary investigation. Only the investigating judge can issue outgoing requests for assistance in coercive investigative acts.

The SEPI is now composed of 2 chief assistant public prosecutors and 3 assistant public prosecutors specialising in international mutual legal assistance in criminal matters, supported by a secretariat of four full-time administrators. They are responsible for processing International Rogatory Commissions (IRCs), European Investigation Orders (EIOs), applications for the enforcement of foreign confiscation orders, freezing orders based on Regulation (EU) 2018/1805, applications based on the Convention implementing the Schengen Agreement or the Prüm Treaty, extradition requests, as well as European arrest warrants transmitted by foreign authorities to the Luxembourg authorities. Moreover, a chief

assistant public prosecutor and an assistant public prosecutor are responsible for processing applications for the mutual recognition of foreign confiscation orders under Regulation (EU) 2018/1805. As far as the judicial authorities responsible for executing incoming requests for mutual legal assistance are concerned, it is worth highlighting the importance of the creation of a mutual legal assistance unit within the Investigation Office at the District Court of Luxembourg on 17 April 2023, initially comprising two investigating judges and, from 1 October 2024, three investigating judges. his number is expected to be increased to four investigating judges, who will be responsible for handling mutual assistance cases within the Investigation Office in Luxembourg. The aforementioned mutual legal assistance unit within the Investigation Office in Luxembourg allows for the efficient, coordinated and rapid processing of both incoming and outgoing requests for mutual legal assistance. Whereas previously 10 of the 14 investigating judges dealt with mutual legal assistance requests on a part-time basis, the creation of the mutual legal assistance unit, comprising a limited number of judges specialising in this field, further contributes to speeding up the qualitative processing of mutual legal assistance requests and increases efficiency, as it is a small group of specialist judges who handle these requests on a regular basis. The three investigating judges at the Diekirch Investigating Office also handle such requests on a three-week rotation. It should be noted that each investigating judge is assisted by a clerk. The investigating judges are supported by the Judicial Police Service of the Grand Ducal police's International Mutual Legal Assistance Section (SPJ-EJIN), which has also seen its numbers grow. The SPJ-EJIN currently comprises 26 investigators, of whom 16 work there on a permanent basis, five are seconded investigators and five are police officers currently undergoing training. Moreover, the State Prosecutor General's circular on corruption specifies that incoming requests for mutual legal assistance involving Luxembourg companies or companies carrying out economic activities within the country are systematically reviewed, beyond the scope of the request itself, with a view to potentially opening a parallel investigation by the public prosecutor's offices into allegations of corruption, as is also the case with money laundering. This increase in resources and the close cooperation between the various stakeholders in the area of mutual legal assistance has helped to further improve the efficient and prompt processing of incoming and outgoing requests for mutual legal assistance. Please refer again to the explanations provided under recommendations 4(a) and (b) concerning human resources within the judicial and police authorities.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 9(b):

9. Regarding **mutual legal assistance**, the Working Group recommends that Luxembourg: (b) Equip their generic software tool for managing requests with new functionalities enabling statistics on incoming and outgoing requests for mutual legal assistance relating to allegations of foreign bribery to be collected separately, and outgoing requests for mutual legal assistance to be monitored and disaggregated [2021 Recommendation XIX.A.viii and .ix].
Action taken as of the date of the follow-up report to implement this recommendation: Recommendation 9(b) has been implemented by raising awareness among prosecutors of the importance of accurate and precise documentation of cases relating to mutual legal assistance The State Prosecutor General's circular on corruption now stipulates that in order to measure as accurately as possible the number of cases involving corruption, abuse of public office, illegal taking of interest or embezzlement, and to ascertain the action taken in response to these cases,
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 9(c): 9. Regarding **mutual legal assistance**, the Working Group recommends that Luxembourg: (c) Make better use of networks of contacts with foreign counterparts to initiate the spontaneous transmission of information, without prejudice to investigations and proceedings carried out in Luxembourg and in accordance with national law [2021 Recommendation XIX.A.i, B.i and ii].
Action taken as of the date of the follow-up report to implement this recommendation: Luxembourg, through its national contact points, is an active member of the European Judicial Network (hereinafter 'EJN'). The main role of the EJN Contact Points, defined by the EJN Decision as "active intermediaries", is to facilitate judicial cooperation in criminal matters between the EU Member States, particularly in actions to combat forms of serious crime. To this end, they assist with establishing direct contacts between competent authorities and by providing legal and practical information necessary to prepare an effective request for judicial cooperation or to improve judicial cooperation in general. The Luxembourg national contact points meet regularly, several times a year, notably at the EJN plenary meetings. These meetings enable the development of a network of direct contacts, facilitate the exchange of feedback between professionals from different countries, and thereby promote cooperation and coordination between authorities, particularly in cross-border cases involving multiple jurisdictions. Furthermore, Eurojust promotes more effective use of networks, organising regular conferences that enable professionals from different countries and backgrounds to exchange experiences and best practices,

including in the areas of anti-money laundering and asset recovery, which are issues of particular importance in the field of international mutual legal assistance. Following the outcomes of the first two meetings held at Eurojust on money laundering and asset recovery in June 2023 and 2024, the establishment of an ad hoc working group by Eurojust was mooted. This group would comprise prosecutors and judges and the aim would be to establish/improve communication between national centres of multidisciplinary operators (law enforcement agencies, FIUs, ARO, BGA, financial investigators, crypto experts, etc.), and which would then be represented at the annual meetings at Eurojust by the prosecutors/judges (members of the working group), to which Eurojust would also contribute its own expertise. In the meantime, this working group has been established as a permanent 'Focus Group'. The discussions on the legal framework governing asset recovery and confiscation were particularly useful, and it was very interesting to share experiences regarding the challenges and best practices in asset recovery and confiscation in a cross-border context. Developing common approaches and regularly exchanging experience is of paramount importance for the practical work of prosecuting authorities in relation to financial crimes.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 9(d): 9. Regarding **mutual legal assistance**, the Working Group recommends that Luxembourg: (d) Consider creating a joint or parallel investigation team when conducting investigations and prosecutions for bribery of foreign public officials that may require co-ordinated and concerted action with one or more Parties to the Convention, in conformity with their national laws and relevant treaties and arrangements. [2021 Recommendation XIX.C.v].
Action taken as of the date of the follow-up report to implement this recommendation: Recommendation 9(d) has been implemented through the updated version of the State Prosecutor General's circular on corruption, which now specifies that, in addition to the analysis of complaints and reports, all sources of information available to prosecutors should be systematically reviewed, particularly with regard to the activities of legal persons operating internationally. Accordingly, incoming requests for mutual legal assistance involving Luxembourg companies or companies carrying out economic activities within the country are systematically reviewed, beyond the scope of the request itself, with a view to potentially opening a parallel investigation by the public prosecutor's offices into allegations of corruption, as is also the case with money laundering.

In complex, time-sensitive, cross-border investigations in particular, speed and efficiency are essential. In such cases, the prosecuting authorities consider setting up a joint or parallel investigation team. The coordination of these "joint investigation teams" (JIT) is facilitated by Eurojust. By creating a JIT, as recently happened in a case involving the embezzlement of public funds and related money laundering, the parties in the JIT can exchange information directly, cooperate in real time, and carry out joint operations. More generally, JITs enable professionals to be present during investigative measures carried out in other jurisdictions, and therefore to share their technical expertise and human resources more effectively. Direct contact and communication enable JIT members to develop trust-based personal relationships, leading to faster and more effective cooperation, including in corruption cases. Under Luxembourg law, the establishment of JITs is regulated by the Act of 21 March 2006 on Joint Investigation Teams.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

III. Recommendations concerning the liability of legal persons

Text of recommendation 10(a): 10. Regarding **the liability of legal persons**, the Working Group recommends that Luxembourg: (a) Ensure that the criterion of the "interest" of the legal person does not exclude certain cases of foreign bribery where a bribe is paid without the aim of obtaining a profit or pecuniary advantage or is paid only in the partial interest of the enterprise or in the interest of another legal person, possibly linked to the first [Phase 3 Recommendation 2(b), Convention articles 1 and 2].
Action taken as of the date of the follow-up report to implement this recommendation:
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: To date, the Luxembourg courts have not had the opportunity to apply the criterion of the "interest" of the legal person in any of the specific foreign bribery scenarios referred to above. The Luxembourg Public Prosecutor's Office has nevertheless carried out a detailed analysis of the issue to ensure that its prosecution policy reflects Recommendation 10(a). In the opinion of the prosecuting authorities: 1. It follows from the parliamentary proceedings relating to the Act of 3 March 2010 introducing criminal liability for legal persons that the concept of 'interest' *'does not necessarily have a*

financial connotation[17]. Consequently, Article 34 of the Criminal Code allows an offence to be attributed to an entity even if the offence in question is not committed with the aim of obtaining a profit or pecuniary advantage. This could be the case for an act pursued purely for reputational gain;

2. Neither the parliamentary proceedings relating to the aforementioned Act of 3 March 2010 nor case law preclude the possibility that a single offence may serve the diverse interests of different individuals. This is evidenced by the convictions handed down against legal persons for failing to report suspicious transactions and to respond to requests from the FIU, in breach of Article 5(1) of the amended Act of 12 November 2004 on the prevention of money laundering: in doing so, while the entity is certainly promoting the interests of the third party it is protecting, it also benefits from the offence by choosing to continue its business. It is therefore not required that the act benefit exclusively the entity committing the offence; it is sufficient to establish that the act benefits that entity, even if only partially;

3. It is important to note that the concept of 'economic interest' is interpreted broadly in Luxembourg case law and does not require proof that the offence actually resulted in a financial gain or quantifiable savings, nor that the act constituting the offence produced immediate economic consequences. For example, the Court of Appeal upheld the conviction of a legal person whose business consisted of running a café-restaurant, on the grounds that its manager had carried out works to fit out a terrace in a green zone, in that the said works were "intended to accommodate a greater number of customers and to give the premises a certain trendy, convivial atmosphere, thereby increasing its turnover"[18].

   legal person may also be held liable for an act committed with a view to enabling or facilitating the pursuit of its corporate purpose, such as forgery committed by its manager to enable the company to expedite the obtention of the authorisation required to open a childcare facility[19], or the use of a front person to run a restaurant[20]. In the opinion of the Public Prosecutor's Office, such a broad interpretation does not preclude taking into account a non-immediate interest for the company committing an offence that immediately benefits a related company, such as a subsidiary. In the case of branches lacking legal status, the offence shall in any event be attributable to the parent company.

Text of recommendation 10(b):

10. Regarding **the liability of legal persons**, the Working Group recommends that Luxembourg:

[17] Bill No 5718 1. introducing the criminal liability of legal persons into the Criminal Code and the Code of Criminal Procedure, 2. amending the Criminal Code, the Code of Criminal Procedure and certain other legislative provisions (hereinafter Bill No. 5718), Report of the Legal Affairs Committee, Parliamentary Document No. 5718/08 of 11 February 2010, p. 4.

[18] CSJ corr. 17 January 2018, No. 27/18 X.

[19] TALux corr. 25 March 2021, No. 723/2021, confirmed by CSJ corr. 3 November 2021, No. 345/21 X.

[20] CSJ corr. 29 April 2017, No. 164/19 X.

(b) Ensure that law enforcement authorities: (i) systematically examine the involvement of Luxembourg entities in foreign bribery schemes; (ii) assess the possibility of prosecuting, where appropriate, entities that may have acted as accomplices or used intermediaries, including related entities, to commit foreign bribery or related offences; and (iii) receive appropriate training and guidance on effective methods of detecting and investigating foreign bribery, and on the relevant rules on the liability of legal persons [Convention articles 1(2), 2, 7 and 8, 2021 Recommendation VI.iii and VII, Annex I.C.1].

Action taken as of the date of the follow-up report to implement this recommendation:

Judicial authorities

(i) to (iii)

Recommendation 10(b) (i to iii) has been implemented through the updated version of the State Prosecutor General's circular on corruption.

The information contained in International Rogatory Commissions (IRCs) and European Investigation Orders (EIOs), in the matrix provided by the OECD Working Group on Bribery, and in the national and foreign media constitute an important tool for detecting offences. With regard to allegations of corruption, trading in influence, abuse of public office, illegal taking of interest and embezzlement committed abroad, it is also necessary to determine whether any Luxembourg entities are involved..

In this context, the importance of monitoring case law is also emphasised. In accordance with the OECD recommendation, it is necessary to ensure the systematic monitoring of the national and international press, particularly with regard to foreign bribery.

Within the Economic and Financial Offences Unit of the Luxembourg Public Prosecutor's Office, a law clerk has been tasked with following the press review and compiling an internal record of information relating to relevant economic and financial cases, including those concerning foreign bribery.

Particular attention needs to be paid to national and international press reports which, when they contain credible and detailed facts, may warrant in-depth verification with a view to the possible opening of a criminal investigation. It is therefore necessary to ensure that more investigations are opened on the basis of credible allegations of foreign bribery, particularly where such allegations involve major Luxembourg companies reported in the national and foreign press. To this end, prosecutors at the Public Prosecutor's Offices systematically examine the involvement of Luxembourg entities in foreign bribery schemes and assess the possibility of prosecuting, where appropriate, entities that may have participated as accomplices or used intermediaries, including affiliated entities, to commit foreign bribery or related offences.

To this end, judges and prosecutors are regularly invited by the National Council of Justice (CNJ) to attend further training courses. Conferences and training courses on corruption and money laundering in particular are offered in collaboration with the Academy of European Law (ERA) and the École nationale de la magistrature (ENM).

In addition to this training, judges and prosecutors are encouraged to take part in webinars organised by the International Association of Prosecutors (IAP) on the foreign bribery offence, such as the webinar on 15 October 2025 on the following topic: “Prosecutors and the OECD Anti-Bribery Convention: a shared commitment to combating transnational bribery” or the webinar on the fight against corruption organised by the AIPPF (“Association internationale des procureurs et poursuivants francophones”) on 3 December 2025.

Grand Ducal police

(i)

Investigators from the Economic and Financial Crime Department systematically examine whether any links to Luxembourg can be identified and, where appropriate, open cases in this regard. It should be noted that potential cases are more often related to breaches of professional duties than to acts of corruption in Luxembourg.

(ii)

Where facts are uncovered, the police authorities systematically contact senior prosecutors for specific instructions.

(iii)

The training courses currently on offer do not specifically distinguish between the various types of underlying offences. A financial investigator is trained to carry out all kinds of financial analyses on natural and legal persons.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 10(c):

10. Regarding **the liability of legal persons**, the Working Group recommends that Luxembourg:

(c) Adopt any appropriate measures to ensure that legal persons cannot avoid liability or related sanctions by restructuring, merging, being acquired, or otherwise altering their corporate identity [Convention article 2, 2021 Recommendation, Annex I.B.5].

Action taken as of the date of the follow-up report to implement this recommendation:

Two Articles of the Code of Criminal Procedure have recently been amended to facilitate the prosecution of legal persons:

On the one hand, Article 223(1) of the Code of Criminal Procedure was amended by the Act of 23 January 2025 to facilitate the identification and location of the legal representative of a legal person at the appropriate time. Accordingly, the phrase "at the time the public prosecution was brought" has been replaced by "currently in office". Article 223(1) of the Code of Criminal Procedure now reads as follows: “Criminal proceedings shall be brought against the legal person in the person of its legal representative currently in office”.

Furthermore, Article 102 of the Code of Criminal Procedure was amended by the Act of 12 December 2025 (also referred to under Recommendation 6(b)) to extend its scope to legal persons, so that they may be formally charged in their absence or in the absence of their legal representative. Article 102(2) of the Code of Criminal Procedure – which concerns the procedure for charging a legal person – now reads as follows:

"A summons issued against a legal person shall be served at its registered office.
If the legal person on which the summons has been served fails to appear, a record of non-appearance shall be drawn up by the judge who issued the summons.
This record of non-appearance shall constitute an indictment within the meaning of Articles 127 and 136-73 in respect of the facts referred to in the summons. Reference shall be made to paragraph 3 in the summons".

It is also worth noting that there is an ongoing case, currently at the preliminary investigation stage, concerning allegations of aggravated VAT fraud, in which the question of a legal person's criminal liability following a restructuring is being specifically addressed. The criminal proceedings have been put on hold pending the outcome of a final tax-related case before the civil courts.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Discussions are also underway regarding the application of provisional measures ordered by the investigating judge in respect of legal persons, which will reflect Recommendation 10(c).

Text of recommendation 11:

11. Regarding the **enforcement of corporate liability**, the Working Group recommends that Luxembourg ensure that law enforcement authorities explore all available jurisdictional bases in their investigations and prosecutions to establish their competence, where appropriate, based on the principle of territoriality or on the criteria of legal persons' nationality and habitual residence in Luxembourg, to prosecute entities potentially involved in foreign bribery schemes [2021 Recommendation, Annex 1.B.4].

Action taken as of the date of the follow-up report to implement this recommendation:

When opening a domestic case, the law enforcement authorities carry out a careful analysis of the criteria of territoriality (i.e. one of the constituent elements of the offence is committed on national territory), active and passive personality jurisdiction, as well as the connectedness or indivisibility of offences, which allow the jurisdiction of the national courts to be extended to acts committed abroad. The updated version of the State Prosecutor General's circular on corruption also recommends the prosecution of offences related to the foreign bribery offence so as to target, in particular, legal persons with their registered office in Luxembourg that may be involved in foreign bribery schemes, including at the preparatory stage or following the commission of the offence (false balance sheets, money laundering).

It is nevertheless important to emphasise that the decision not to prosecute foreign bribery offences may, depending on the circumstances, be justified by the limitations imposed by the principle of non bis in idem. In particular, where a foreign authority prosecuting foreign bribery offences issues an International Rogatory Commission to the Luxembourg authorities in order to trace financial flows, a domestic case may, where appropriate, be opened solely on the grounds of money laundering related to foreign bribery or breach of professional obligations, in order to avoid duplication of proceedings.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Text of recommendation 12(a):
12. Regarding promoting the development of **corporate compliance programmes**, the Working Group recommends that Luxembourg: (a) Take a proactive approach to: (i) raise awareness of the risk of foreign bribery and the offence of bribery of foreign public officials among Luxembourg companies operating abroad, including SMEs; and (ii) foster, facilitate, engage, or participate in anti-bribery collective action initiatives [2021 Recommendation IV.ii].
Action taken as of the date of the follow-up report to implement this recommendation: ➢ With regard to efforts to raise awareness among private-sector companies, please also refer to the responses provided under recommendation 1(b) and (c) concerning the training and awareness-raising initiatives organised for these companies by the various Luxembourg authorities. ➢ As mentioned in Recommendation 1(c), the CAA's qualitative questionnaire on AML/CFT was updated in July 2025 (Circular 25/7 of 10 June 2025). It now includes specific questions on the risk of corruption and the associated control environment. One of the objectives of this qualitative questionnaire is to enable the CAA to assess the effectiveness of the control environment in place among professionals in the life insurance sector. Professionals may also use this questionnaire as a guide to measure the degree of compliance of their own systems. With this in mind, explanatory notes and comments raising awareness of the concept of foreign bribery and including references to resources from the FIU and the Ministry of Justice have been added. cf. Hyperlinks ➢ On 16 October 2025, the Chamber of Commerce organised a conference on combating financial crime, with a focus on money laundering, terrorist financing, foreign bribery and financial sanctions.[21]

[21] https://www.cc.lu/agenda/detail/lutte-contre-la-criminalite-financiere-blanchiment-

The section on the challenge of combating foreign bribery offered a practical overview of the risks faced by businesses and the preventive measures available. The aim of the presentation was to raise awareness of foreign bribery among businesses and included a section entirely dedicated to the OECD standards in this area, including the recommendations set out in the Phase 4 evaluation report, explanations of the foreign bribery offence, the situation in Luxembourg and concrete examples. The conference also highlighted the significant risks facing Luxembourg companies, the impact of foreign legislation in this area, and the measures to be implemented, including the introduction of compliance programmes, prevention policies and appropriate governance structures, as well as the importance of risk mapping and suitable control mechanisms.

The conference was attended by 320 people, mainly from the private sector, though there were also a few from the public sector.

cf. Presentation in the Annex

- A conference on the fight against corruption ("The fight against corruption: a strategic issue for Luxembourg") was organised by the law firm Arendt & Medernach on 2 February 2026 as part of an awareness-raising initiative aimed at the private sector.

  The conference placed particular emphasis on the issue of corruption in international business transactions. It examined the most significant aspects of domestic and international case law relating to the foreign bribery, and the speakers highlighted the relevance of key foreign anti-corruption legislation as well as the importance of international cooperation in the fight against foreign bribery. The conference raised awareness of the consequences of corruption for businesses, the means of detecting corruption within organisations (identifying 'red flags' and managing alerts), and emphasised the importance of implementing anti-corruption programmes (compliance and prevention) within businesses, whilst setting out recommendations and best practices in this area.

  cf. Presentation in the Annex

- It is also worth mentioning the training courses offered by the House of Training (HoT), a foundation established in 2015 by the Chamber of Commerce and the Luxembourg Bankers' Association (ABBL), which is an accredited provider of continuing vocational training.

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financement-du-terrorisme-corruption-et-sanctions-financieres-sous-la-loupe?#msdynmkt_trackingcontext=8f2058c7-2ed3-4ec2-8d6d-0212b7a60300

https://www.cc.lu/toute-linformation/actualites/detail/conference-lutte-contre-la-criminalite-financiere-blanchiment-financement-du-terrorisme-corruption-et-sanctions-financieres-sous-la-loupe?tx_ccnews_news%5Bpage%5D=1&cHash=ab87ffdc8fcfd9cfeffaee0b50d324d1

The HoT offers a wide range of training courses, both e-learning modules and face-to-face, on the topic of compliance and, more specifically, on the subject of corruption. The training course on "Anti-Corruption Awareness", which was delivered in March 2026, will be repeated in October 2026.[22] The aim of the course is to help participants understand the challenges involved in combating corruption in Luxembourg, and also to identify the main corruption risks to which businesses are exposed, including foreign bribery, and to implement preventive measures and adopt ethical conduct. It is an in-depth programme aimed at a wide professional audience, as it covers definitions, legal obligations, internal best practices, as well as risks and sanctions. This face-to-face training course was attended by 15 people in 2024 and 98 people in 2025. The HoT also offers an interactive e-learning course on "Bribery and Corruption - Luxembourg"[23] which provides an overview of bribery and corruption, with definitions, scale and impact, global conventions and local laws, methods and typologies, as well as concrete examples. The course also highlights the links with AML/CFT and provides a checklist of actions to help organisations mitigate their risks. This e-learning course was completed by 16 people in 2024 and 20 people in 2025. The HoT also offers a very broad course on "Responsible Corporate Governance" as its aims is to cover all the key aspects of modern governance: fundamental models and principles, the international, European and Luxembourg legislative framework, compliance (including ISO 37001 and ISO 19600), responsible management, internal controls, financial and non-financial risk management, corruption, fraud, AML/CTF, digital issues (GDPR, cybersecurity, AI), transparency, governance committees and the role of whistleblowers. It is therefore a comprehensive programme covering the entire spectrum of corporate governance.
If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken: Raising awareness among Luxembourg companies operating abroad of the risks of foreign bribery and the foreign bribery offence requires a clear understanding of the risks to which Luxembourg is exposed in this regard. The National Risk Assessment of Corruption (see comments under Recommendation 1(a)) is currently underway and will be followed by a national anti-corruption strategy. Without prejudging the specific content of the future national strategy, the aspect of raising awareness among private sector actors, particularly Luxembourg companies operating abroad, including SMEs, will undoubtedly be an important point for the Luxembourg authorities to consider.

[22] https://www.houseoftraining.lu/training/sensibilisation-a-la-lutte-contre-la-corruption-11650
[23] https://www.houseoftraining.lu/en_GB/training/bribery-and-corruption-luxembourg-4008

Within the framework of the interviews currently being conducted as part of the aforementioned National Risk Assessment, care has been taken to include interviews with both Luxembourg companies and foreign companies based in Luxembourg that operate abroad, of various sizes, including SMEs. These interviews are also an opportunity to obtain the views of these companies on the current and future framework for combating corruption, with the issue of foreign bribery forming an integral part of these discussions. It is important for the Luxembourg authorities to involve the private sector in this work, in order to reflect the real risks and needs in this area and to be able to propose appropriate, adequate and effective measures in the fight against corruption and foreign bribery.

It should be added that the aforementioned discussions are already an important and direct means of raising awareness among companies operating abroad regarding foreign bribery risks, bearing in mind that this is obviously a long-term endeavour which should also be reflected in the aforementioned national strategy.

The Luxembourg authorities are also in regular contact with the Luxembourg Chamber of Commerce to discuss public-private partnerships that could promote awareness among private sector companies of foreign bribery risks.

Text of recommendation 12(b):

12. Regarding promoting the development of **corporate compliance programmes**, the Working Group recommends that Luxembourg:

(b) Take concrete steps to: (i) encourage companies, including public companies, to develop and adopt adequate internal control, ethics, and compliance programmes or measures to prevent and detect foreign bribery, taking into account the OECD Good Practice Guidance; and (ii) support employer and professional associations in their efforts to encourage and assist companies, particularly SMEs, to develop such programmes or measures [2021 Recommendation XXIII.C.i, .ii and Annex II].

Action taken as of the date of the follow-up report to implement this recommendation:

<u>General observations</u>

- Luxembourg considers that this recommendation is closely linked to Recommendation 12(a); during the various training sessions, conferences and other awareness-raising initiatives on the risks of foreign bribery and the aforementioned foreign bribery offence, Luxembourg companies are encouraged to develop and adopt adequate internal control, ethics, and compliance programmes or measures to prevent and detect foreign bribery.

  Please refer therefore to the comments made under the aforementioned Recommendation 12(a), with the addition that interviews with public companies and professional associations are also being conducted as part of the work relating to the National Risk Assessment, and that the existence, adoption and content of adequate internal control, ethics, and compliance programmes or measures to prevent and detect foreign bribery are also issues addressed in a practical manner during the aforementioned discussions.

- With regard to efforts to raise awareness amongst private-sector companies, including in relation to adequate internal control, ethics, and compliance programmes or measures to prevent and detect foreign bribery, please refer again to the responses provided under Recommendation 1(b) and (c) concerning the training and awareness-raising initiatives for such companies carried out by the various Luxembourg authorities.

Specific observations

- With regard to the awareness-raising activities and other measures undertaken by the Insurance Commission (Commissariat aux Assurances, CAA), please refer to the responses provided under Recommendation 1(b) and (c).

- In terms of strengthening the control environment for foreign bribery risk, it is also worth noting the existence of a procedure governing the establishment of a branch by an insurance or reinsurance firm. This procedure, available to all staff on the CAA's intranet, sets out the obligations of supervised entities and the stages involved in the CAA's review of the application for authorisation. This framework provides for a rigorous analysis of the application, including in particular checks on integrity and competence, as well as the arrangements for cooperation with the supervisory authority of the host country. Additional control measures are carried out for branches located outside the EEA. On the basis of the application examined by the relevant prudential department, the final decision is always taken by the CAA's Executive Committee.

- In accordance with the obligations arising from the Corporate Sustainability Reporting Directive (CSRD)[24], In line with the obligations arising from the Corporate Sustainability Reporting Directive (CSRD), which apply to SMEs, the Ministry of the Economy has begun developing an online platform, based on the 'Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME)', to help businesses respond effectively to reporting requests from large companies, banks and insurance firms. This tool will facilitate both the adoption of the VSME by SMEs and the simplified integration of governance issues into their sustainability reports. It will also include questions relating to the corruption risks to which SMEs may be exposed and will be accessible via a dedicated interface specific to Luxembourg. The public launch of this tool is scheduled for summer 2026.

If no action has been taken to implement recommendation 1, please specify in the space below the measures you intend to take to comply with the recommendation and the timing of such measures or the reasons why no action will be taken:

Please refer to the comments made under Recommendation 12(a) regarding the National Risk Assessment of Corruption and the national anti-corruption strategy to be developed in a second phase. The question of whether to introduce adequate internal control, ethics, and compliance programmes or measures to prevent and detect foreign bribery is certainly an important point for the Luxembourg authorities to consider when developing the national strategy.

[24] DIRECTIVE (EU) 2022/2464 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting.

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– PART II: ISSUES FOR FOLLOW-UP BY THE WORKING GROUP

Under Part II, and in accordance with procedures approved by the Working Group, countries are invited to provide information on any of the follow-up issues identified below where significant developments have taken place since the Phase 4 report. The Secretariat and reviewers may also identify follow-up issues for which information is required from the country being reviewed.

13. The Working Group will follow up on the following issues as case law and practice develop:

Text of issue for follow-up 13.a.:

(a) (i) The implementation of reporting, including to the 22 competent authorities, given the relatively complex architecture introduced by the new law; (ii) the articulation of existing protection régimes in practice, namely those introduced by the new law and those already established by pre-existing special regimes; and (iii) any developments in case law regarding the application of the non-liability conditions for whistleblowers under article 27 of the new law on whistleblower protection.

With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:

<u>Office for Whistleblowers (OSIG)</u>

(i)
Each competent authority has put in place a dedicated external reporting channel. A list of these reporting mechanisms can be found on page 23 of OSIG's 2024 Activity Report.

The competent authorities that responded to OSIG's enquiries on this matter have not reported, to date, any significant difficulties in their practical implementation.

The competent authorities received 223 reports during 2023, of which 121 have been closed. As of 31 December 2023, 102 reports are under investigation.

The competent authorities received 547 reports in 2024, which led to 328 investigations being opened during 2024. 250 investigations were closed in 2024, a figure which also includes closure decisions relating to cases initiated in 2023.

Please refer to OSIG's 2023 and 2024 Activity Reports for detailed statistics.

(ii)
The competent authorities subject to pre-existing special whistleblowing schemes have established a single channel for external reporting, with the aim of assisting potential whistleblowers and sparing them the need to decide in advance which scheme to use for their report, whilst making it clear that the single channel also applies to reports falling within the scope of specific schemes. This is the case, for example,

with the CSSF Whistleblower protection – CSSF (the relationship with the special schemes is explained on the CSSF website), the Order of Chartered Accountants (Ordre des Experts Comptables, OEC)), the Insurance Commission (Commissariat aux Assurances, CAA), and the Luxembourg Institute of Registered Auditors / l'Institut des Réviseurs d'Entreprise. In practice, it therefore appears that the coordination of protection schemes does not raise any particular issues.

cf. Hyperlinks

Registration Duties, Estates and VAT Authority (AED)

(i) and (ii)

Reports submitted via the whistleblower reporting channel are centralised and then forwarded to the competent authorities. A broader system for centralising all reports is also being put in place, with a view to improving the identification, monitoring and processing of relevant information. Staff have been informed of the existence of a "whistleblower" channel. It should be noted that the Ministry of Finance has also put in place a procedure to enable AED staff to use the whistleblower system. In 2025, 30 requests were submitted to the AED as the competent authority.

Judicial authorities
(ii)

Since the entry into force of the 2023 Act transposing Directive (EU) 2019/1937, the competent national authorities have begun to forward some whistleblower reports to the public prosecutors' offices in Luxembourg City and Diekirch. The Luxembourg judicial authorities have welcomed the creation of the "Office for Whistleblowers", which is responsible for informing the public and raising awareness of the recently adopted legal framework. Given the challenge of detecting acts of corruption, these reports may, depending on the case, contain important and useful information enabling the public prosecutor's offices to launch preliminary investigations or initiate judicial inquiries.

In a recent case in the judicial district of Diekirch, a report submitted to the Office for Whistleblowers containing very specific and relevant evidence based on a whistleblower report helped to clarify certain aspects and so played a part in the investigation being launched.

(iii)
To date, the criminal courts have not had the opportunity to rule on the conditions for the non-liability of whistleblowers under Article 27 of the new Act of 16 May 2023 transposing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

Text of issue for follow-up 13.b.:

(b) The use in practice of foreign mutual assistance requests as a source to detect foreign bribery.

With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:

Requests for mutual legal assistance are systematically examined by the Public Prosecutors' Offices to assess whether to open a national investigation based on the information contained in incoming European Investigation Orders (EIOs) or International Rogatory Commissions (IRCs). On this point, please refer to the comments under Recommendations 6(a) and 9(a).

Text of issue for follow-up 13.c.:

(c) The Office du Ducroire's implementation of its obligations under the Act of 16 May 2023 on whistleblower protection.

With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:

In February 2025, the Office du Ducroire (ODL) introduced an internal whistleblower procedure, which was presented several times during internal GDPR workshops (in early 2025 and early 2026). The whistleblower procedure, including a reporting channel, is available on the ODL website: https://odl.lu/en/whistleblower/

In December 2025, an internal memorandum summarising all internal redress mechanisms available to staff was sent to ODL employees.

In March 2026, the ODL created a register of whistleblowing reports. To date, the ODL has not received any internal or external reports.

cf. Hyperlink

Text of issue for follow-up 13.d.:

(d) How the provisions of the Act of 16 May 2023 on whistleblower protection are applied to the auditing profession in practice.

With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:

In 2020, the Luxembourg Institute of Registered Auditors (Institut des Réviseurs d'Entreprise, IRE) introduced a procedure and an external reporting channel, both available on its website. The procedures were also revised following the entry into force of the Act of 16 May 2023 on the protection of persons who report breaches of Union law. Between 1 January 2024 and 31 December 2024, the IRE received seven external reports, including four via the secure platform on the IRE's website, two by post and one by email.

Text of issue for follow-up 13.e.:

(e) Regarding the implementation of article 1: (i) whether courts still require proof of a corruption pact; (ii) whether the foreign bribery offence covers any employee of a foreign public enterprise and whether the definition of “person entrusted with a public function” is autonomous (i.e. does not require proof of the foreign law); (iii) the extent to which it is necessary to identify the public official to whom the bribe is destined, especially in corruption cases involving intermediaries; and (iv) whether the foreign bribery offence can be established through the intent element of *dolus eventualis.*
With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate: **(i)** The articles of the Criminal Code that criminalise offences of bribery, trading in influence, abuse of public office and illegal taking of interest were introduced in their current form by the Act of 15 January 2001 approving the Organisation for Economic Co-operation and Development's Convention of 21 November 1997 on Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (hereinafter ‘bribery of a foreign public official”) and relating to embezzlement, the destruction of documents and securities, abuse of public office, illegal taking of interest and corruption. The existence of a corruption pact is no longer a necessary condition of the offence since the Act of 15 January 2001. Indeed, by introducing the terms "to solicit or to accept without authorisation", the legislature’s intention in 2001 was to abolish the corruption pact (see Bill No. 4400, explanatory memorandum and opinion of the Council of State). It also follows from Bill No. 6104 (explanatory memorandum) that the replacement of the word “accept” with the word “receive” in 2011 was done precisely to comply with the recommendations of the Group of States Against Corruption (GRECO). The constituent elements of the offence therefore remained the same following the introduction of the Act of 13 February 2011. A relatively recent ruling by the Court of Appeal, in judgment No. 85/24 V handed down on 12 March 2024, reiterated that it was not necessary to prove the existence of a corruption pact. The Court agreed with the analysis of the trial judges, who found that the defendant had offered benefits to X, namely the performance of various tasks to be carried out by the company in which X was a partner, so that X, in his capacity as the official responsible for the unpaid community service scheme at the SCAS (*Service central d'assistance sociale*), would certify that he had completed hours of unpaid community service which had not, however, actually been carried out by the defendant. The Court of Appeal specified that Article 247 of the Criminal Code, as amended by the Act of 13 February 2011 strengthening measures to combat corruption, applied to the offences with which the defendant was charged, which took place between April 2019 and July 2019. It follows from the parliamentary proceedings relating to Bill No. 6104 that the Luxembourg authorities followed GRECO’s

recommendations to ensure, through a revision of the relevant legislation, that the offences of active and passive bribery are understood to include the concepts of 'giving' and 'receiving' (an undue advantage) without this necessarily implying an agreement between the parties (see parliamentary document No. 6104, 4 February 2010, Commentary on the Articles, p. 12).

The Court of Appeal held that, in the present case, the offence of active bribery was established in light of the grounds set out at first instance, without it being necessary to analyse the existence of an 'illicit contract' concluded between the participants in the bribery.

(ii)
The foreign bribery offence covers any employee of a foreign public enterprise.

The fact that the bribery takes place abroad makes no difference: offences of active or passive bribery committed abroad are punishable under Article 252 of the Criminal Code, which provides as follows:

"(1) The provisions of Articles 240 and 245 to 251-1 of this Code shall also apply to offences involving

- persons who are officials or agents of the public authority or police force, or who hold public office by election or are entrusted with a public service mission in another State;
- persons sitting on a judicial body of another State, even as a non-professional member of a collegial body responsible for ruling on the outcome of a dispute, or acting as an arbitrator subject to the arbitration regulations of another State or of a public international organisation;
- European officials and members of the European Commission, the European Parliament, the Court of Justice of the European Union and the European Court of Auditors, in full compliance with the relevant provisions of the Treaties establishing the European Union, the Protocol on the Privileges and Immunities of the European Union, the Statute of the Court of Justice of the European Union, as well as the texts adopted for their implementation, as regards the waiver of immunities;
- public officials and officials of another public international organisation, members of a parliamentary assembly of a public international organisation, and persons exercising judicial or registry functions within another international court whose jurisdiction is recognised by the Grand Duchy of Luxembourg, in full compliance with the relevant provisions of the statutes of such public international organisations, parliamentary assemblies of public international organisations or international courts, as well as the implementing provisions, with regard to the waiver of immunities.

(2) The term "European official" used in the previous paragraph refers to:
- any person who is an official or a contract staff member within the meaning of the Staff Regulations of Officials of the European Union or the Conditions of Employment of Other Servants of the European Union;
- any person seconded to the European Union by Member States or by any public or private body, who performs duties equivalent to those performed by officials or other servants of the European Union.
Members of bodies established pursuant to the Treaties establishing the European Union and the staff of such bodies shall be treated as European officials where the Staff Regulations of Officials of the European Union or the Conditions of Employment of Other Servants of the European Union do not apply to them."

(iii)
As highlighted in Recommendation 3(a) and (b), the updated version of the State Prosecutor General's circular clarified that it is not necessary to identify the public official receiving the bribe, even in cases of corruption involving intermediaries.

The corruption offence provided for in Article 247 of the Criminal Code includes active bribery proper (Article 247(1)), as well as active trading in influence by a public official (Article 247(2)). Article 247(2) should therefore not be confused with the offence of trading in influence referred to in Article 248 of the Criminal Code.

The offence of trading in influence referred to in Article 247(2) of the Criminal Code punishes anyone who gives a public official a gift in order for that official to abuse their actual or supposed influence with a view to securing a favourable decision from the administration; the purpose of the gift in the context of trading in influence is not to induce the official to perform an act in the course of their duties or facilitated by their position.

Article 247(2) of the Criminal Code does not constitute an alternative offence to the foreign bribery offence, but a sub-category of active bribery. The offences referred to in Article 247(1) and (2) of the Criminal Code are, moreover, punishable by the same penalties, namely imprisonment for a term of five to ten years and a fine of between €500 and €187 500.

(iv)
To date, and to the best of our knowledge, the issue of *dolus eventualis* has not been the subject of any court rulings.

Text of issue for follow-up 13.f.:

(f) How the European Delegated Prosecutors stationed in Luxembourg handle the foreign bribery offence when Luxembourg natural or legal persons are involved. The Working Group should verify in particular whether they have the necessary resources and independence to manage these cases in accordance with the Convention, and ascertain how these Delegated Prosecutors coordinate, where appropriate, with the Luxembourg authorities during joint investigations.

With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:

In Luxembourg, there are no joint investigations in the strict sense between the European Public Prosecutor's Office (EPPO) and the national prosecuting authorities concerning acts that may constitute offences of foreign bribery.

This is because jurisdiction to deal with offences affecting the financial interests of the European Union, including corruption that may fall within the scope of Regulation (EU) 2017/1939 (the EPPO Regulation), lies either with the State Prosecutor of the judicial district of Luxembourg or with the European Public Prosecutor's Office, depending on the subject matter and the constituent elements of the offence. There is, however, a well-established practice of prior consultation between the two authorities in situations where a case reported to one of them may fall within the jurisdiction of the other. This exchange makes it possible to determine whether the criteria of the EPPO Regulation are met (including the infringement of the EU's financial interests and the conditions set out in Articles 22 and 23 of the Regulation).

Where this is the case, the case file is forwarded without delay to the European Public Prosecutor's Office for action.

In this regard, during 2025, two national cases opened on the basis of reports from national authorities, and relating to corruption, were referred to the European Delegated Prosecutors stationed in Luxembourg. These cases are currently under investigation under their supervision.

The European Delegated Prosecutors stationed in Luxembourg are granted the necessary independence, as guaranteed by the EPPO Regulation and the Law on the Organisation of the Judiciary, procedural powers identical to those of national prosecutors, in accordance with Article 13(1) of the Regulation and the provisions of the Code of Criminal Procedure, as well as the full operational support of the Luxembourg judicial police, which carries out all investigative measures in cases investigated by the European Delegated Prosecutors.

It should also be noted that where, during an investigation conducted by European Delegated Prosecutors, offences are discovered that do not fall within the material jurisdiction of the European Public Prosecutor's Office, the information is immediately forwarded to the State Prosecutor, in accordance with Article 24(8) of the EPPO Regulation, which requires the referral of offences not falling within the European Public Prosecutor's Office's mandate, and Article 23(2) of the Luxembourg Code of Criminal Procedure. This mechanism ensures a clear and consistent division of jurisdiction and avoids any gaps or conflicts in the handling of offences.

In conclusion, coordination with national authorities is streamlined through systematic consultations and an established practice of case referrals.

Text of issue for follow-up 13.g.:

(g) Regarding the constitutional reform strengthening and modernising the status of judges and prosecutors, (i) how the principle of the independence of the judiciary, newly enshrined in the Constitution, is applied in practice; (ii) how the right of positive injunction within the Public Prosecutor's Office and reporting to the State Prosecutor and State Prosecutor General in foreign bribery cases are applied in practice; (iii) the use of criminal policy directives; and (iv) whether the factors prohibited by article 5 of the Convention are likely to influence investigations and prosecutions.

With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:

The State Prosecutor General's circular on corruption stipulates that cases involving public corruption, abuse of public office, illegal taking of interest and embezzlement by a person holding public office must be dealt with as a matter of priority.

A case involving corruption, abuse of public office, illegal taking of interest or embezzlement by a person holding public office may only be closed without further action with the express consent of the head of the department.

The prosecutor at the Public Prosecutor's Office responsible for a case involving corruption, abuse of public office, illegal taking of interest or embezzlement informs the State Prosecutor and the State Prosecutor General of the case.

Any proposed decision regarding the handling of the case, such as closing it without further actions, a judgment upon agreement, the opening of a preliminary investigation, a motion to conclude proceedings (referral to the criminal court or dismissal), or a direct summons to appear before the criminal court, must first be submitted by the prosecutor at the Public Prosecutor's Office in charge of the case to the State Prosecutor or one of his deputy State Prosecutors.

The prosecutor at the Public Prosecutor's Office in charge of the case also informs the State Prosecutor or one of the Deputy State Prosecutors of any significant difficulties or incidents in the management or monitoring of the case, such as delays in the course of the investigation or in the resolution of the proceedings, difficulties in carrying out investigative measures, delays or difficulties in carrying out the investigation or executing a European Investigation Order/International Rogatory Commission.

Text of issue for follow-up 13.h.:

(h) The impact of data protection regulations on foreign bribery investigations and prosecutions, including in particular where companies and the Public Prosecutor's Office co-operate in concluding a judgment upon agreement.

With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate:

Pursuant to Article 17 of the Act of 1 August 2018 on the protection of natural persons with regard to the processing of personal data in criminal matters and in matters of national security, the rights of data subjects are exercised in accordance with the provisions of the Code of Criminal Procedure.

Similarly, Article 40 of the said Act provides that complaints against the processing of personal data carried out by the courts, including by the Public Prosecutor's Office, are treated as a procedural issue before the court competent to rule on the dispute to which the data subject is a party.

To date, and barring any errors, these provisions have not given rise to any court rulings, as the legal processing of personal data has long been provided for by the existing procedural rules.

The procedure for judgment upon agreement set out in Articles 563 et seq. of the Code of Criminal Procedure also regulates the disclosure of procedural documents, with paragraphs 4 and 5 of Article 564 of the Code of Criminal Procedure stipulating, in particular, that they must be disclosed to the person

entering into the agreement, both in the context of a preliminary inquiry and an investigation, in order to ensure respect for the rights of the defence.

Text of issue for follow-up 13.i.: (i) The application of the approaches described in the 2021 Recommendation concerning the level of managerial authority and the type of act that may cause liability to be incurred.
With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate: Since the adoption of the latest evaluation report, case law has not ruled on the exact scope of the terms '*de jure or de facto managers*' as defined in Article 31(1) of the Criminal Code following the entry into force of the Act of 12 March 2020. The same applies to the offence attributable to a legal person for a lack of supervision or control, as provided for in Article 31(2) of the Criminal Code. In a number of cases heard, the courts have had to apply the previous version of that provision in accordance with the principle of non-retroactivity of criminal law. The prosecuting authorities nevertheless remain of the view that the text currently in force allows for the prosecution of legal persons for acts of foreign bribery committed at the highest managerial levels, including in cases of a lack of supervision that may result from inadequate internal control programmes or measures.

Text of issue for follow-up 13.j.: (j) The application of the principle that the liability of legal persons is not limited to cases in which the natural person or persons who committed the offence are prosecuted or convicted.
With regard to the issue identified above, describe any new case law, legislative, administrative, doctrinal or other relevant developments since the adoption of the report. Please provide relevant statistics as appropriate: In a judgment handed down in 2025 in Case I, the Court's Chamber of Council confirmed the referral of a legal person even though no natural person is being prosecuted in this case. More specifically, the Chamber of Council confirmed that, "*the failure of the Public Prosecutor's Office to identify in its indictment […]the natural person or persons guilty of the offences alleged against [the legal person being prosecuted] does not infringe upon the rights of defence of [the legal person being prosecuted] nor does it prevent the prosecution of [the defendant legal person]"*. As this is an ongoing case, the decision cannot be disclosed..

– PART III: FOREIGN BRIBERY AND RELATED ENFORCEMENT ACTIONS SINCE PHASE 4

Enforcement of the foreign bribery offence and related offences since Phase 4 We would kindly ask you to update this table and provide information on: - The status of foreign bribery cases referred to in Annex 1 of Phase 4 Report: Luxembourg. - Any additional investigations underway or terminated since Phase 4.

– PART IV: DISSEMINATION OF EVALUATION REPORT

Please describe the efforts made to publicise and disseminate the Phase 4 Report: The Phase 4 Report was announced in a press release on the Ministry of Justice's website, including a direct link to the aforementioned report: https://mj.gouvernement.lu/fr/actualites.gouvernement2024+fr+actualites+toutes_actualites+communiques+2024+03-mars+20-rapport-ocde.html The Report was also distributed within COPRECO.

Notes

[1] The evaluation team for this Phase 4 two-year written follow-up evaluation of Luxembourg was composed of lead examiners from Italy (**Claudio Petrozziello**, Expert Officer, Italian Embassy in Paris and **Iole Chiavarelli**, Senior Adviser to the Division for Relations with International Bodies at the Financial Intelligence Unit for Italy, Head of the Unit responsible for coordinating relations with the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA)), and Switzerland (**Olivier Bovet**, Economist, State Secretariat for Economic Affairs (SECO), International Investment and Multinational Enterprises, **Maria Schnebli**, Federal Prosecutor for Economic Crime, Office of the Attorney General, and **Anastasia Zacharatos**, Lawyer, Federal Department of Justice and Police, Federal Office of Justice) as well as members of the OECD Anti-Corruption Division (**Solène Philippe**, Co-ordinator of the evaluation and Legal Analyst along with **Noel Merillet** and **Eliot Evain-Wilkes**, both Legal Analysts). See Phase 4 Procedures, paras 52-62 on the role of Lead Examiners and the Secretariat in the context of two-year written follow-up reports.