

Fighting Corruption and Promoting Integrity

Rolf Alter

Director

Public Governance and Territorial Development

OECD

ETCO International Seminar on Corruption and Development São Paulo 15 August 2012

"Corruption impedes economic growth, threatens the integrity of markets, undermines fair competition, distorts resource allocation, destroys public trust and undermines the rule of law"

G20 Leaders, Los Cabos, Mexico, June 2012

Corruption:

As an interpretation of the G20 Leaders Quote:

- Global phenomenon
- Does not stop at borders
- Does not spare anyone (where and when it exists)
- Indicate not only the costs, but also the challenges, complexity and diversity of fighting corruption

OECD

A brief history:

- •A club of 34 countries, built on the Marshall Plan for reconstruction of Europe after World War 2
- Recently celebrated its 50th anniversary
- Secretary-General is Angel Gurría of Mexico who has been heavily engaged in the fight against corruption
- •The Anti Bribery Convention of the OECD is probably the most well known instrument of the fight focusing on the bribery of public officials in cross border transactions

The OECD Anti-Bribery Convention

The OECD Anti-Bribery Convention is aimed at reducing corruption in countries by encouraging sanctions against bribery in international business transactions carried out by companies based in the Convention member countries. Its goal is to create a truly level playing field in today's international business environment.

The Recommendation for Further Combating Bribery of Foreign Public Officials was released in 2009.

Brazil is a member of the Convention, but has not yet met all of the requirements.

Changing the perspective...

Sanctioning corruption needs to be complemented by prevention and by promoting integrity.

has implications for:

- the actors
- the importance of values
- risk based instruments

The Actors

 Prevention of corruption implies a responsibility of the public sector, the private sector, civil society and the citizens themselves.

The importance of values in the public sector

OECD measured these core values in the public sector across member countries over time:

- Impartiality
- Legality
- Transparency
- Integrity/ Honesty
- Efficiency
- Professionalism

Risk based instruments of OECD

Instruments for promoting integrity and preventing corruption

- Public procurement
 15% of GDP on average
- Public private partnerships
 1 Trillion USD over the last 20 years, 500 Billion USD expected
- Conflict of Interests in the public sector
 Disclosure, Revolving doors
- Lobbying
 Financing democracy

Summary

Corruption:

- A global phenomenon
- Affects everybody
- Requires coordinated approach (public & private sectors)
- Technology helps

Key areas

- Strengthening underlying values
- Be strategic about risk mapping
- Transparency "Sunshine is the best detergent"

Thank you

