

22nd Steering Group Meeting of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific

Hosted by the Government of Korea in cooperation with the Anti-Corruption and Civil Rights
Commission of Korea

Seoul, Korea
16 November 2017

Minutes of the Meeting

I. Participants

More than 100 participants attended the meeting, including 29 out of the 31 members and jurisdictions, Advisory Group, Secretariat, observer countries; and other organizations.

Member countries and jurisdictions

Present: Afghanistan; Australia; Bangladesh; Bhutan; Cambodia; People's Republic of China; Cook Islands; Fiji; Hong Kong, China; India; Indonesia; Japan; Kazakhstan, Republic of Korea; Kyrgyz Republic; Malaysia; Mongolia; Nepal; Pakistan; Palau, Papua New Guinea; Philippines; Singapore; Solomon Island, Sri Lanka; Timor-Leste; Thailand; Vanuatu; and Viet Nam.

Absent: Macao, China; and Samoa.

Advisory Group

German Development Corporation (GIZ); Transparency International (TI); United Nations Development Programme (UNDP); and United Office on Drugs and Crime (UNODC).

Secretariat: Asian Development Bank (ADB); and Organisation for Economic Co-operation and Development (OECD).

Co-organizer and Partner: United Nations Development Programme (UNDP).

Observers: Armenia; Azerbaijan; Georgia; Lao PDR; Myanmar; Tajikistan; and Ukraine.

Other organizations: Dhaka South City Corporation of Bangladesh; Asian Infrastructure Investment Bank of PR China; The Audit Board of Indonesia; Office of the Auditor General of Fiji; Fiji Independent Commission Against Corruption (FICAC) of Fiji; Board of Audit of Japan; Auditor General's Department of Sri Lanka; Transparency International Chinese Taipei; and Open Government Partnership of the United States of America.

II. A Note on the High-Level Panel

The 9th Regional Seminar of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific started with the High-Level Panel on Achievements, Challenges and Future Priorities for the Asia-Pacific. The panel included two parts – on the governmental perspectives and non-governmental perspectives.

The first part was facilitated by Mr. Thomas Kalinowski, Professor of Ewha University. Governmental speakers discussed their achievements, presented new initiatives and highlighted challenges. Viet Nam noted such issues as asset declarations and asset recovery as priorities for the Government Inspectorate; Hong Kong, China spoke about Hong Kong's experience in nurturing a culture of integrity, including innovative strategies in youth education and community engagement; Vanuatu highlighted the perspective of a developing country where traditional values can contradict governmental rules and lead to politisation of anti-corruption agenda; Indonesia focused on the need to improve transparency of resource based industries, such as EITI that may also help support tax revenues; P.R. China presented its new anti-corruption policy objectives including the 8 point regulations targeting high level officials, as well as the officials at the local level; Korea spoke of the new law on improper solicitation and its rapid impact on the public perception, especially regarding improper requests, entertainment and gifts to public officials.

The second part was facilitated by Ms. Claire Wee, Head of the Office of Anti-Corruption and Integrity, ADB. Speakers from civil society and business groups from Cambodia, Afghanistan, Philippines, Kyrgyzstan and Thailand shared their views on progress and challenges of anti-corruption work in the region. They stressed the danger of the mounting attacks on the NGOs in some countries, challenges created by the capture of the state by former warlords in other countries, difficulties that the civil society groups and citizens face due to limited access to information, especially at the local level, lack of consistency of anti-corruption reforms and challenges that the private sector is facing vis-à-vis the governments in their efforts to promote integrity.

The presentations and the discussion that followed highlighted the diversity of the corruption and integrity challenges in the region. They provided useful examples of good practices and also insights into the problems that persist and that the Initiative should address in order to support countries improve their anti-corruption and integrity performance.

III. Summary of the Discussions

1. Opening and Adoption of Agenda

The session was chaired by Mr. H.E. Park Kyung-Ho, Vice-Chairperson of the Anti-Corruption and Civil Rights Commission of Korea and Mr. Gambhir Bhatta, Chief of Governance Thematic Group of ADB.

2. Work Programme for 2018-2020

Ms. Olga Savran, Global Relations Advisor, OECD Anti-Corruption Division presented the proposal for the new Work Programme of the Initiative for 2018-2020 that was prepared by the Secretariat.

The Steering Group members were invited to discuss and endorse the Work Programme for 2018-2020. Below is a summary of the discussions:

- **Regarding the governance of the Initiative**, the Steering Group agreed that it will change its role and will focus on the supervision of the implementation of the Work Programme, while the substantive issues, including updates of countries' progress and exchange of good practices, will be addressed by the Law Enforcement Network (LEN), the Public Integrity Network (PIN) and under the exploratory work stream on Business Integrity (BI).

- The Steering Group also agreed that it will merge with the Advisory Group for more efficiency, and a more streamlined and transparent decision-making process.
- The Steering Group further agreed that upon the completion of the new Work Programme, the Initiative may hold a High-Level Meeting that will review achieved progress, identify remaining or emerging challenges, and establish main directions for the future activities. A regional stocktaking report may be prepared to provide a basis for the High-Level Meeting discussion.
- The Steering Group agreed that the external assessment of the Initiative would be conducted during the term of the new Work Programme.
- **Regarding the substantive work of the Initiative**, the Steering Group noted the need to strengthen capacity building for anti-corruption and integrity practitioners from the region. The LEN, the PIN, and the BI exploratory work will be the main frameworks for such capacity building work. The LEN which was launched in Mongolia in 2015, and the PIN which was launched in South Korea in 2017, will continue under the new Work Programme. Business Integrity is a new feature for the Initiative. The Work Programme therefore envisages exploratory work such as benchmarking or mapping study of the ongoing business integrity initiatives in the region.
- The LEN, PIN and BI work will include seminars for practitioners and knowledge products such as thematic studies. The seminars for practitioners can be organised back-to-back with the annual meetings of the Initiative, but they may also be held in between the meetings, if resources allow.
- **Regarding the implementation of the Work Programme**, the Steering Group acknowledged the need to strengthen the Initiative's finance, especially if it is to expand its role and activities.
- More international organizations will be approached to partner with the Secretariat and provide financial and other support, including UNDP which has been the Initiative's partner in the last four years. Re-branding of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific may be required in order to open it up for a more active involvement of other partners. The UNODC noted its interest to continue working with the Initiative and suggested connecting its activities even closer with the UNCAC implementation work.
- The Steering Group further noted that the Secretariat should be strengthened to be able to achieve the goals of the new Work Programme 2018-2020. More specifically, the Secretariat needs resources to hire full time staff to manage the day-to-day activities of the Initiative. Members of the Initiative were invited to consider seconding their staff to serve on the Secretariat at the OECD and ADB. Member countries were also invited to provide financial or in-kind support to the Initiative, such as hosting its seminars, conferences and meetings, or approach potential donor organizations to provide financial support to the Secretariat.
- To ensure effective coordination necessary for the implementation of the new Work Programme, the Steering Group agreed to continue updating the directory of contact points of the Initiative and share the information on the ADB/OECD Initiative website and AP-INTACT of UNDP. They further agreed to create contact lists for the LEN, PIN and BI work stream. China asked to correct the terminology "observer countries" to "observer countries and regions" as provided in the Work Programme.

Based on the above discussions, the Steering Group endorsed the Work Programme for 2018-2020.

3. Report on the Launching of the PIN: Effective Anti-Corruption and Integrity Policies

The first meeting of the PIN provided an opportunity for practitioners from anti-corruption and other institutions from the region to learn from each other about effective methods of developing and monitoring anti-corruption and integrity policies.

Mr. Julio Bacio Terracino, Deputy Head, Public Sector Integrity Division, OECD reported that various experiences were shared through the PIN meeting and it is important to note that aside from heads and officials of anti-corruption agencies, representatives from audit organizations and civil society from the Asia-Pacific region participated in the meeting. Participants expressed strong interests in undertaking future research on the topics of anti-corruption strategy, code of conduct for public officials, conflict of interest, property reports, and education. Future research on efficiency and independence of anti-corruption organizations was also suggested by representatives from Indonesia.

It was agreed that the future PIN meetings will be conducted in roundtable to encourage a more intimate and efficient discussion among the participants.

4. Report on the LEN Meeting: Confiscation of Proceeds of Corruption and Asset Recovery

The LEN meeting provided an opportunity for law enforcement practitioners, including investigators and prosecutors to learn from each other about effective methods of tracing, seizing and freezing proceeds of corruption.

The chair of the session, Mr. LEE Chang Soo, Director of Daegu District Prosecutors' Office in Korea, reported that the LEN meeting discussed several case studies on confiscation that were shared by law-enforcement practitioners from the Asia-Pacific region (China, Korea, Malaysia and Australia), and from other regions (Switzerland, Ukraine, Germany, Romania). Participants also worked in groups on a hypothetical case, and learned about the updated MLA tool prepared by the UNODC. LEN participants discussed the main takeaways and themes for future meetings on the LEN, and agreed on the following:

- LEN provides an effective framework for mutual leaning about law-enforcement good practices and building professional network and trust;
- To better support the networking, the LEN for Asia-Pacific will need to develop a standing list of contact points of investigators, prosecutors and officers in charge of MLA that can be regularly updated and shared in a secure manner among the countries;
- Regarding the substantive focus of the LEN meetings, the participants agreed that international cooperation in complex trans-border cases should be the main overall theme for the LEN, while individual meetings and studies can focus on more specific issues, such as “repatriation of fugitive and stolen assets from overseas”, as suggested by China, cooperation with anti-money-laundering prevention and national taxation agencies in detection and investigation of corruption crimes, independence of prosecutors and other issues that are important for the region; and
- LEN participants guided the Secretariat to seek ways to cooperate with APEC ACT- NET, UNODC and other international and regional bodies working on combatting corruption

through law enforcement.

The LEN participants thanked Germany and GIZ for their support to the organisation of this meeting, and noted that China and Australia indicated their potential interest to host the next LEN meeting.

5. Next Meeting of the Initiative

The Secretariat reported that Kazakhstan has been approached to host the 2018 events and that internal consultation is going on. In the meantime, member countries were encouraged to inform the Secretariat of any interest to host the future events of the Initiative. The Secretariat will update the members regarding the date and location of the next events in 2018.